CNP assurances

Insuring a more open world

2020 Universal Registration Document

including the Annual Financial Report

Contents

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*"I hereby declare that the French language version of this 2020 Universal Registration Document has been filed with the French financial markets authority (*Autorité des Marchés Financiers *– AMF) as the competent authority under Regulation (EU) 2017/1129, without prior approval as allowed by Article 9 of said Regulation, and that it may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market, if approved by the AMF together with any amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129."*

Antoine Lissowski, Chief Executive Officer

The French language version of this 2020 Universal Registration Document was filed on 12 March 2021 with the French financial markets authority (*Autorité des Marchés Financiers* – AMF), as the competent authority under Regulation (EU) 2017/1129, without prior approval as allowed by Article 9 of said Regulation.

The French language version of this Universal Registration Document may be used as a prospectus for a public offer of financial instruments or the admission of financial instruments for trading on a regulated market, provided that it is accompanied by an information memorandum (or listing particulars) and, if necessary, a summary and detailed descriptions of all the amendments made to the Universal Registration Document. The prospectus comprising the Universal Registration Document and the information memorandum or listing particulars has been approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English of the universal registration document of the Company issued in French and it is available on the website of the Issuer.

The concordance table provides cross references to the information provided in the Annual Financial Report and the management report.

The following information is incorporated by reference in this Universal Registration Document, in accordance with Article 19 of Regulation (EU) 2017/1129:

- the consolidated financial statements of CNP Assurances for the year ended 31 December 2019 and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2019, as presented respectively on pages 120 to 233 and 234 to 239 of Universal Registration Document No. D.20-0131 filed with the AMF on 16 March 2020;
- the financial statements of CNP Assurances for the year ended 31 December 2019 and the Statutory Auditors' report on the financial statements for the year ended 31 December 2019, as presented respectively on pages 240 to 288 and 290 to 295 of Registration Document No. D.20-0131 filed with the AMF on 16 March 2020;
- the consolidated financial statements of CNP Assurances for the year ended 31 December 2018 and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2018, as presented respectively on pages 126 to 238 and 239 to 244 of Registration Document No. D.19-0214 filed with the AMF on 28 March 2019;
- the financial statements of CNP Assurances for the year ended 31 December 2018 and the Statutory Auditors' report on the financial statements for the year ended 31 December 2018, as presented respectively on pages 245 to 293 and 294 to 299 of Registration Document No. D.19-0214 filed with the AMF on 28 March 2019.

CNP Assurances
Registered office: 4, place Raoul Dautry – 75716 Paris Cedex 15, France
French *société anonyme* (public limited 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*)
Tel: +33 (0)1 42 18 88 88 • **www.cnp.fr**

Our mission is to protect our policyholders and everything they hold dear over the long term.

With our partners, we reinvent protection solutions aligned to each individual's needs whatever turns their life takes.

An insurance underwriter since 1850

A COMPREHENSIVE RANGE OF SOCIAL PROTECTION SOLUTIONS

5,156
employees worldwide

36
million insureds [1] under personal risk/ protection policies [2] worldwide

12
million [1] savings and pensions policyholders worldwide

340
distribution partners

OPERATIONS IN EUROPE AND LATIN AMERICA WITH A STRONG PRESENCE IN BRAZIL

No. 1
in France for term creditor insurance [3]

No. 2
in France for life insurance [4]

No. 3
in Brazil for insurance [5]

No. 7
in Europe for insurance [6]

EBIT BY SEGMENT
(€m)

1,068 Personal Risk/ Protection insurance

1,140 Savings/ Pensions

406 Own-funds portfolios

€1,350m
ATTRIBUTABLE NET PROFIT IN 2020

€27bn
premium income in 2020

€326bn
average net technical reserves in 2020

(1) Estimates partly based on the number of contracts under management
(2) Personal Risk, Health, Term Creditor and Property & Casualty insurance
(3) Premium income, 2019 key data, FFA, September 2020; Top 10 term creditor insurance providers by premium income (including inward reinsurance), Argus de l'Assurance, September 2020
(4) 2019 data, FFA, September 2020
(5) Data published in November 2020 by SUSEP (Brazilian insurance supervisor that oversees Caixa Seguradora)
(6) Data published in November 2020 on the Bloomberg site, companies ranked by size of technical reserves based on their consolidated financial statements

Chapter 1

COMPANY OVERVIEW

1.1 One business, one vision

As an insurer, co-insurer, reinsurer and long-term investor, CNP Assurances makes its unique protection and savings expertise available to partners in France, Europe and Latin America, working with them to build solutions that protect insureds whatever their life trajectory.

1.1.1 Protecting policyholders and everything they hold dear

Its mission is to protect its policyholders and everything they hold dear, from day-to-day and over the long term.

Policyholders can have very different needs, such as maintaining their standard of living after retirement or an accident, passing on capital to future generations, ensuring that help will be available in the event of a loss of autonomy and increasing medical cost reimbursement rates. CNP Assurances' solutions cover two complementary classes of insurance: Savings/Pensions and Personal Risk/Protection.

OFFERS BY SEGMENT

SAVINGS/ PENSIONS	SAVINGS: Traditional life insurance and life insurance with a unit-linked or *Croissance* (growth fund) formula
	PENSIONS: Personal and company pension plans, including PER pension savings plans
PERSONAL RISK/ PROTECTION	PERSONAL RISK INSURANCE: Death, temporary and permanent disability insurance, long-term care insurance, unemployment insurance, loss of income insurance, support and assistance services
	TERM CREDITOR AND GUARANTEE INSURANCE: Home loans, consumer finance, business loans
	HEALTH INSURANCE: Supplementary health insurance, dental insurance
	PROPERTY & CASUALTY: Comprehensive home-owner insurance, auto insurance

See also premium income by segment in section 2.2.2 – 2020 Business review

The expertise of an experienced insurer. For over 170 years, CNP Assurances has offered innovative comprehensive solutions that enable policyholders to move forward in life with full peace of mind. How? CNP Assurances **assesses** and **pools** the risks underwritten for its community of insureds, to make insurance cover affordable for all and manageable for the company. It **protects** policyholders' premiums and savings through long-term investments. In this way, it **guarantees** that policies are properly executed from start to finish and risks are covered if and when required.

1.1.2 In a changing world

Four major trends are shaping CNP Assurances' business model and determining its strategic choices.

An uncertain environment and a compelling need for insurance

The Covid-19 crisis has crippled economic activity, fuelling a climate of uncertainty and deeper social inequalities. As a major personal insurance provider in France, Europe and Latin America with strong community values, CNP Assurances has worked with its partners to develop widely affordable solutions that protect its insureds whatever their life trajectory.

An offer challenged by low interest rates and longer life expectancies

The uncertain economic environment has encouraged precautionary saving, while the persistently low interest rates have depressed returns on traditional life insurance products for a long time to come. The challenge for the Group is to adjust its life insurance offering in order to make products available to savers that are aligned with the new economic environment. At the same time, as people live longer, it is faced with the challenge of providing support services and financing on a very large scale in the final stage of peoples' lives – by 2050, one in six people worldwide will be over 65 [1].

(1) "World Population Prospects 2019", 2019 report published by the United Nations

The revolution in lifestyles, work environments and social interactions

By imposing remote relationships, the Covid crisis has triggered a frantic rush to digitization, encompassing not just home-working and e-purchasing, but human interactions in general. Omnichannelism will become the norm, responding to users' preference for an intuitive and seamless experience. CNP Assurances is moving up a gear in the digitization of its processes and relations, leveraging artificial intelligence and data while also paying close attention to cybersecurity and the underlying ethical issues.

Global warming and the erosion of biodiversity

Scientists have been warning us for many years about the predictable consequences of global warming and the erosion of biodiversity, including the loss of ecosystems and the services provided by nature, the global threat to human health and severe economic disruption. As a responsible insurer and investor, a benchmark player in health protection and a shareholder of many companies, CNP Assurances has a duty to act and to help lead all economic players towards a 1.5°C trajectory in line with the Paris Agreement commitments.

1.1.3 Roadmap

To meet the challenges of a changing world, CNP Assurances has prepared a 2021 roadmap that leverages its integration with La Banque Postale.

Diversify to insure and include as many people as possible

The health, economic and climate crises are driving the emergence of new insurance needs throughout the world. CNP Assurances is working with its partners to diversify its solutions, building offers that are aligned with its customers and their universes.

Its priority is to consolidate existing partnerships and positions in France, Europe and Latin America. As part of the Group's integration in La Banque Postale, the business base will be expanded to include La Banque Postale's Property & Casualty Business, allowing CNP Assurances to become a full service insurer for everyone. In Brazil, last year's renewal of the partnerships with Caixa Econômica Federal, for 25 years in life insurance, consumer credit life insurance and private pension plans and for 20 years in the *consórcio* segment (a loan product specific to Brazil, particularly home loans), will be a source of opportunities. The other diversification opportunity currently being explored concerns the penetration of new markets, preferably with existing partners, such as the Property & Casualty market with Santander Consumer Finance. In the longer term, the Group will explore new partnership opportunities and opportunities to build a foothold in other countries of Europe and Latin America, as well as setting its sights on other continents.

Creating new offers that keep pace with major social trends

Faced with an uncertain future, people are increasingly looking for the security that savings solutions can offer. In France, 75% of CNP Assurances' savings activities are currently invested in traditional savings contracts. However, persistently low interest rates in Europe mean that investors in life insurance no longer enjoy all three benefits traditionally offered by these products – liquidity, the guarantee that their savings will be protected and an attractive return. The greatest challenge facing the Group today is to reinvent long-term savings for the benefit of customers and encourage them to transition to more dynamic savings solutions. The successful savings products of the future will be personalizable, easy to understand and strike the right balance between security and return; they will also rebalance the Group's technical reserves.

Faced with an ageing global population and a changing dependency ratio, there are growing concerns about how future pensions will be funded. CNP Assurances will leverage its positions in the supplementary pensions market and its technical expertise to create offers that will support customers in this key period of their lives. As life expectancies increase, the question is how to enjoy good health and continue living at home for as long as possible. CNP Assurances intends to enhance its long-term care solutions by adding service offers provided by its Filassistance subsidiary and the Lyfe digital platform, to improve the quality of life in old age.

Innovating to offer a unique omnichannel experience

Covid-19 and the resulting social distancing rules have driven a rapid increase in the use of digital solutions. Today, 75% of insureds would be willing to change insurer in order to benefit from a simple and seamless user experience. In 2021, CNP Assurances will capitalise on the agility demonstrated throughout its organisation during the health crisis to step up its investments in this direction. It will revolutionise the user experience for policyholders, partners and employees by simplifying its information system, integrating artificial intelligence, acquiring data and using it in an ethical and secure manner. Placing people at the centre of this experience and using as many channels as possible are the two pathways to making a difference.

Commitment-led responsible insurer and investor policies

As a member of the Net-Zero Asset Owner Alliance, CNP Assurances has pledged to transition its investment portfolios to net-zero GHG emissions by 2050 and to help drive the entire economy towards a 1.5°C trajectory in line with the Paris Agreement commitments. It has already exceeded two of its three main climate objectives and has now set new objectives for the period to 2025:

- reduce the carbon footprint of the portfolio of directly held equities and corporate bonds by a further 25%;
- reduce the carbon footprint of the portfolio of directly held real estate by a further 10%;
- reduce the carbon intensity of the electricity producers that it finances by 17%;
- engage in conversations with eight companies and two asset managers to encourage them to adopt a 1.5°C strategy.

Company overview 1
A unique business model

1.2 A unique business model

Trends impacting our business model →

- An uncertain environment and a compelling need for insurance
- An offer challenged by low interest rates and longer life expectancy
- The revolution in lifestyles, work environments and social interaction
- Global warming and the loss of biodiversity

CNP Assurances Group

Data at the end of 2020

Resources

Insureds:
36 million personal risk/protection policyholders [1] and **12 million** savings/pensions policyholders worldwide
Policyholder premiums: **€27 billion** in premium income

Employees:
5,156 worldwide
CNP Assurances: 2,841
Consolidated subsidiaries: 2,315

Distribution partners:
340 (banks, wealth management firms, term creditor insurance and social protection lenders) in Europe and Latin America

Shareholders and investors:
€22.1 billion in shareholders' equity
€8.7 billion in subordinated bonds

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

Shared value

Insureds and beneficiaries
€25.3 billion in lump sum payments or in annuities

Reinsurers
€0.7 billion in ceded premiums

Employees, service providers, suppliers, distribution partners
€5 billion in wages and salaries, purchases of services and commissions

Bondholders
€0.3 billion

States [2]
€0.7 billion in corporate income tax paid in the countries where the Group operates

(2) CNP Assurances also contributes to government finances in its host countries through the payment of taxes other than corporate income tax

Contribution to the UN SDGs [3]

36 million personal risk/ protection policyholders — 3 GOOD HEALTH AND WELL-BEING

50% of women on the Board of Directors (7 out of 14) and **36%** in the Executive Committee (4 out of 11) — 5 GENDER EQUALITY

97% of employees are covered by a collective bargaining agreement and 96% have a permanent employment contract — 8 DECENT WORK AND ECONOMIC GROWTH

88% of our investment portfolio met environmental, social and governance (ESG) criteria — 10 REDUCED INEQUALITIES

€17 billion worth of green investments
Target: €20 billion by 2023 — 13 CLIMATE ACTION

123 countries excluded from our investment portfolios due to lack of tax transparency, corruption or breaches of democracy or freedoms — 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

(3) SDGs: Sustainable Development Goals

Our roadmap →

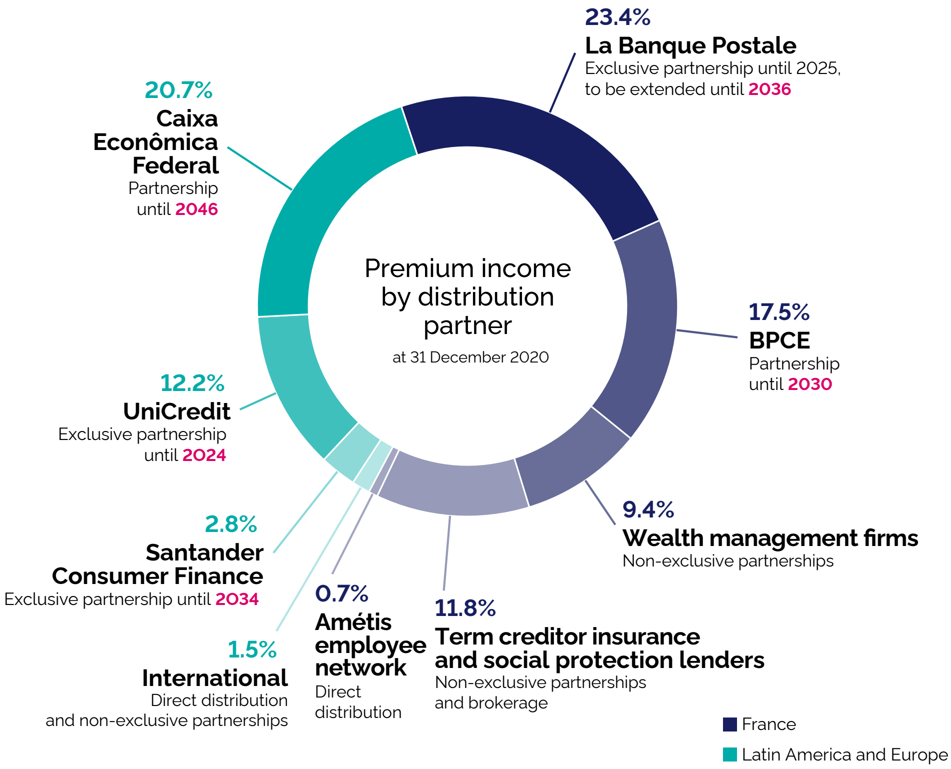
- Diversify to insure and include as many people as possible
- Create new offers that keep pace with major social trends
- Innovate to offer a unique omnichannel experience
- Continue to commit and work as a responsible insurer-investor

1.2.1 An international multi-partner business model

The CNP Assurances business model is based on long-term partnership agreements with banks and social economy lenders. This combination of insurance expertise and a local presence has proved its efficiency.

CNP Assurances works closely with every distribution partner to build offers geared to the profiles of their respective customers in terms of life trajectory, appetite for risk and income level.

Premium income by partner



Five major banking partners

In France, CNP Assurances' products are distributed by **La Banque Postale** and the **BPCE group** (Banques Populaires and Caisses d'Epargne) under long-term distribution agreements covering the periods to 2036 and 2030 respectively. These two historical partners are also shareholders of CNP Assurances.

The integration of CNP Assurances with La Banque Postale, which became its majority shareholder in 2020, has strengthened its partnership and paved the way for the Group's emergence as a full service insurer (with offers spanning health, life and property & casualty insurance) with the same community values as La Banque Postale.

In international markets, the Group has set up joint ventures with banking groups that have a strong franchise and a deep distribution network in their respective home markets, including: **Caixa Econômica Federal** in Brazil, **UniCredit** in Italy and **Santander Consumer Finance** in 11 European countries. These partners' participation in the joint ventures' governance and financial performance incentivises the networks and, as such, is a critical growth driver.

340 non-exclusive partners in France

In France, CNP Assurances has developed partnerships with over 40 wealth management firms, 196 lenders – for term creditor insurance – and over 100 social protection providers (employee benefits institutions, mutual insurers, non-profits and brokers) for which it is the preferred partner in France.

Proprietary distribution

CNP Assurances' in-house network, Amétis, distributes its savings and protection offers on an open model basis to CNP Assurances' customers and its social protection partners.

1.2.2 Strong and sustainable

CNP Assurances focuses on ensuring that its protection solutions are affordable, while also guaranteeing sustainable margins for partners and adequate returns for shareholders. Its indicators attest to the Group's robustness, which is recognised by the credit and ESG rating agencies, while its corporate values guarantee that its processes conform to high ethical standards.

The keys to lasting performance

CNP Assurances protects its insureds over the long term. The challenge is to manage risks and lock in premiums in order to be able to fulfil its obligations at any time over a long period. This is an area that receives considerable attention (see also Chapter 4 – Risk factors and Risk Management).

CNP Assurances' corporate values reflect the Group's history and public interest legacy; they underpin its assertive approach to fulfilling its corporate social responsibility in favour of an inclusive and sustainable society.

The unflagging confidence and support of its historical shareholders – Caisse des Dépôts, La Banque Postale, BPCE and the French State – have fortified CNP Assurances since its stock market flotation in 1998.

The creation in March 2020 of a large state-owned financial group led by Caisse des Dépôts and the integration of CNP Assurances with La Banque Postale has opened up new long-term value creation opportunities for all of its stakeholders.

Ownership structure following the share exchanges and transfers between the French State, Caisse des Dépôts, La Poste and La Banque Postale

Recognised financial strength

Since the IPO in 1998, CNP Assurances has consistently reported a profit. Consolidated net profit has grown at an average rate of more than 7.5% since 1998.

At 31 December 2020, CNP Assurances had own funds of €34.1 billion, representing more than double its Solvency Capital Requirement of €16.4 billion and an SCR coverage ratio of 208% under Solvency II.

The Group's credit ratings attest to its financial strength. CNP Assurances was rated A+ with a stable outlook by **Fitch Ratings following its first rating exercise,** that was carried out in July 2020 and incorporated Fitch's assessment of the Covid-19 pandemic's impact on the Group's business profile, capitalisation and earnings prospects. The A+ financial strength rating is equivalent to the rating assigned by Moody's, and one-notch higher than that assigned by S&P Global Ratings.

1.2.3 Key dates in the history of CNP Assurances

For 170 years, CNP Assurances has been meeting the protection needs of its policyholders.

Since inheriting the businesses of the Caisses Nationales de Retraite et de Prévoyance created in the 19th century to provide death/disability cover for employees, CNP Assurances has continuously adapted its business to keep pace with social change.

Thanks to its extensive experience, it is ideally placed to measure, anticipate and keep pace with economic, social, demographic, environmental and now digital trends.

Governance

1850

Creation of Caisse Nationale de Retraite pour la Vieillesse within the Caisse des Dépôts.

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 life insurance fund.

1959

Creation of Caisse Nationale de Prévoyance (CNP), a state institution combining the above three funds.

1998

Stock market flotation and first shareholders' agreement with La Poste, Groupe Caisses d'Epargne and Caisse des Dépôts, renewed in 2006 and 2017.

2020

CNP Assurances is integrated with La Banque Postale, which becomes its majority shareholder, and joins the large state-owned financial group led by Caisse des Dépôts.

France

2001

Creation of **Filassistance** International, dedicated to the provision of local services.

2012

Partnership with Swiss Life in **Assuristance**, an assistance services provider.

2016

- Partnership with AG2R La Mondiale in **Arial CNP Assurances,** creating the market leader in retirement savings.
- Launch of **Youse,** Brazil's first 100% digital insurance platform.

2019

Extension of the distribution agreement between the **BPCE group** and CNP Assurances from 2022 to 2030.

Latin America and Europe

1995

Creation of CNP Assurances Compañía de Seguros in **Argentina**.

2001

Acquisition of a controlling stake in Caixa Seguros in **Brazil,** now renamed Caixa Seguradora.

2005

Entry into the **Italian** market.

2008

Entry into the **Cypriot and Greek** markets.

2013

Acquisition in Brazil of Previsul, a personal insurance specialist, and Tempo Dental, one of the country's largest dental insurance companies.

2014

Exclusive agreement signed with Banco Santander for the distribution of protection insurance products **in 9 European countries, subsequently increased to 11**.

2015

Creation of CNP Luxembourg.

2017

Partnership with UniCredit in Italy renewed until 2024.

2019

- New exclusive agreement signed between CNP Assurances and Caixa Seguridade in Brazil for the distribution of life insurance, consumer credit life insurance and private pension plans in the Caixa Econômica Federal network through 2046.
- CNP Assurances increases its ownership of its subsidiary CNP Cyprus Insurance Holdings to 100% and consolidates its position in Cyprus.

2020

Preparations made for implementing the new exclusive agreement for the distribution of life insurance, consumer credit life insurance and private pension plans in the Caixa Econômica Federal network through 2046, with the launch date set for January 2021.

Social and environmental commitments

2003

Pledge to uphold the Global Compact.

2005

First disclosure of greenhouse gas emissions to the Carbon Disclosure Project.

2011

Principles for Responsible Investment (PRI) signed.

2015

Montreal Carbon Pledge signed.

2016

First public report on the inclusion of Environmental, Social and Governance (ESG) factors in the investment strategy.

2017

- Pledge to uphold the Climate Action 100+ initiative.
- First agreement on the quality of work life signed, authorising one day's home-working per week.

2019

CNP Assurances joins the Net-Zero Asset Owner Alliance.

2020

- Principles for Sustainable Insurance (PSI) signed.
- Second agreement on the quality of work life signed, authorising up to three days' home-working per week.
- Gender pay parity score of 99/100 for the second consecutive year.

1.3 Market positioning

1.3.1 In France

In 2019, the personal insurance market accounted for 74% of the total insurance market in France [(1)]

A major player in life insurance [(2)]

The French life insurance and endowment market is still concentrated. It is dominated by the bancassurers, with traditional and mutual insurers lagging behind. In 2019, the top five players, which include CNP Assurances, together held over 53% of the market. CNP Assurances is France's second largest life insurer, with nearly 12% of the market [(2)], thanks in no small measure to its historical partners, La Banque Postale and BPCE.

In the wealth management market, the Group proposes innovative offers to many different distribution partners in France and Luxembourg, including private banking institutions, high street banks, family offices, wealth management firms, brokers and independent financial advisors.

Leader in term creditor insurance [(3)]

CNP Assurances is ranked No. 1 in the highly fragmented term creditor insurance market. The Group partners close to 196 financial institutions, brokers, social economy lenders and mutual banks. It provides wide ranging cover of death, temporary and permanent disability, unemployment and loss of income risks, backed by support and assistance services, to ensure that borrowers are fully protected following the occurrence of an insured event. Full-online underwriting has helped to consolidate the Group's leadership.

Pioneering long-term care insurance [(4)]

CNP Assurances was one of the first insurance companies to address the problem of financing long-term care. It is a leading provider of group long-term care insurance and holds 9% of the market for individual long-term care insurance cover (primary and single insured risk). Its range of compulsory and voluntary participation products allows insureds to anticipate their future needs in terms of financial and other support in the event of a loss of autonomy.

A major supplementary pensions provider [(5)]

Arial CNP Assurances, a joint subsidiary with AG2R La Mondiale, is France's only mono-line supplementary pensions provider; it is ranked No. 2 [(6)] in this market, serving around 851,000 insureds and 21,000 companies, with technical reserves of €17.7 billion at 31 December 2019.

Arial CNP Assurances develops, distributes and manages all types of company pension plans (PER pension savings plans, defined benefit plans, "Article 82" group life insurance plans, outsourced employee liability management). Dedicated exclusively to pension provision, Arial CNP Assurances deploys all of its resources to meet the needs of its customers and partners in terms of benefits strategies and very-long term commitments.

A service-led differentiation strategy

CNP Assurances pays close attention to the services included in its offers, both for partners and for insureds, and has acquired growing expertise in support services through its dedicated subsidiaries.

Filassistance International, a member of the Assuristance sub-group, has developed an array of personal assistance services drawing on the best that new technologies and one-to-one interactions have to offer. More than eight million policyholders have access to the assistance provided by its network of 10,000 service providers. Filassistance International's network is supported by Âge d'Or, which operates a network of around a hundred home care agencies (in 2020).

Lyfe is CNP Assurances' digital platform for remote and face-to-face health and personal risk services and advice. It expands the social protection offered to the members and employees of its mutual insurance partners, brokers and companies. In 2020, its offer – prevention, coaching and access to healthcare networks – was enhanced to include solutions to improve the quality of work life.

(1) Source: French Insurance Dashboard, 2019, FFA, September 2020
(2) Source: 2019 Key Indicators, FFA, September 2020
(3) Premium income, 2019 key data, FFA, September 2020; Top 10 term creditor insurance providers by premium income (including inward reinsurance), *Argus de l'Assurance,* September 2020
(4) Sources: Personal risk insurance policies in 2019, FFA, July 2020
(5) Figures for Arial CNP Assurances, excluding AG2R La Mondiale supplementary pension plans
(6) *Argus de l'Assurance* 2019 pension savings plan rankings, September 2020, including AG2R La Mondiale and Arial CNP Assurances new money

1.3.2 In Europe

The CNP Assurances Group is active in 16 countries [1] and is Europe's seventh largest insurer [2]

With UniCredit in Italy [3]

The partnership between CNP Assurances and UniCredit through their joint subsidiary CNP UniCredit Vita, which was rolled over until 2024, covers distribution of a full range of personal insurance products in central and southern Italy, Sardinia and Sicily. A dedicated marketing support team promotes sales of unit-linked savings products, individual personal risk insurance and term creditor insurance, in line with CNP Assurances' strategic refocusing of the product mix. CNP UniCredit Vita has a 2.7% share of the Italian life insurance market, which contracted by 9.9% over the twelve months to end-December 2020.

Open model distribution to drive growth

Santander Consumer Insurance distributes CNP Assurances' term creditor insurance offer in 11 countries. More than half of the business is written in Germany, with Spain, Poland, Italy and the Scandinavian countries accounting for most of the rest.

In Cyprus, CNP Assurances has consolidated its presence by raising its interest in CNP Cyprus Insurance Holdings to 100%. In the fast-growing Cypriot economy, CNP CIH is ranked No. 1 in the non-life market, with a 13.7% share, and No. 2 in the life market, with 25.4% [4].

1.3.3 In Latin America

CNP Assurances' Brazilian subsidiary, Caixa Seguradora, is owned jointly with Caixa Econômica Federal, the country's second-biggest state-owned bank. Caixa Econômica Federal plays a major social and economic role, with a deep network of branches serving the local population throughout the country. Caixa Seguradora is Brazil's third-biggest insurance company [5].

Meeting new needs [6]

Caixa Seguradora offers products for companies and individuals, focusing on Brazil's emerging middle class. It is particularly active in the pension savings market and is also ranked No. 1 for home loan term creditor insurance, with 57.5% of the market, and No. 6 in personal risk insurance, with a 6.9% share.

In the twelve months to end-November 2020, the Group increased its share of this very concentrated market by 0.5% to around 12.1%, led by the pensions business.

Leading the way in full-online insurance distribution

Caixa Seguradora's 100%-digital insurance platform, Youse, is the direct channel for auto insurance, comprehensive home-owner insurance and personal risk insurance. As of end-2020, Youse had signed up more than 174,000 customers and had a portfolio of around 215,000 active policies.

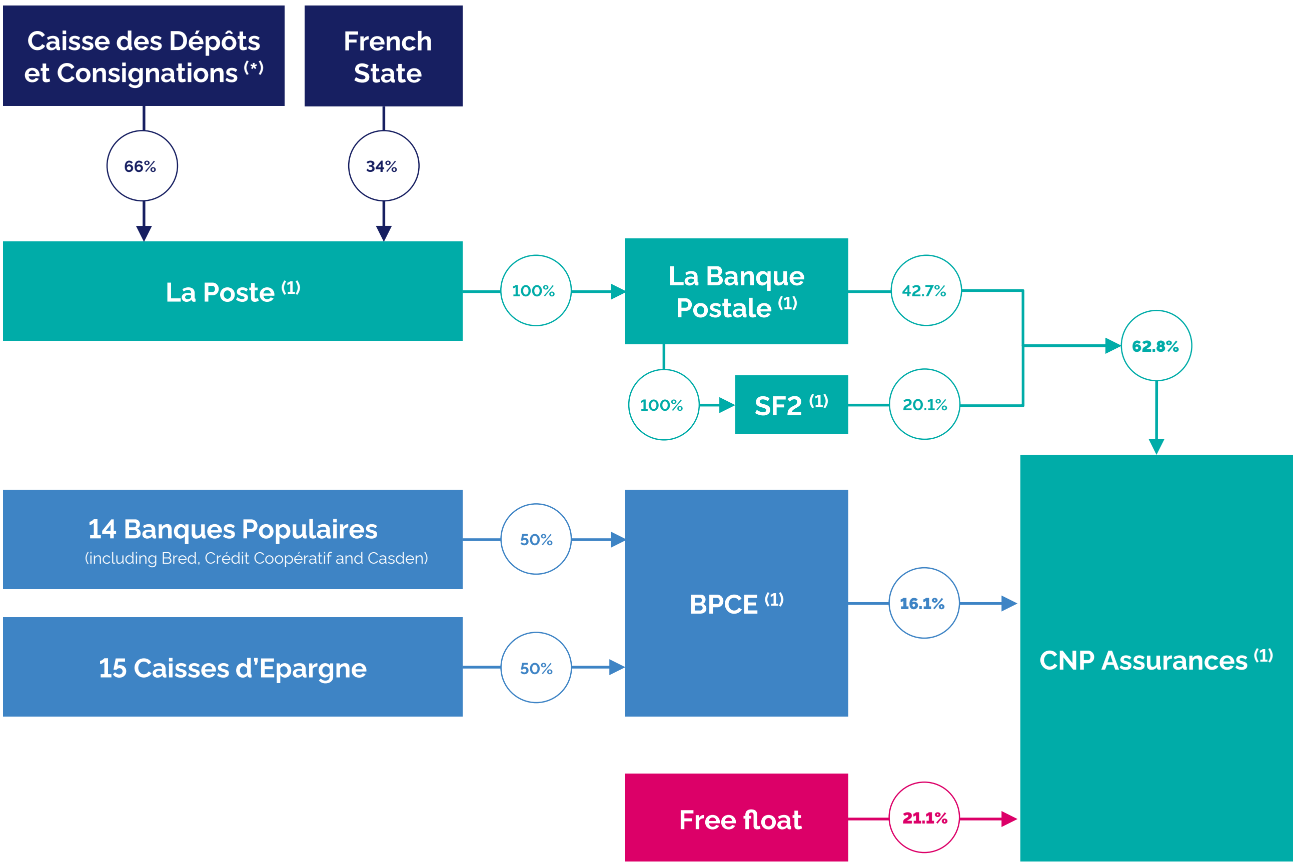
(1) Austria, Belgium, Cyprus, Denmark, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain and Sweden
(2) Source: Bloomberg, end-November 2020, size ranking based on each company's annual consolidated financial statements
(3) Source: Italian national association of insurance companies (ANIA), November 2020
(4) Sources: documents presented to the two subsidiaries' Boards of directors and Insurance Association of Cyprus (IAC) for market data up to end-September 2020
(5) Data published in November 2020 by SUSEP (Brazilian insurance supervisor that oversees Caixa Seguradora)
(6) Sources: insurance market data by class taken from the databases of Brazil's insurance supervisor, SUSEP, November 2020: http://www2.susep.gov.br/menuestatistica/SES/principal.aspx

1.4 Group organisational structure at 31 December 2020

1.4.1 Ownership structure

(percentage interest)

CNP Assurances is a member of the state-owned financial group and is majority-owned by La Banque Postale. See also Chapter 6 – Capital and ownership structure.



* Entity governed by public law that is under the supervision *sui generis* and has the financial backing of the legislative authority pursuant to Article L.518-2 of the French Monetary and Financial Code

(1) French *société anonyme* (public limited company)

The Statutory Auditors' special report on related-party agreements and commitments dated 3 March 2021 (see section 3.6 of the 2020 Universal Registration Document) includes details of financial transactions with these shareholders.

1.4.2 Simplified organisation chart – international operations*

CNP Assurances

Brazil

CNP Assurances Brasil Holding 100%

Caixa Seguros Holding 51.75%

Holding XS1 51%**

Argentina

CNP Assurances Compañia de Seguros 76.47%

Ireland

CNP Europe Life 100%

CNP Santander Insurance Europe 51%

CNP Santander Insurance Life 51%

CNP Santander Insurance services Ireland 51%

Cyprus/Greece

CNP Cyprus Insurance Holdings 100%

Spain

CNP Partners 100%

Italy

CNP Unicredit Vita 57.50%

Luxembourg

CNP Luxembourg 100%

* The percentages shown indicate both the interest in share capital and the voting rights directly and indirectly held in each subsidiary
A more detailed presentation of CNP Assurances' main subsidiaries is provided in Notes 4.5 to 4.6 to the consolidated financial statements

** Voting rights

For information about the risks to which the CNP Assurances Group is exposed, see Notes 24 to 26 to the consolidated financial statements and the description of risk factors (Chapter 4)

The senior executives of CNP Assurances do not exercise the same executive duties in the main subsidiaries of the Group

The Chair of the Board, Véronique Weill, and the Chief Executive Officer, Antoine Lissowski, sit on the Boards of Directors of the Brazilian subsidiaries Caixa Seguros Holding and Holding XS1

The strategic partnerships in Latin America and Europe (excluding France) are discussed on page 15

CNP Assurances has signed shareholders' agreements in relation to Caixa Seguros Holding, Holding XS1, CNP Assurances Compañia de Seguros, CNP Santander Insurance Europe, CNP Santander Insurance Life, CNP Santander Insurance Services Ireland, CNP Cyprus Insurance Holdings and CNP UniCredit Vita

1.4.3 Simplified organisation chart – France*

CNP Assurances

Wholly-owned insurance company

100% **CNP Caution**

Jointly-owned insurance companies

66% **Assuristance**

65% **MFPrévoyance**

40% **Arial CNP Assurances**

* The percentages shown indicate both the interest in share capital and the voting rights directly and indirectly held in each subsidiary
A more detailed presentation of CNP Assurances' main subsidiaries is provided in Notes 4.5 to 4.6 to the consolidated financial statements
CNP Assurances has signed Shareholders' Agreements in relation to Assuristance, MFPrévoyance and Arial CNP Assurances
For information about the risks to which the CNP Assurances Group is exposed, see Notes 24 to 26 to the consolidated financial statements and the description of risk factors (Chapter 4)

1.4.4 Main CNP Assurances branches

Entity	Branch	Country	City
CNP Assurances	CNP Assurances Denmark branch	Denmark	Copenhagen
CNP Assurances	CNP Assurances Italy branch	Italy	Milan
CNP Assurances	CNP Assurances Spain branch	Spain	Madrid
CNP Assurances	CNP Assurances New Caledonia branch	New Caledonia	Noumea
CNP Assurances	CNP Assurances Polynesia branch	Polynesia	Papeete
CNP Caution	CNP Caution Italy	Italy	Milan
CNP Caution	CNP Caution Spain	Spain	Madrid
CNP Santander Insurance Life	Santander Insurance Life Ltd Italy branch	Italy	Turin
CNP Santander Insurance Europe	Santander Insurance Europe Ltd Italy branch	Italy	Turin
CNP Partners	CNP Partners Italy branch	Italy	Milan
CNP Asfalistiki	CNP Asfalistiki Greece branch	Greece	Athens

1.5 Performance

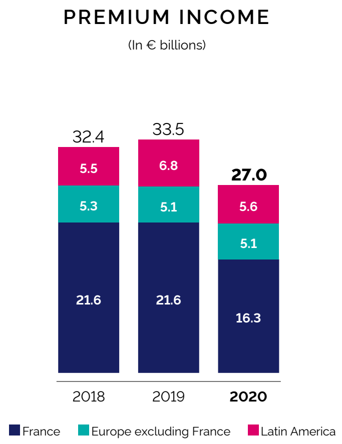
1.5.1 Business, financial and ESG performance

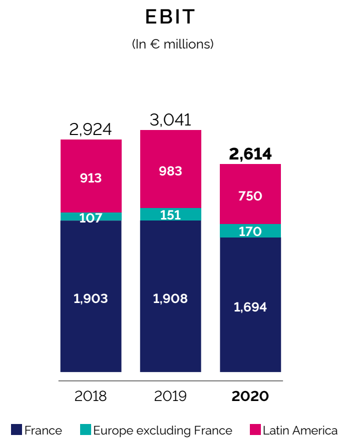
(in € millions)		**2020**	2019	Change
BUSINESS PERFORMANCE	Premium income	26,956	32,582 (1)	*-17.3%*
	Value of New Business	284	543	*-16.6%*
	Annual Premium Equivalent (APE) margin	12.2%	17.1%	*-4.9 pts*
EARNINGS PERFORMANCE	Total revenues	3,459	3,967	*-12.8%*
	Administrative costs	845	926	*-8.7%*
	Earnings before interest and taxes (EBIT)	2,614	3,041	*-14.0%*
	Attributable recurring profit	1,942	2,244	*-13.5%*
	Attributable net profit	1,350	1,412	*-4.4%*
	Return on equity (ROE)	7.4%	8.5%	*-1.0 pt*
	Combined ratio (2)	82.1%	81.0% (3)	*+1.1 pt*
DIVIDEND AND CASH FLOW	Earnings per share	€1.91/share	€1.99/share	*-3.9%*
	Dividend	€1.57/share (4)	-	*NC*
	Payout ratio	82%	-	*NC*
	Net operating free cash flow	€1.94/share	€1.97/share	*-1.1%*
	Dividend cover	1.2x	-	*NC*
SOLVENCY	Consolidated SCR coverage ratio	208%	227%	*-19 pts*
	Consolidated MCR coverage ratio	351%	388%	*-36 pts*
SOCIAL	Percentage of employees with permanent contracts	96%	96%	*stable*
	Proportion of women management-grade staff	51%	51%	*stable*
ENVIRONMENT	Green investment AUM	€17.2bn	€14.4bn	*+19%*
	Carbon footprint of the directly held equity portfolio	217 $kgCO_2e$/€k	227 $kgCO_2e$/€k	*-4%*
GOVERNANCE	Proportion of women on the Board of Directors	50%	44%	*+6 pts*
	CEO pay ratio: ratio of CEO's remuneration to the median remuneration of employees	8.5x	8x	*+0.5x*

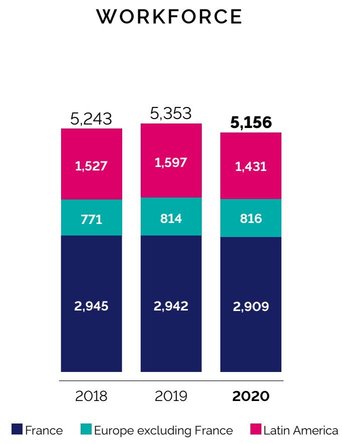
(1) As reported in the 2019 Universal Registration Document, €33,496 million (€32,582 million excluding Fourgous and Eurocroissance transfers of €914 million)
(2) Personal Risk/Protection segment (Term Creditor insurance, Death/Disability, Health and Property & Casualty insurance)
(3) The 2019 combined ratio provided in the 2019 URD was 80.7%. The difference between the two figures is the result of a review of method for allocating costs for reporting purposes
(4) To be recommended at the Annual General Meeting to be held on 16 April 2021, including an ordinary dividend of €0.77 and a special dividend of €0.80

In light of the considerable uncertainty concerning the magnitude and duration of the Covid-19 crisis and its potential negative impact on CNP Assurances, at its meeting on 7 April 2020, the Board of Directors decided to withdraw the 2020 earnings guidance.

1.5.2 Key indicators by region







1.5.3 Credit and ESG ratings

Credit ratings attesting to CNP Assurances' financial strength

Fitch Ratings
Financial Strength Rating
(September 2020)
A+
stable outlook

Standard & Poor's
Financial Strength Rating
(January 2021)
A
stable outlook

Moody's
Financial Strength Rating
(January 2021)
A1
stable outlook

ESG ratings recognising the quality of CNP Assurances' CSR strategies

MSCI
(November 2020)
AAA
Best rating within the insurance sector

ISS-ESG
(October 2020)
Prime B-
Best rating within the insurance sector

V.E
(March 2020)
61/100
#5 out of 49 insurers in Europe

Chapter

2

GROUP ACTIVITIES

2.1 Significant events in 2020

The following review of selected significant events provides insight into CNP Assurances' choices and performance. The presentation by topic is followed by a chronological list of the source press releases (see the Group's website, cnp.fr, for more information).

An unprecedented health crisis: impacts and gestures of solidarity

CNP Assurances was affected at different levels by the Covid-19 health and economic crisis. At the business level, closure of bank branches in the Group's main host countries led to a temporary decline in premium income and helped to drive a widespread shift to working from home. Concerning claims and benefit costs, the number of claims was limited and the policy surrender rate was low. As regards financial performance, investment income from the own-funds portfolio was eroded by the temporary fall in prices on the financial markets and the decision by many companies in the portfolio to cancel their dividend.

CNP Assurances contributed to many support initiatives in favour of carers, medical research, students without a stable income and the most vulnerable members of the population. The Group decided to go beyond its contractual obligations in support of micro-enterprises and SMEs, which account for the majority of its death/disability/health insurance portfolio. A total of €30 million was earmarked for the payment of daily allowances to employees of these companies who were shielding or had childcare responsibilities. CNP Assurances also contributed €25 million to the solidarity fund set up by the industry federation (Fédération Française de l'Assurance) to help micro-enterprises and the self-employed.

In light of the uncertain impact of the Covid-19 crisis on the Group's performance, the Board of Directors decided to withdraw its assertive earnings guidance for 2020, while confirming that the crisis was not expected to have a severe adverse effect on the Group's financial strength. The Board nonetheless opted to follow official recommendations by proposing to cancel the 2019 dividend. The corresponding resolution was put to the vote at the Annual General Meeting of 17 April 2020 and was approved by a 99.98% majority of the votes cast. As a result, 2019 profit was appropriated in full to retained earnings.

Integration with La Banque Postale and appointment of a new Chairwoman of the Board

The creation in March of a large public financial group has opened up new value creation opportunities for all of the stakeholders. CNP Assurances' inclusion in this group is testament to the ongoing confidence and support of its historical shareholders. Following the exchanges and transfers of shares between the French State, Caisse des Dépôts, La Poste and La Banque Postale[1], as of 5 March 2020, CNP Assurances was 62.13%-owned by La Banque Postale and 16.11% by BPCE, with a 21.76% free float.

The new Board of Directors, comprising nine directors proposed by La Banque Postale, two directors proposed by BPCE, two directors representing employees and four independent directors, reiterated its confidence in Antoine Lissowski as Chief Executive Officer. Antoine Lissowski also joined La Banque Postale's Executive Committee, with specific responsibility for further aligning CNP Assurances with La Banque Postale to create a European leader in bancassurance and responsible finance.

Creation of this new chapter in CNP Assurances history coincided with the appointment of Véronique Weill as a director and as Chairwoman of the Board of Directors. Véronique Weill replaces Jean-Paul Faugère, who has stepped down from the Board, and will initially serve in these positions for the remainder of his term expiring at the close of the Annual General Meeting called to approve the 2020 financial statements. Véronique Weill has considerable insurance and banking experience and is well equipped to support CNP Assurances' development in the coming years.

Recognised financial strength

CNP Assurances was rated A+ with a stable outlook by **Fitch Ratings after its first rating exercise,** which took into account Fitch's assessment of the Covid-19 pandemic's impact on the Group's business profile, capitalisation and earnings prospects. This A+ financial strength rating, which is equivalent to the rating assigned by Moody's and one-notch higher than that assigned by S&P Global Ratings, attests to CNP Assurances' resilience.

The success of the two subordinated notes issues carried out in June and December 2020 was a further demonstration of the financial markets' confidence in CNP Assurances. In June, the Group issued €750 million worth of Tier 2 subordinated notes due 30 June 2051 and paying interest at 2.5% until 30 June 2031. The notes were placed with more than 100 investors and the order book topped €1.2 billion. In December, the Group issued €500 million worth of Tier 3 subordinated notes due 8 March 2028 and paying interest at 0.375%. The

(1) La Banque Postale is wholly-owned by La Poste SA, which in turn is 66%-owned by Caisse des Dépôts and 34% by the French State

notes were placed with over 90 investors and the order book was €1.5 billion. Its cost is the lowest ever paid for hybrid capital by a financial institution in Europe.

A positive digital transformation

The Covid-19 crisis has increased the pace of process digitization and encouraged growing numbers of people to adopt digital solutions. During lockdown, 98% of headquarters employees worked from home, guaranteeing service continuity remotely for both customers and partners. The new 2020-2023 Quality of Work Life agreement signed by all the organisations representing employees, builds on the experience gained during lockdown, and extends the right to work from home to three days per week.

Digital technology has driven progress across CNP Assurances' entire value chain, from underwriting to claims and benefits management, improving product design, creating seamless partner relations and refreshing the customer experience. For example, as part of the French government's Covid-19 support package for businesses, over 100,000 government-backed loans were distributed by its partners, secured by term creditor insurance deployed by CNP Assurances in record time using a streamlined process.

These developments led us to consider the related ethical issues, especially those arising from the use of artificial intelligence. Artificial intelligence is an indispensable driver of innovation but it also brings exposure to the risks associated with the use of personal data. To ensure that the Group's use of such data is beyond reproach, rules of conduct have been set that place human and ethical considerations at the centre of AI development and dedicated governance structures to guarantee compliance with these rules have been established.

Innovative products aligned with customer expectations

In France, the Group pursued its product innovation strategy by continuously adding new unit-linked funds to the offer, in response to an environment shaped by persistently low interest rates and volatile financial asset prices. The CNP Immo Prestige offer enables private savers to **invest in the French capital's prime real estate,** an asset class previously reserved for institutional investors.

The online life insurance contract *EasyVie,* launched by EasyBourse (La Banque Postale's e-broker) and CNP Assurances has been enhanced with the addition of a **100%-SRI** [(1)] **discretionary management formula,** "Easy Actions Citoyen". The Mandat Citoyen formula based on a government-certified SRI fund is available for a minimum investment of just €500. Savers will receive six-monthly management reports describing their investment's positive impact using a range of indicators.

This new meaningful investment strategy responds to growing demand from customers.

Multi-partner development in Brazil

The new exclusive distribution agreement with Caixa Econômica Federal (CEF), one of the top five banks in Latin America, was finalised on 30 December 2020.

This new long-term agreement which runs until 13 February 2046 concerns personal risk insurance, consumer loan insurance and retirement products *(vida, prestamista, previdência),* as provided for in the memorandum of understanding signed with Caixa Econômica Federal and Caixa Seguridade on 29 August 2018 and amended on 19 September 2019.

CNP Assurances has paid an initial amount of R$7.0 billion under the agreement. A performance incentive mechanism covering the first five years allows for additional payments, capped at R$0.8 billion (Group share) based on 31 December 2020 values. The impact of the operation has been fully integrated in the Group's SCR coverage ratio.

A new insurance joint venture has been created. This entity is fully consolidated by the CNP Assurances Group, which owns 51% of the voting rights and 40% of the economic rights, versus 49% of the voting rights and 60% of the economic rights for Caixa Seguridade. The insurance portfolios relating to the products covered by the agreement have been transferred by Caixa Seguros Holding (CSH) to this new jointly owned insurance company.

Exclusive partnership agreement in Brazil between CNP Assurances and Caixa Seguridade in the *consórcio* segment. *Consórcio* contracts enable groups of savers to obtain loans at a below-market rate of interest by pooling their savings and lending them to each other for a specified period. Caixa Seguridade's premium income in this segment totalled €85.8 million (R$ 546 million) in 2019. CNP Assurances will pay €39.3 million (R$ 250 million) in return for a 20-year exclusive right to distribute term creditor insurance for *consórcio* home loans and auto loans in the Caixa Econômica Federal network. The agreement will be implemented through a dedicated subsidiary that will be 25%-owned by CNP Assurances and 75% by Caixa Seguridade.

The distribution agreement signed with the Brazilian Post Office, Correios, marks a turning point in CNP Assurances' development in Brazil, by replicating the French multi-partner model in the Group's second market. The 10-year agreement concerns the distribution of savings and dental insurance products in over 6,500 Correios post offices in Brazil's 5,570 municipalities. The agreement is non-exclusive and does not provide for any payment by the Group.

(1) SRI: Socially responsible investment

A deeper commitment to CSR and the energy transition

As a responsible investor, CNP Assurances follows a policy of shareholder activism by systematically voting at the General Meetings of listed companies in its portfolio. In 2020, CNP Assurances voted at 110 General Meetings of 103 companies in ten countries, representing 95% of the listed equities portfolio. The Group voted on 2,133 resolutions, approving 75% and opposing 25% of them. The negative votes predominantly concerned management remuneration policies. CNP Assurances also held direct discussions with the eleven companies in the portfolio that are the most exposed to ESG risks.

The Group has stepped up its climate strategy by adopting a plan to banish from the portfolio all investments in the thermal coal sector in the European Union and OECD countries by 2030, and in the rest of the world by 2040. In 2020, CNP Assurances asked the coal mine operators and coal-fired power station operators in the portfolio to publish a plan for their phased withdrawal from the thermal coal sector in alignment with its own commitments.

The Group used the publication of its Sustainable Investment Report as an opportunity to announce that it would be selling its remaining investments in the tobacco sector and had signed the United Nations' Tobacco-Free Finance Pledge alongside 129 other companies. The Group has not made any new investments in this sector since 2018, and in the past two years, its tobacco portfolio has been reduced by two-thirds to less than €200 million at end-2020.

At La Banque Postale's community banking and insurance symposium *(Assises de la Banque et de l'Assurance citoyennes)* held in September 2020, CNP Assurances announced that it had signed the **Principles for Sustainable Insurance.** Launched by the United Nations Environment Programme Finance Initiative (UNEP-Fi) these principles serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities. The Group is committed to applying the principles and promoting their adoption by other insurers, and will report on its activities every year in its CSR Report.

Subsequent events

On 22 January 2021, the consortium created by Banque des Territoires (Caisse des Dépôts), CNP Assurances and EDF Invest signed an exclusive agreement with Orange for the acquisition of a 50% stake in Orange Concessions. This company was set up by Orange to consolidate its fiber investments in 23 public initiative networks (PINs) in France. There are currently 23 PINs serving over 4.5 million households under long-term concessions granted by French municipalities.

On 4 March 2021, CNP Assurances signed an agreement with the Aviva Group for the acquisition of certain life insurance businesses in Italy that will double its market share. The scope of the transaction comprises 51% of Aviva S.p.A., a life insurance company jointly-held with UniCredit, which holds 49%; 100% of the Aviva Life S.p.A. life insurance company and Aviva Italia Servizi S.c.a.r.l, which provides business support services to the two insurance companies. The two companies had a combined premium income of €2.9 billion in 2020, and combined technical reserves of €17.8 billion at the year-end.

List of source press releases

More information on these events is available on the Group's website https://www.cnp.fr/en/the-cnp-assurances-group/newsroom/press-releases

February

EasyBourse launches its 100%-SRI discretionary management formula, combining the commitments of La Banque Postale and CNP Assurances for a more sustainable society (in French only).

CNP Assurances publishes its first shareholder engagement policy and the report on its implementation.

March

Changes in CNP Assurances' shareholder base: CNP Assurances joins the major public financial unit. La Banque Postale becomes its majority shareholder, with 62.13%.

Decision to recommend appropriating 100% of 2019 profit to retained earnings. This resolution was adopted by the Annual General Meeting of 17 April 2020 by a 99.98% majority of the votes cast.

April

Withdrawal of the 2020 earnings objective announced on 20 February, but confirmation of CNP Assurances' financial strength.

Covid-19: CNP Assurances stands in solidarity with companies and employees with a €50 million envelope to fund its personal-risk business, expanding coverage beyond contractual obligations.

May

CNP Assurances publishes its 2019 report on responsible investment and **announces its withdrawal from tobacco by signing the Tobacco-Free Finance Pledge**.

June

CNP Assurances sets up a governance arrangement of Artificial Intelligence ethics and commits to adopting an exemplary approach in AI ethics.

Successful €750m Tier 2 notes issue, attesting to investor confidence in CNP Assurances' financial strength.

July

CNP Assurances adopts a definitive plan to exit thermal coal, in line with its commitment to making its investment portfolio carbon-neutral.

Fitch Ratings assigned its A+ financial strength rating with stable outlook to CNP Assurances, equivalent to the Moody's rating, and one-notch higher than that assigned by S&P Global Ratings.

Up to three days of working from home a week CNP Assurances signs a second agreement on the Quality of Work Life.

CNP Assurances appoints Véronique Weill as a Director and Chairwoman of its Board of Directors to replace Jean-Paul Faugère following his resignation.

August

Partnership agreement reached in Brazil between CNP Assurances and Caixa Seguridade in the *consórcio* segment.

September

Partnership agreement signed in Brazil between Caixa Seguradora and Brazilian Post Office, Correios: CNP Assurances continues with its strategic development in Latin America through a multi-partner approach.

CNP Assurances announces the signature of the Principles for Sustainable Insurance and commits to incorporating ESG criteria within all of its activities.

CNP Assurances launches CNP Immo Prestige, a Professional Civil Partnership for investment in high-end Parisian real estate, a sector traditionally reserved for corporate investors.

November

Antoine Lissowski named a member of the Executive Committee of La Banque Postale (press release published by La Banque Postale).

December

CNP Assurances announces the finalisation of its new exclusive long-term distribution agreement with Caixa Econômica Federal in Brazil for personal risk insurance, consumer loan insurance and retirement products, which came into effect in January 2021.

Successful €500 million Tier 3 notes issue.

2.2 Business review

2.2.1 Economic and financial environment

An unprecedented health crisis

2020 will go down as an extraordinary year, due to the Covid-19 global pandemic which hit all sectors of the economy.

An unparalleled health emergency with major consequences

The year started on an optimistic note, with the signature of the China-US trade agreement on 15 January. However, it was not long before the Covid-19 pandemic started to spread, leading to restrictions on movements in all regions of the world. The Chinese economy fell into recession in the first quarter, followed in quick succession first by the European and American economies and then by emerging economies in the next three months, with record falls in output. A V-shaped recovery began in the third quarter, but was choked off by a second wave of Covid-19 cases in the fourth quarter, as new restrictions on movements were introduced throughout the world. At the end of the day, economic growth is expected to stand at -7.5% in Europe, -3.7% in the United States and -5.3% in Japan [(1)]. The only exception was China, which managed to avoid a second wave. The economy was boosted by a recovery in exports, led by sales of medical equipment, resulting in 1.8% [(1)] estimated growth over the year.

Governments flying to the rescue, at the cost of a dizzying surge in public debt

The main driver of this unprecedented recession was the collapse of consumer spending, mainly on services and leisure activities, leading to major job losses and a broad-based rise in unemployment. Governments responded to the crisis by announcing massive Covid-19 rescue measures, including direct assistance (support payments and furlough schemes) and loan guarantees. These measures helped to offset the revenue lost by businesses, but only at the cost of a sharp rise in public debt. By the end of the year, the recovery was still fragile and very uneven, with the manufacturing sector enjoying a surge in activity while the service sector continued to be dogged by under-activity.

Previously unheard-of levels of Central Bank intervention

In a deteriorating macro-economic environment, share prices fell by 30% to 40% in March from their record high in mid-February, dragging down prices for all assets that attract a risk premium (risky sovereign debt, credit instruments, commodities, emerging currencies, etc.). The central banks' immediate and massive response, in the shape of rate cuts and

(1) Source: OECD (2020): "Perspectives on Global Development, December 2020"

asset purchases, combined with government budget support, brought a measure of stability to the stock markets in April/May and prices gradually recovered during the summer. The marked economic recovery in the third quarter, the Democrats' victory in the United States and, above all, the arrival of Covid-19 vaccines announced in November, sparked a surge of investment on the stock market, in a financial environment shaped by negative or zero interest rates.

A clear divergence between the financial markets and the real economy sounding a cautionary note

The US markets ended the year on a high (with the S&P 500 up 16% over the year and the Nasdaq up 44%), Chinese and emerging markets recorded significant gains (up 25% and 15% respectively) and the European markets experienced only limited declines (with the CAC40 losing 7% and the ESTX50 5%). Bond prices also rose, in response to short- and long-term rate cuts (with the 10-year OAT rate reduced by 40bp to -0.35% and the US 10-year T-bond rate by 95bp to 0.90%) and the narrowing of credit spreads to levels close to those at the start at the year. On the currency markets, after strengthening at the peak of the crisis in March, the dollar fell against developed market currencies – with the euro exchange rate falling to $1.22 – and also against emerging currencies, including the Chinese Yuan (at CNY 6.50 vs CNY 7 in 2019). Lastly, commodity prices rebounded – the oil price climbed to US$50 (down 25% over the year) and certain metals prices rose very sharply, such as the iron ore price which jumped 50% and the gold price which gained 23%.

However, the year was also shaped by the US$ 18 trillion worth of debt at negative interest rates, the US$5 trillion increase in the assets held by the central banks, a budget deficit in excess of 10% of GDP (11% in the euro zone, 16% in the United States) and the roughly 4.5% decline in global economic growth, all of which should sound a note of caution.

2.2.2 2020 Business review

Consolidated premium income for the period came to €27.0 billion, down 17.3% as reported (down 11.5% at constant exchange rates), mainly as a result of the Covid-19 crisis.

In **France,** premium income declined 21.4% to €16.3 billion.

Savings/Pensions premium income was down 26.3%, at €12.2 billion (with €6.1 billion generated by La Banque Postale and €3.5 billion by BPCE), despite an upturn in business in the second half of the year. In this segment, the decline in new money primarily reflected the Covid-19 impact, CNP Patrimoine's strategic decision to limit sales of traditional savings products (decrease of €1.5 billion) and the other networks' commercial focus on 'PACTE law' transfers which are not recognised in premium income (€3.4 billion at end-December). The contribution of unit-linked contracts to Savings/Pensions premiums rose to 26.6% (from 19.8% for the previous year). Savings/Pensions net new money in France reflected a €1.9 billion net inflow to unit-linked contracts and a €7.2 billion net outflow from traditional products.

Personal Risk/Protection premium income dipped by just 2.0% to €4.1 billion, buoyed by strong demand for the major distribution networks' new term creditor insurance offers. This performance was achieved despite the successive lockdowns and the negative impact of portfolios managed on a run-off basis. The decline in Personal Risk premiums was due to the Covid-19 crisis and the more selective approach to new group insurance business.

The new business margin slipped to 4.1% in 2020 from 12.3% the previous year due to unfavourable economic conditions (higher cost of capital guarantees in the Savings segment, in the low interest rate environment).

In Europe excluding France, premium income amounted to €5.1 billion, a very modest decrease of 0.6%.

Savings/Pensions premium income inched up 0.7% to €4.1 billion, thanks to the very dynamic performance of CNP UniCredit Vita, led by successful product launches and marketing campaigns in the unit-linked segment (My Selection) and the traditional savings segment (Calybra). CNP Luxembourg also actively promoted unit-linked products but strong sales in this segment failed to offset the contraction of traditional savings business, leading to a 17.6% decline in premium income. All told, unit-linked products accounted for 76.7% of total Savings/Pensions premiums in the Europe excluding France region (vs 65.6% in 2019).

Personal Risk/Protection premium income contracted by 5.3% to €998 million. The decline in term creditor insurance premiums was mainly due to regulatory restrictions in the Italian market which acted as a brake on new business. Sales of CNP Santander's protection insurance products increased during the year, led by successful telemarketing campaigns in Germany and the late-2019 launch of new products in Poland.

The APE margin has narrowed to 17.2% from 21.4% at the end of 2019.

In Latin America, premium income totalled €5.6 billion, down 17.2% as reported (up 10.7% at constant exchange rates).

Savings/Pensions premium income amounted to €4.4 billion, down 16.1% as reported but up 12.1% at constant exchange rates. The flow of new money rose sharply (excluding the currency effect), supported by the business recovery that began in mid-June and gathered momentum in the second half. The recovery was strong enough to fully offset the impact of the Covid-19 crisis on performance in the early part of the year. The proportion of Savings/Pensions premiums represented by unit-linked contracts remained very high, at 99.1%. Caixa Seguradora is still the third largest pensions provider in Brazil, with 18.6% of the market at end-2020.

Personal risk/Protection premium income amounted to €1.2 billion, down 20.7% as reported but up 6% at constant exchange rates. The increase in local currency reflected growth in term creditor insurance, led by demand for consumer finance insurance (*Prestamista*), which lifted the Brazilian subsidiary to the leadership position in this market segment.

The APE margin widened to 35.5% from 29.7% at the end of 2019.

The **Value of New Business (VNB)** written by the Group [1] amounted to €284 million (€339 million at constant exchange rates) in 2020. The contributions of the main partners and subsidiaries were as follows: 70% from the partnership with BPCE, 58% from Caixa Seguradora, 11% from CNP Santander Insurance, -26% from the partnership with La Banque Postale, and -13% from other networks.

Average consolidated net technical reserves totalled €326.0 billion at 31 December 2020, compared with €320.8 billion the year before, an increase of 1.6%.

PREMIUM INCOME BY COUNTRY

(in € millions)	2020	2019	% change	% change *(like-for-like)*
France	**16,278**	**20,716** [1]	**-21.4**	**-21.4**
Brazil	5,577	6,733	-17.2	+10.6
Italy	3,469	3,261	+6.4	+6.4
Luxembourg	653	793	-17.6	-17.6
Germany	466	472	-1.4	-1.4
Cyprus	175	163	+7.1	+7.1
Spain	136	242	-43.8	-43.8
Poland	90	92	-3.0	-3.0
Austria	24	21	+12.5	+12.5
Norway	22	21	+4.2	+4.2
Denmark	21	20	+3.2	+3.2
Argentina	18	21	-14.3	+28.9
Portugal	4	5	-25.0	-25.0
Other International	24	21	+15.3	+15.3
Total International	**10,678**	**11,866**	**-10.0**	**+5.8**
TOTAL	**26,956**	**32,582**	**-17.3**	**-11.5**

(1) 2019 premium income has been restated to exclude the top line contribution of Fourgous and Eurocroissance transfers for a total of €914 million

PREMIUM INCOME BY SEGMENT

(in € millions)	2020	2019	% change	% change *(like-for-like)*
Savings	15,301	19,574 [1]	-21.8	-21.8
Pensions	5,379	6,273	-14.2	+9.0
Personal Risk	1,490	1,618	-7.9	+0.3
Term Creditor Insurance	4,057	4,305	-5.7	-1.4
Health Insurance	408	420	-2.9	-1.9
Property & Casualty	320	393	-18.6	+4.1
TOTAL	**26,956**	**32,582**	**-17.3**	**-11.5**

(1) 2019 premium income has been restated to exclude the top line contribution of Fourgous and Eurocroissance transfers for a total of €914 million

(1) The Value of New Business is calculated on a Group share basis

2.2.3 Acquisitions of controlling and other interests (Article L.233-6 of the French Commercial Code)

In 2020, the Company acquired the following controlling and other interests within the meaning of Article L.233-6 of the French Commercial Code:

	% interest at 31.12.2020	% interest at 31.12.2019
ALLIANZ EUROPEAN PRIVATE CRÉDIT FUND II	33.33%	0.00%
ARDIAN EXPANSION FUND V	6.67%	0.00%
ASSUREURS – CAISSE DES DÉPÔTS RELANCE DURABLE FRANCE – LBPAM	10.00%	0.00%
BNP PARIBAS EUROPEAN SME DEBT FUND 2	14.23%	0.00%
CNP UC IMMO	99.94%	0.00%
EIFFEL IMPACT DEBT	11.73%	0.00%
FONDS DE FONDS GROWTH	10.75%	0.00%
FONDS NOV SANTÉ ACTIONS NON COTÉES ASSUREURS – CAISSE DES DÉPÔTS RELANCE DURABLE France (private debt securities)	22.27%	0.00%
FONDS NOV SANTÉ ACTIONS NON COTÉES ASSUREURS – CAISSE DES DÉPÔTS RELANCE DURABLE France (private equity)	11.19%	0.00%
FONDS NOV TOURISME ACTIONS NON COTÉES	11.76%	0.00%
FONDS NOV TOURISME PRÊTS NON COTÉS	10.00%	0.00%
INFRA INVEST HOLDING	99.90%	0.00%
JEITO SLP	8.00%	0.00%
LAC I SLP	11.00%	0.00%
LBPAM EUROPEAN REAL ESTATE DEBT FUND 3	76.13%	0.00%
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT INFRASTRUCTURE	100.00%	0.00%
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT REAL ESTATE	100.00%	0.00%
MONTPARVIE VII	100.00%	0.00%
OCTOBER SME II	11.11%	0.00%
OCTOBER SME III	10.00%	0.00%
OCTOBER SME IV	5.16%	0.00%
PAI MID-MARKET FUND	7.14%	0.00%
QUADRILLE TECHNOLOGIES IV COMPANIES	8.00%	4.00%

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) formulated 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 undertakings, and the guidelines contained in the reports of the CNC work groups set up to examine the specific issues arising from the application of IFRS by insurance undertakings (see Note 5.1 to the consolidated financial statements).

Review of results

(in € millions)	Geographical area: France	Geographical area: Latin America	Geographical area: Europe excl. France	Own-funds portfolios	**Total 2020**	Total 2019	Movements *(%)*	% change (like-for-like)[1]
Premium income[2]	**16,278**	**5,595**	**5,082**		**26,956**	**32,582**	**-17.3%**	**-11.5%**
Net insurance revenue	1,801	844	298		2,943	3,220	-8.6%	+0.2%
Revenue from own funds				516	516	747	-31.0%	-28.7%
Administrative costs					(845)	(926)	-8.7%	-3.6%
EBIT					**2,614**	**3,041**	**-14.0%**	**-5.7%**
Finance costs					(252)	(251)	0.3%	+0.3%
Share of profit of equity-accounted companies					12	13	-3.6%	+10.1%
Non-controlling interests[3]					(433)	(559)	-22.6%	+1.6%
Underlying attributable net profit[3]					**1,942**	**2,244**	**-13.5%**	**-8.1%**
Income tax expense[3]					(594)	(694)	-14.4%	-7.3%
Net gains and fair value adjustments					247	482	-48.8%	-55.6%
Non-recurring items					(245)	(620)	-60.6%	-59.7%
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT					**1,350**	**1,412**	**-4.4%**	**-2.1%**

(1) Changes in scope of consolidation in 2020: Infra-Invest, Holdings Brazil, Montparvie 5, Sogestop K
(2) Proforma 2019: excluding transfers of Fourgous and Eurocroissance (down €914 million in Q4 2019)
(3) Underlying attributable net profit corresponds to attributable net profit before: income tax expense, net gains and fair value adjustments and non-recurring items. This indicator is calculated net of non-controlling interests and is gross of income tax expense

Note: The Brazilian real lost 33.6% against the euro, with the average exchange rate standing at 5.89 at 31 December 2020 versus 4.41 at 31 December 2019.

Net insurance revenue (NIR) came to €2,943 million, down 8.6% as reported but up 0.2% like-for-like.

In France, net insurance revenue came to €1,801 million, down 0.7%. Savings/Pensions net insurance revenue contracted by 4.1%, while Personal Risk/Protection net insurance revenue rose by 6.6%, primarily helped by non-recurring items.

In Europe excluding France, net insurance revenue was up 3.4% at €298 million, reflecting a decrease in costs related to the renewal of the Italian partnership agreement.

In Latin America, net insurance revenue came to €844 million, down 24.4% as reported but up 1.0% in local currency thanks to increases in pensions technical reserves and a positive volume effect in term creditor insurance.

Revenue from own-funds portfolios of €516 million was down 31.0% as reported (down 28.7% at constant exchange rates). Factors underpinning the decline included lower yields on proprietary bond portfolios in France, and a reduced contribution from equity portfolios following the decision by many issuers to cancel their dividend in light of the financial and economic impact of the Covid-19 crisis. Added to this, the prior-period basis of comparison was unfavourable due to the high level of profit-taking on equity portfolios in the second half of 2019.

Total revenue fell 12.8% as reported (down 5.2% like-for-like) to €3,459 million.

Administrative costs amounted to €845 million, down 8.7% as reported (down 3.6% like-for-like). In France, administrative expenses were down by 5.4%. In Latin America, administrative expenses were stable in local currency.

The **cost/income ratio** was unchanged from 2019 at 29%.

At €2,614 million, **EBIT** was down 14.0% as reported (down 5.7% at constant exchange rates). The Group total (after non-controlling interests) breaks down as follows: 31.2% from the partnership with BPCE, 22.8% from the partnership with La Banque Postale, 17.7% from Caixa Seguradora, 2.0% from CNP UniCredit Vita, 1.7% from CNP Santander Insurance, 18.1% from the own-funds portfolios and 6.4% from other businesses.

Attributable net profit came in at €1,350 million, down 4.4% as reported and down 2.1% at constant exchange rates. **Earnings per share** declined 3.9% to €1.91.

At the Annual General Meeting on 16 April 2021, the Board of Directors will recommend increasing the **dividend** to €1.57 per share, including an ordinary dividend of €0.77 and a special dividend of €0.80. If the shareholders approve the dividend, the shares will trade ex-dividend from 21 April 2021 and the dividend will be paid on 23 April 2021.

Net operating free cash flow generated over the year totalled €1,334 million or €1.94 per share and covered the recommended dividend 1.2 times.

IFRS book value was €18.8 billion at 31 December 2020, representing €27.4 per share compared to €25.5 at 31 December 2019.

MCEV© [1] was €16.3 billion at 31 December 2020, representing €23.7 per share compared to €29.9 at 31 December 2019.

Consolidated balance sheet at 31 December 2020

Total assets at 31 December 2020 amounted to €442.5 billion compared with €440.4 billion at the previous year-end, an increase of 0.5%.

Insurance investments

Insurance investments increased 0.3% year-on-year to €404.8 billion at 31 December 2020.

For more information, see Note 8 to the consolidated financial statements.

Equity

Equity attributable to owners of the parent rose by €1,286.9 million compared with 31 December 2019, to €20,680.2 million. The net increase reflected the inclusion of profit for the year (€1,350.0 million positive impact), fair value adjustments recognised directly in equity (€460.1 million positive impact), cancellation of the 2019 dividend and exchange differences on translating foreign operations (€587.3 million negative impact).

Equity includes €1,881.3 million in deeply-subordinated debt.

For more information, see Note 5 to the consolidated financial statements (see section 5.1 to the 2020 consolidated financial statements).

Technical reserves

Insurance and financial liabilities totalled €377.1 billion, a 0.3% decrease compared with 31 December 2019.

For more information, see Note 9 to the consolidated financial statements (see section 5.1 to the 2020 consolidated financial statements).

Financing liabilities

Financing liabilities amounted to €6,824.2 million at 31 December 2020 versus €6,385.5 million at the previous year-end.

The increase corresponded to the two subordinated debt issues carried out in 2020 for a total of €1,250 million, partly offset by the redemption of a €750 million issue.

For more information on the securities in question, see Note 10 to the consolidated financial statements (see section 5.1 to the 2020 consolidated financial statements).

Solvency capital

The consolidated SCR coverage ratio was 208% at 31 December 2020 versus 227% at end-2019. The increase between 2019 and 2020 breaks down as follows: +17-point pro forma impact of the change to the full economic value method for the policyholders' surplus reserve included in Solvency II own funds for €12.6 billion, +4 points corresponding to the inclusion of net profit for 2020 less the dividend, -40 points due to unfavourable changes in market prices (mainly the decline in 10-year interest rates), -5 points due to the change in strategic asset allocation in 2021 (increase in the portfolio of diversification assets), +3 points from the issuance of Tier 3 debt (€500 million issued in December 2020) and +2 points from other effects.

Asset portfolio and financial management

Insurance investments at 31 December 2020 totalled €404.8 billion versus €403.8 billion at 31 December 2019, an increase of €1.0 billion.

Most investments are measured at fair value, except for held-to-maturity investments and property assets not covered by unit-linked policies, which are measured using the cost model.

At 31 December 2020, available-for-sale financial assets accounted for 75.7% of total investments, financial assets at fair value through profit or loss (trading securities) represented 22.5%, and held-to-maturity investments and other investments (mainly investment property, loans and derivatives) represented 1.8%.

(1) Market Consistent Embedded Value©

2.3.2 Financial statements of the Company (French GAAP)

Premium income

(In € millions)	31.12.2020	31.12.2019	2020/2019	31.12.2018
Individual insurance premiums	11,979	17,300	-30.76%	17,492
Group insurance premiums	4,343	5,807	-25.21%	4,496
TOTAL	**16,322**	**23,106**	**-29.36%**	**21,988**

Premium income declined by 29.4% in 2020.

Group policies

GROUP INSURANCE PREMIUMS BY BUSINESS SEGMENT

(In € millions)	31.12.2020	31.12.2019	2020/2019	31.12.2018
Death benefit (1)	2,249	2,349	-4.25%	2,196
Bodily injury (1)	1,507	1,533	-1.71%	1,662
Pension	586	1,924	-69.53%	638
TOTAL	**4,343**	**5,807**	**-25.21%**	**4,496**

(1) 2019 figures reflect the following reclassifications by class of business:
i) €605 million in premiums corresponding to category 21 have been reclassified from the Death segment to the Personal Injury segment;
ii) €209 million in premiums not corresponding to category 21 have been reclassified from the Personal Injury segment to the Death segment

Policyholder participation

Changes in policyholder participation are presented in Note 6.8 to the parent company financial statements.

Profit for the year

The net profit of CNP Assurances contracted by 15.9% to €1,129.9 million in 2020, from €1,343.4 million in 2019.

Equity

Equity at 31 December 2020 amounted to €13,950.4 million versus €12,798.8 million at the previous year-end.

The year-on-year change primarily reflected inclusion of 2020 profit (€1,129.9 million positive impact) and changes in the capitalisation reserve (€21.7 million positive impact).

Supplier payment terms

Under France's Act of 17 March 2014 concerning transparency of information about payment terms, companies whose financial statements are audited are required to disclose information in the management report about the payment terms with their suppliers and customers, in a format defined by decree.

In accordance with Articles L.441-6-1 and D.441-4 of the French Commercial Code, CNP Assurances' payment terms in 2020 were as follows:

1. Invoices received and due but not yet settled at the year-end

In the following table, the percentage by period overdue has been calculated as follows:

- total invoices overdue by the period concerned divided by total purchases excluding VAT for the year, corresponding to a total of €492,197,763 worth of supplier invoices recorded in 2020.

The amounts in the following table are stated net of credit notes for a total (excluding VAT) of €956,987.19, of which €490,853.37 is in the "91 days and more" tranche.

	Period overdue				
	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total
Reference payment terms: contractual period of 45 days end of month (Article L.441-6 or Article L.443-1 of the French Commercial Code)					
Number of invoices concerned	105	59	9	77	250
Total value excluding VAT of the invoices concerned	1,392,540	431,487	(108,834)	(54,111)	1,661,082
Percentage of total purchases excluding VAT for the year	0.283%	0.088%	-0.022%	-0.011%	0.337%

In application of the circular dated 29 May 2017 issued by Fédération Française d'Assurance, the information in the above tables does not include insurance and reinsurance receivables.

2. Invoices issued and due but not yet settled at the year-end

In the following table, the percentage by period overdue has been calculated as follows:

- total invoices overdue by the period concerned divided by total revenue (reinvoiced costs) excluding VAT for the year, corresponding to a total of €44,081,566 worth of customer invoices recorded in 2020.

	Period overdue				
	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total
Reference payment terms: contractual period of 45 days end of month (Article L.441-6 or Article L.443-1 of the French Commercial Code)					
Number of invoices concerned	0	3	4	34	41
Total value excluding VAT of the invoices concerned	0	634	4,606	102,448	107,688
Percentage of total revenues (reinvoiced costs) excluding VAT for the year	0%	0.001%	0.01%	0.232%	0.244%

In application of the circular dated 29 May 2017 issued by Fédération Française d'Assurance, the information in the above tables does not include insurance and reinsurance receivables.

SUMMARY OF INVESTMENTS

At 31 December 2020 *(in € thousands)*		Cost in the balance sheet	Carrying amount in the balance sheet	Realisable value
Investments				
1)	Property investments and property investments in progress	13,670,876	13,246,497	17,644,457
2)	Equities and other variable income securities, other than mutual fund units	34,066,863	32,380,470	39,952,847
3)	Mutual fund units (other than those in 4)	26,980,790	26,824,995	33,098,719
4)	Mutual fund units invested exclusively in fixed-income securities	28,452,062	28,452,062	28,895,912
5)	Bonds and other fixed income securities	198,330,223	200,094,760	220,103,696
6)	Mortgage loans	0	0	0
7)	Other loans	0	0	0
8)	Deposits with ceding insurers	283,824	283,824	283,824
9)	Cash deposits (other than those in 8) and guarantees and other investments	256,558	256,558	256,558
10)	Assets backing unit-linked contracts	39,512,692	39,512,692	39,512,692
11)	Other forward financial instruments	0	0	0
TOTAL		**343,238,042**	**341,760,366**	**380,107,104**

The share of investments held to back the Company's commitments towards insureds and policy beneficiaries that would be transferred if the underlying policies were to be transferred amounted to €329,803,288.44 thousand, representing 86.93% of total insurance investments.

2.3.3 Review of subsidiaries

Caixa Seguradora

The Caixa Seguradora sub-group reported premium income of €5.6 billion, down 17.2% as reported and up 10.6% at constant exchange rates. Growth in local currency was driven by the Pensions business (up 12.5% at constant exchange rates), with exceptionally high sales in the second half more than offsetting the Covid-19 impact. Caixa Seguradora continued to attract significant amounts of new money for its Savings/Pensions products, which are a strategic priority for the partner. Its market share increased by 0.7 pts to 12.1% at end-November 2020.

Premium income for the Personal Risk/Protection business fell by 20.7% after translation into euros due to the unfavourable currency effect. At constant exchange rates, the year-on-year change was an increase of 5.9%. The increase in term creditor insurance premiums (up 12.4% at constant exchange rates) was mainly due to strong sales of consumer finance and home loans by the banking network.

Caixa Seguradora's contribution to consolidated profit was unfavourably affected by the 33.6% negative currency effect. In 2020, the average real/euro exchange rate improved to 5.89 from 4.41 in 2019.

The subsidiary's net insurance revenue was up 0.8% at constant exchange rates compared with 2019, reflecting strong growth in pensions technical reserves and increased Personal Risk/Protection business partly offset by the unfavourable basis of comparison in this segment.

Revenue from own-funds portfolios rose by 31%, with realised capital gains limiting the impact of lower Brazilian interest rates and the unfavourable currency effect. Administrative costs were reduced by 1.6% at constant exchange rates. At €749 million, EBIT was down 23.2% as reported and up 2.5% at constant exchange rates.

Caixa Seguradora's contribution to the Group's attributable net profit for 2020 amounted to €267 million; the increase of 7.1% compared with 2019 was due to the depreciation of the Brazilian currency.

CNP UniCredit Vita

CNP UniCredit Vita's premium income amounted to €3.3 billion in 2020, an increase of 8.0% in an Italian market that contracted by 10% over the first eleven months of the year. Savings premiums were up by a very strong €0.28 billion, with growth driven by successful product launches and marketing campaigns in support of traditional and unit-linked savings products. CNP UniCredit Vita's market share at end-December 2020 was 2.7%, an increase of 0.5 pt versus 2019.

Its total net insurance revenue was up 20.9% at €103 million, mainly due to non-recurring items recorded in 2019 (exceptional commission payments and reversal of a provision for administrative expenses following a change in the method of calculating unit costs).

General administrative expenses were up 5.7% at €38.0 million. EBIT totalled €77 million, up 36.7% compared with 2019.

CNP UniCredit Vita's contribution to the Group's attributable net profit under IFRS rose by 32.1% to €30.7 million compared with 2019.

CNP Santander Insurance

CNP Santander Insurance generated premium income of €764 million in 2020, a decline of 0.1% compared with the previous year that came mainly from operations in Germany, Poland and Spain.

Net insurance revenue, in the amount of €104.1 million, was derived primarily from business written in Germany (50% of net insurance revenue), Spain (29%) and Poland (11%). Administrative expenses totalled €20.7 million in 2020, an increase of 3.6% that was due to higher IT costs generated mainly by system transformations. The subsidiary's EBIT contracted by 4.8% after deducting €72 million in amortisation of intangible assets.

CNP Santander Insurance's contribution to the Group's attributable net profit under IFRS amounted to €31.7 million, representing €25 million more than in 2019.

CNP Cyprus Insurance Holdings

CNP Cyprus Insurance Holdings' premium income totalled €179 million in 2020, an increase of 6.9% on 2019. Growth was led by a 15.2% increase in Savings premiums.

Net insurance revenue increased by 11.3% to €47 million compared with 2019. Administrative costs increased by 5.5% over the year. In all, EBIT after amortisation of acquired In-Force business was 19.6% higher compared with 2019, at €20 million.

CNP Cyprus Insurance Holdings' contribution to Group attributable net profit under IFRS, after amortisation of acquired In-Force business, was €15.1 million, up €5.0 million compared with 2019.

2.3.4 Growth outlook

The growth outlook is discussed in the Company overview, under sections 1.1.2 "In a changing world" and 1.1.3. "Roadmap".

2.4 Solvency

The Solvency II directive defines the prudential regime applicable to European insurance and reinsurance undertakings. It sets the minimum capital required by each insurance undertaking and insurance group in order to be able to fulfil their commitments towards insureds and the beneficiaries of their insurance policies. The directive also describes the governance and risk management principles to be applied by these undertakings and groups, as well as their reporting obligations towards the public and the insurance supervisor.

Since 1 January 2016, the Group's regulatory solvency capital has been measured using the standard formula in Solvency II, without any internal model or any transitional plan, except for the grandfathering of subordinated notes issued before Solvency II came into effect.

At 31 December 2020, CNP Assurances' consolidated SCR coverage ratio was 208%. The excess of own funds eligible for inclusion in capital available to cover the SCR (€34.1 billion) over the SCR (€16.4 billion) represented a regulatory surplus of €17.7 billion. The Solvency Capital Requirement (SCR) is the level of eligible own funds that enables an insurance undertaking to absorb significant losses and gives reasonable assurance to policyholders and beneficiaries that payments will be made as they fall due. SCR is defined in Solvency II as the value-at-risk of basic own funds, subject to a confidence level of 99.5% over a one-year period.

The Group's consolidated MCR coverage ratio at 31 December 2020 was 351%. The excess of own funds eligible for inclusion in capital available to cover the consolidated MCR (€28.8 billion) over the consolidated MCR (€8.2 billion) represented a regulatory surplus of €20.6 billion. The Minimum Capital Requirement (MCR) corresponds to the minimum eligible basic own funds, defined in Solvency II as the amount of eligible basic own funds below which policyholders and beneficiaries are exposed to an unacceptable level of risk. When the amount of eligible basic own funds falls below the MCR, the insurance undertaking's authorisation is withdrawn if it is unable to re-establish this amount at the level of the MCR within a short period of time.

More detailed information about the SCR and MCR coverage ratios and changes in these ratios compared with 2019 will be presented in the 2020 Solvency and Financial Condition Report (published in April 2021).

Chapter

3

CORPORATE GOVERNANCE

3.1 Governance structure

French company law sets the general framework for the governance structure of listed companies, which are free to decide the details of their governance.

CNP Assurances' governance structure and the organisation of its governing bodies (the Board of Directors and Executive Management) and their areas of expertise are largely governed by the Company's Articles of Association and the Board of Directors' internal rules.

CNP Assurances complies with the legal and regulatory standards that apply due to its status as an insurance undertaking and a listed company, and also applies the recommendations in the AFEP-MEDEF Corporate Governance Code for Listed Companies and the guidelines issued by the AMF [1].

Any instances of non-compliance with the Code are listed and explained in this Corporate Governance Report in accordance with the "comply or explain" principle laid down in Article L.22-10-10, paragraph 4 of the French Commercial Code *(Code de commerce)*.

Close attention is also paid to regulatory guidance, rating agency opinions and the recommendations of shareholder advocacy groups.

Fit and proper requirements apply to the persons who participate in the system of governance (directors and persons who effectively run CNP Assurances or perform other key functions). These concern their professional qualifications, knowledge and experience (fit) and their integrity (proper).

The directors and the persons who effectively run the Company and the Group's European subsidiaries or perform key functions must fulfil specific requirements in terms of qualifications, knowledge and experience.

To determine whether a person has the qualifications, knowledge and experience required to perform a key function, consideration is given to their professional qualifications and specific Solvency II training, and their professional experience in the insurance industry or other finance sectors or other companies or organisations. Preference is given to candidates with experience in the insurance industry.

A Fit and Proper policy has been adopted by the Board of Directors. Its application is overseen by the Fit and Proper Review Committee. This Committee is chaired by the Group's Human Resources Director, who also acts as its Secretary. The other members are the Group Chief Compliance Officer, the Group Administrative Officer and, when the appointment concerns a subsidiary, the Chief Executive Officer of the entity to which the subsidiary belongs. If the person to be appointed or re-appointed is the head of the Compliance Group key function, he or she is replaced on the Committee by the head of the Internal Audit Group key function.

3.1.1 Allocation of duties and responsibilities

The positions of Chairman of the Board of Directors and Chief Executive Officer have been separated at CNP Assurances since 10 July 2007.

The current governance structure separates the powers of Executive Management from those of the Board of Directors, which is responsible for promoting long-term value creation by the Company and for deciding the Group's strategy and overseeing its implementation. The Board of Directors examines all issues affecting CNP Assurances and decides all matters that concern it, in line with the corporate purpose and with the exception of those matters which, by law, can only be decided by Executive Management or by the shareholders at General Meetings.

The Board approves the financial statements of CNP Assurances and the consolidated financial statements of the Group, and obtains assurance concerning the quality and reliability of financial and other information given to shareholders and other stakeholders. It also obtains assurance concerning the effectiveness of the internal control and risk management systems. These three roles are fulfilled jointly with the members of Executive Management, who are responsible for preparing matters and proposals for submission to the Board for review and approval. The Board of Directors prepares the management report and the Corporate Governance Report.

The Board fulfils other specific roles, such as authorising related party agreements governed by Article L.225-38 of the French Commercial Code, appointing executive directors, assessing their performance and determining their remuneration, allocating among Board members the remuneration awarded to the Board by the General Meeting and calling General Meetings.

The membership of the Board of Directors is balanced in terms of gender and comprises a mix of executive and independent directors with a range of skills and experience aligned with the Company's specific ownership structure. Women account for 46.67% of Board members.

(1) AMF recommendation DOC-2012-02 presents in a single document all the recommendations applicable to companies that refer to the AFEP-MEDEF Corporate Governance Code

At 4 March 2021, the Board of Directors had 17 members, including two directors representing employees as required by Article L.225-27-1 of the French Commercial Code.

The directors offer an array of complementary skills and experience (in finance, insurance, banking, international business, etc.). Some of them also have in-depth knowledge of the Company's history and business environment.

In 2020, in accordance with their terms of reference, the four committees of the Board (the Audit and Risk Committee, the Strategy Committee, the Remuneration and Nominations Committee, the Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships) examined the technical issues that are a feature of the business in order to help to prepare and to facilitate the Board's decisions.

The representatives of the various corporate departments (mainly Finance, Risks, Actuarial, Human Resources and Compliance) provide valuable support to the committees of the Board, including explanations of specific technical points and general comments on accounting, actuarial and financial and non-financial data.

The Statutory Auditors attend all meetings of the Audit and Risk Committee and all Board meetings. They also meet with the Audit and Risk Committee members at least once a year without any employees of CNP Assurances being present.

The Board of Directors delegates to the Chief Executive Officer certain powers to implement decisions of the Board and from the General Meeting.

The Board of Directors' prior approval of certain strategic transactions, such as material business acquisitions, must be obtained by the Chief Executive Officer before any decision is made.

The Board of Directors' internal rules list the powers delegated to the Chief Executive Officer and the cases where the Board's prior approval is required.

The allocation of duties and responsibilities within the Company was adapted as follows, to pave the way for the introduction of Solvency II governance requirements, applicable since 1 January 2016:

- two people are effectively responsible for running the undertaking and four senior executives are in charge of key corporate functions (internal audit, actuarial analysis, risk management and compliance);
- the Board of Directors has adopted written policies and prepares reports intended for France's banking and insurance supervisor (ACPR) or the general public;
- oversight of compliance with fit and proper requirements applicable to the holders of key functions has been stepped up.

The Board's powers are exercised alongside those of the General Meeting, which has sole authority to elect directors, approve the annual and consolidated financial statements, authorise share issues or cancellations, and amend the Company's Articles of Association.

The Board takes a consensus-based approach in compliance with the Company's social and environmental challenges and ethical standards and corporate values, as well as with all applicable laws and regulations.

To ensure the quality of the Board's governance while encouraging the transmission of knowledge and experience to new directors, directors' terms are staggered.

3.1.2 Separation of the positions of Chairman/Chairwoman and Chief Executive Officer

The recommendations of the AFEP-MEDEF Corporate Governance Code and AMF guidelines encourage companies that have opted to separate the positions of Chairman/Chairwoman of the Board of Directors and Chief Executive Officer to specify the Chairman/Chairwoman's duties in detail.

In line with these recommendations, the Board of Directors has drawn up an explicit description of the Chairman/Chairwoman's role and responsibilities.

His/her role does not exclusively concern the Board's organisation and practices. The Board's internal rules state that he/she may represent the Company in its public relations, notably with major partners or government authorities, at national or international level.

Respective roles of the Chairwoman and the Chief Executive Officer

Chairwoman

Since 31 July 2020, the Board of Directors has been chaired by Véronique Weill.

The role and responsibilities of the Chairwoman as defined in the French Commercial Code include responsibility for:

- calling meetings of the Board of Directors and setting the agenda;
- chairing meetings of the Board of Directors;
- chairing General Meetings called by the Board of Directors;

- determining the confidential information presented at Board meetings that will be subject to the directors' duty of discretion; and
- submitting related party agreements and commitments to the Board for approval and informing the Statutory Auditors of these agreements.

The Chairwoman ensures that the Board members respect the roles and prerogatives of Executive Management.

She makes sure the Board of Directors is kept permanently informed of all of the Company's activities and performances.

The Chairwoman organises and leads the work of the Board of Directors, calling meetings at least four times per year, or more frequently if warranted by circumstances. In 2020, the Board met nine times.

The Chairwoman oversees the transparency of decision-making processes, with a particular focus on the clarity, accuracy and completeness of information provided to the Board in respect of matters submitted for its decision.

The Chairwoman is closely involved in CNP Assurances' strategic management. She meets with the Chief Executive Officer every week (or more frequently if necessary) to receive information about material events and situations that concern the Company's strategy, organisation, major investment or divestment projects or other matters.

She may participate in internal strategy meetings chaired by the Chief Executive Officer, notably meetings to discuss the distribution agreements with the Company's main partners.

She chairs meetings of the Committee tasked with preparing Board decisions, which are also attended by the Chief Executive Officer and the Executive Committee members concerned. The topics covered by the Committee include:

- the annual budget;
- the annual and interim financial statements;
- policies submitted for Board approval in accordance with Solvency II governance rules.

Prior to the Board meetings at which these topics are discussed, the Chairwoman receives the briefing documents needed to ensure that she fully understands the Company's risk exposure.

To this end, she receives advance briefing documents from the Group Risk Committee and the Strategic Asset Allocation Committee, allowing her to discuss the topic concerned with the Chief Executive Officer prior to the Board meeting.

She receives copies of the audit reports as soon as they are issued. She may also commission special audits or ask for additional work to be included in the audit plan discussed by the Board of Directors.

The Chairwoman has broad and continuous access to necessary relevant information.

At the beginning of each year, she meets the heads of the various business units and corporate departments, to hold a free and frank discussion of their work and any issues that they may have identified and believe should be brought to her attention and conducts a series of initiatives to:

- maintain the quality of shareholder relations;
- guarantee Board diversity;
- propose a training programme to Board members.

Chief Executive Officer

The Chief Executive Officer has the broadest powers to act in CNP Assurances' name in all circumstances, subject to the restrictions on his powers and the financial authorisations decided by the Board of Directors, as set out in its internal rules which may be consulted on the CNP Assurances website [1]. These restrictions concern, in particular, business acquisitions (aside from portfolio management transactions) exceeding certain financial limits or that are not fully aligned with the strategy decided by the Board.

The Chief Executive Officer actively participates in Board meetings and keeps the Board abreast of the day-to-day management of CNP Assurances and all significant events affecting the Group. He helps devise and update the strategy decided by the Board.

The Chief Executive Officer is assisted in his managerial and operational duties by the Deputy Chief Executive Officer and the members of the Executive Committee.

(1) www.cnp.fr/en/The-Group/Governance/Corporate-governance

3.1.3 Executive Management procedures

The Chief Executive Officer is responsible for managing day-to-day operations. A key concern of Executive Management is to ensure that operations comply with the policies and strategies decided by the Board and that the link between strategy and shareholder value is maintained.

The Chief Executive Officer has set up an Executive Committee to lead the Group's operations and implement the strategy decided by the Board of Directors.

As of 31 December 2020, the Executive Committee comprised the Chief Executive Officer, the Deputy Chief Executive Officer and nine other senior executives.

The Executive Committee generally meets once a week. As well as acting in a strategic planning role, it coordinates and rolls out Group-level initiatives and monitors cross-functional projects. It combines a very broad range of technical, marketing, managerial and operational skills within an internal structure.

The Executive Committee discusses cross-functional and strategic management issues for final decision by the Chief Executive Officer. Periodic management indicators are used to track the Group's business.

The Committee reviews budgets, long-term business projections, financial statements, financial investment strategies and profit forecasts by business segment. It also reviews proposed acquisitions and the business plans of the main French and foreign subsidiaries.

It oversees the consistency of action plans implemented by the business units and subsidiaries. It monitors the Company's results and financial ratios and reviews the action plans to be implemented by the Company. It particularly focuses on ensuring the efficiency of internal control, internal audit and risk management systems, which are key drivers of good corporate governance.

Summary minutes are kept of each Executive Committee meeting.

The Chief Executive Officer holds regular meetings with the Group's main executives. Each participant is responsible for rolling down the information and discussion process to his or her level, for example, by organising Management Committee meetings or meetings with team members.

Xavier Larnaudie-Eiffel, Deputy Chief Executive Officer and Partnerships and Business Development Director, has been designated as the second person effectively responsible for running CNP Assurances. In accordance with Article R.322-168 of the French Insurance Code *(Code des assurances),* he has broad responsibility for and authority over the Company's business and risks and is involved in strategic, budget, financial and other decisions that have a material impact.

The holders of the four key functions at Group level (risk management, compliance, actuarial and internal audit) report to the Chief Executive Officer.

They are regularly invited to participate in Board meetings to provide the Board with insight into the risks, responsibilities and challenges associated with these functions.

The Risk Management function is run by the Group Risk department, which is responsible for coordinating the risk management system.

The department (i) applies the risk appetite defined in the Group's risk management strategy through risk policies and economic capital estimates; (ii) ensures that all risks are covered by the system and that the related surveillance measures are effective; (iii) rolls down the risk acceptance framework to the different businesses through such measures as underwriting policies, delegations of authority and investment guidelines and (iv) delivers a preliminary opinion on decisions with a significant impact on CNP Assurances' risk profile based on the four-eyes principle.

The Compliance function is run by the Compliance department which detects, identifies, assesses and prevents the occurrence of compliance risks, and provides advice and guidance in the following main areas: (i) governance (existence of appropriate committees, verification of independent advisors' professional qualifications); (ii) business ethics (professional secrecy and confidentiality, prevention of insider trading, anti-bribery and corruption measures); (iii) policyholder protection (know-your-client procedures, duty of advice, policyholder information, complaint processing procedures); (iv) marketing practices (advertising, sales and marketing documents, alignment of products with target clients, policy marketing rules); (v) procedures to combat money laundering and the financing of terrorism; (vi) procedures to combat insurance fraud and (vii) protection of personal data.

The Actuarial function is run by the Chief Actuary. The Actuarial department's activities include coordinating technical reserve calculations and analysing the underlying assumptions. It also examines the measures taken in the areas of reinsurance and underwriting. The results of the actuaries' work, in terms of estimating the impact on the Company's earnings and risk profile, are systematically taken into account.

The Internal Audit function is run by the Internal Audit department, which assesses the relevance and robustness of the Group's overall system of controls.

It also assesses the design and effectiveness of the risk management and internal control processes deployed in the audited activities or critical business processes, and recommends quality and compliance improvements.

3.2 Board of Directors' governance practices and procedures

3.2.1 Composition of the Board of Directors as at 4 March 2021

The positions of Chair of the Board of Directors and Chief Executive Officer have been separated at CNP Assurances since 10 July 2007. This governance method ensures a clear distinction between the Board's strategic planning, decision-making and oversight roles and Executive Management's role as the body responsible for running the business.

NINE DIRECTORS RECOMMENDED BY LA BANQUE POSTALE

Philippe Wahl
Philippe Heim (1)
Tony Blanco
Yves Brassart (1)
Sonia de Demandolx (2)
Nicolas Eyt (1)
François Géronde
Christiane Marcellier (2)
LBP, represented by Perrine Kaltwasser (1)

TWO DIRECTORS RECOMMENDED BY BPCE

Laurent Mignon
Jean-Yves Forel

TWO DIRECTORS REPRESENTING EMPLOYEES

Philippe Bartoli
Laurence Guitard

FOUR INDEPENDENT DIRECTORS (3)

Véronique Weill (1)
Marcia Campbell
Stéphane Pallez
Rose-Marie Van Lerberghe (1)

OTHER PARTICIPANTS IN BOARD MEETINGS:

Antoine Lissowski, Chief Executive Officer, **Xavier Larnaudie-Eiffel,** Deputy Chief Executive Officer and second person effectively responsible for running CNP Assurances, **Thomas Béhar,** Chief Financial Officer, member of the Executive Committee, **Marie Grison,** Group General Secretary, member of the Executive Committee, **Sandrine Uzan,** Secretary of the Board, and **Ali Saou,** Economic and Social Committee representative.

Statutory Auditors: PricewaterhouseCoopers Audit, represented by **Bénédicte Vignon** and **Frédéric Trouillard-Mignen** and Mazars, represented by **Olivier Leclerc.**

Directors' profile

Overview of the Board of Directors

46.67%

Proportion of women directors (4)

7/15

4

Independent directors 26.67% (4)

4/15

57

Average age

(1) Directors whose appointment is subject to ratification or who are proposed for re-election at the Annual General Meeting of 16 April 2021
(2) Directors proposed by La Banque Postale who are neither employees nor corporate officers
(3) According to the AFEP-MEDEF Corporate Governance Code
(4) The two directors representing employees are excluded for the purpose of calculating percentages, in accordance with Article 9.3 of the AFEP-MEDEF Corporate Governance Code and Article L.225-27-1 of the French Commercial Code (Code de commerce)

PROVISIONAL SITUATION AS AT THE DATE OF THE GENERAL MEETING ON 16 APRIL 2021

	Personal information				Experience	Position on the Board				Membership of Board committees			
	Age	*Nationality*	*Gender*	*Number of shares*	*Number of directorships of listed companies*	*Independence*	*First appointed*	*Current term expires*	*Years served on the Board*	*Audit and Risk Committee*	*Remuneration and Nominations Committee*	*Strategy Committee*	*Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships*
Executive Director													
Véronique Weill	61	FR	F	500	3	Yes	2020	2021	0.71		●	◆	◆
Directors													
Philippe Wahl	65	FR	M	200	1	No	2011	2022	10.15		●		
Philippe Heim	53	FR	M	-	1	No	2020	2022	0.56		●	●	
Tony Blanco	55	FR	M	200	1	No	2020	2022	1.12	●			
Yves Brassart	60	FR	M	200	1	No	2020	2021	1.12			●	
Sonia de Demandolx	43	FR	F	200	1	No	2020	2024	1.12				
Nicolas Eyt	44	FR	M	-	1	No	2021	2021	0			●	
François Géronde	52	FR	M	200	1	No	2020	2022	1.12				
Christiane Marcellier	64	FR	F	200	2	No	2020	2024	1.12				
(La Banque Postale) Perrine Kaltwasser	40	FR	F	200	1	No	2019	2021	1.56	●			
Laurent Mignon	57	FR	M	-	3	No	2018	2022	2.92		●		
Jean-Yves Forel	59	FR	M	200	1	No	2012	2022	8.34	●		●	
Marcia Campbell	62	UK	F	750	1	Yes	2011	2024	10.15	●		●	●
Stéphane Pallez	61	FR	F	200	3	Yes	2011	2024	10.03	◆		●	●
Rose-Marie Van Lerberghe	74	FR	F	200	3	Yes	2013	2021	7.56		◆		●
Directors representing employees													
Philippe Bartoli	62	FR	M	180	1	No	2017	2021	3.93				
Laurence Guitard	59	FR	F	-	1	No	2016	2025	4.97				

◆ Chairwoman ● Member

Changes in the membership of the Board of Directors and the committees of the Board

MEMBERSHIP OF THE BOARD OF DIRECTORS AT 4 MARCH 2021

	Resigned	Appointed	Re-elected
Board of Directors	Caisse des Dépôts, represented by Éric Lombard Alexandra Basso Virginie Chapron du Jeu Olivier Fabas Laurence Giraudon Olivier Mareuse The French State, represented by Charles Sarrazin (4 March 2020)	Tony Blanco Yves Brassart Catherine Charrier-Leflaive Sonia de Demandolx François Géronde Christiane Marcellier (4 March 2020)	Marcia Campbell Stéphane Pallez Christiane Marcellier Sonia de Demandolx (17 April 2020)
	Jean-Paul Faugère (15 July 2020)	Véronique Weill (31 July 2020)	
	Rémy Weber (3 August 2020)	Philippe Heim (24 September 2020)	
	Catherine Charrier-Leflaive (30 November 2020)	Nicolas Eyt (4 March 2021)	
Audit and Risk Committee	Olivier Mareuse (4 March 2020)	Tony Blanco (4 March 2020)	
Remuneration and Nominations Committee	Caisse des Dépôts, represented by Éric Lombard (4 March 2020)	Rémy Weber (4 March 2020) Philippe Wahl (14 May 2020)	
	Jean-Paul Faugère (15 July 2020)	Véronique Weill (31 July 2020)	
	Rémy Weber (3 August 2020)	Philippe Heim (24 September 2020)	
Strategy Committee	Virginie Chapron du Jeu Olivier Mareuse (4 March 2020)	Yves Brassart Catherine Charrier-Leflaive (4 March 2020)	
	Jean-Paul Faugère (15 July 2020)	Véronique Weill (31 July 2020)	
	Rémy Weber (3 August 2020)	Philippe Heim (24 September 2020)	
	Catherine Charrier-Leflaive (30 November 2020)	Nicolas Eyt (4 March 2021)	
Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships	Virginie Chapron du Jeu Olivier Fabas The French State, represented by Charles Sarrazin (4 March 2020)		

Directors' independence

The tables below present the situation of each director in relation to the independence criteria listed in section 9 of the AFEP-MEDEF Corporate Governance Code.

Criterion 1: not to have been an employee or executive director in the previous five years
Not to be and not to have been within the previous five years:
- an employee or executive officer of the corporation;
- an employee, executive officer or director of a company consolidated within the corporation;
- an employee, executive officer or director of the Company's parent company or a company consolidated within this parent company.

Criterion 2: no cross directorships
Not to be an executive officer of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the corporation (currently in office or having held such office within the last five years) holds a directorship.

Criterion 3: no significant business relationships*
Not to be a customer, supplier, commercial banker, investment banker or consultant:
- that is significant to the corporation or its group; or
- for which the corporation or its group represents a significant portion of its activities.

The evaluation of the significance or otherwise of the relationship with the Company or its group is debated by the Board, and the quantitative and qualitative criteria that led to this evaluation (continuity, economic dependence, exclusivity, etc.) are explicitly stated in the report on corporate governance.

Criterion 4: no family ties
Not to be related by close family ties to a company officer.

Criterion 5: not to have been an auditor
Not to have been an auditor of the corporation within the previous five years.

Criterion 6: no more than 12 years on the Board
Not to have been a director of the corporation for more than 12 years. Loss of the status of independent director occurs on the date when this 12 years is reached.

Criterion 7: no variable compensation
A non-executive officer cannot be considered independent if he or she receives variable compensation in cash or in the form of shares or any compensation linked to the performance of the corporation or the Group.

Criterion 8: not a significant shareholder
Directors representing major shareholders of the corporation or its parent company may be considered independent, provided these shareholders do not take part in the control of the corporation. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board, upon a report from the Nominations Committee, should systematically review the qualification of a director as independent in the light of the make-up of the corporation's capital and the existence of a potential conflict of interest.

* At its meeting on 16 February 2021, the Board of Directors found that none of the directors qualified as independent had any material direct or indirect business ties with CNP Assurances or the Group

Criteria [1]	Véronique Weill	Philippe Wahl	Philippe Heim	Tony Blanco	Yves Brassart	Sonia de Demandolx	Nicolas Eyt	François Géronde	Christiane Marcellier
Criterion 1: *not to have been an employee or executive director in the previous five years*	✘	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 2: *no cross directorships*	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 3: *no significant business relationships*	✔	✘	✘	✘	✘	✔	✘	✘	✔
Criterion 4: *no family ties*	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 5: *not to have been an auditor*	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 6: *no more than 12 years on the Board*	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 7: *no variable compensation*	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 8: *not a significant shareholder*	✔	✘	✘	✘	✘	✘	✘	✘	✘
Position on the Board [2]	I	NI	NI	NI	NI	NI	NI	NI	NI

(1) In the above tables, ✔ indicates that the independence criterion is fulfilled and ✘ indicates that the independence criterion is not fulfilled
(2) I = Independent, NI = Not independent

Criteria [1]	Perrine Kaltwasser	Laurent Mignon	Jean-Yves Forel	Marcia Campbell	Stéphane Pallez	Rose-Marie Van Lerberghe	Philippe Bartoli	Laurence Guitard
Criterion 1: *not to have been an employee or executive director in the previous five years*	✔	✔	✔	✔	✔	✔	✘	✘
Criterion 2: *no cross directorships*	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 3: *no significant business relationships*	✘	✘	✘	✔	✔	✔	✔	✔
Criterion 4: *no family ties*	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 5: *not to have been an auditor*	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 6: *no more than 12 years on the Board*	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 7: *no variable compensation*	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 8: *not a significant shareholder*	✘	✘	✘	✔	✔	✔	✔	✔
Position on the Board [2]	NI	NI	NI	I	I	I	NI	NI

(1) In the above tables, ✔ indicates that the independence criterion is fulfilled and ✘ indicates that the independence criterion is not fulfilled
(2) I = Independent, NI = Not independent

Directors' attendance rates in 2020

	Attendance rate at Board meetings	Attendance rate at Audit and Risk Committee meetings	Attendance rate at Remuneration and Nominations Committee meetings	Attendance rate at Strategy Committee meetings	Attendance rate at meetings of the Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships
Véronique Weill	100%	-	100%	100%	100%
Philippe Wahl	100%	-	100%	-	-
Philippe Heim	100%	-	100%	100%	-
Tony Blanco	100%	100%	-	-	-
Yves Brassart	100%	-	-	100%	-
Sonia de Demandolx	86%	-	-	-	-
François Géronde	100%	-	-	-	-
Christiane Marcellier	100%		-	-	-
Perrine Kaltwasser	89%	100%	-	-	-
Jean-Yves Forel	78%	100%	-	100%	-
Laurent Mignon	67%	-	100%	-	-
Marcia Campbell	89%	100%	-	100%	100%
Stéphane Pallez	89%	100%	-	100%	100%
Rose-Marie Van Lerberghe	100%	-	100%	-	100%
Philippe Bartoli	78%	-	-	-	-
Laurence Guitard	89%	-	-	-	-

3.2.2 Diversity policy applied to members of the Board of Directors

The Board of Directors ensures that the choice of candidates for election or appointment to the Board reflects a wide range of skills and experience and satisfies the gender balance required under Article L.225-18-1 of the French Commercial Code.

At 4 March 2021, 46.67% of Board members were women, in line with the 40% minimum proportion required by Article L.225-18-1.

The requirements in terms of the range of skills and experience demonstrated by individual directors and the Board as a whole have been increased with the application of Solvency II. The Board must have permanent assurance that, together, its members have the qualifications, knowledge and experience needed to fulfil the responsibilities of the Board and its committees, concerning in particular:

- the insurance and financial markets;
- the Company's strategy and business model;
- its system of governance;
- financial and actuarial analysis;
- the legal and regulatory requirements applicable to an insurance undertaking.

SOLVENCY II-RELATED EXPERTISE OF THE MEMBERS OF THE BOARD OF DIRECTORS

	Insurance and financial markets	Insurance undertaking strategy and business model	Governance system of an insurance undertaking	Financial and actuarial analysis	Experience of legal and regulatory systems of an insurance undertaking
Véronique Weill	✔	✔	✔	✔	✔
Philippe Wahl	✔	✔	✔	✔	✔
Philippe Heim	✔	✔	✔	✔	✔
Tony Blanco	✔	✔	✔	✔	✔
Yves Brassart	✔	✔	✔	✔	✔
François Géronde	✔	✔	✔	✔	✔
Perrine Kaltwasser	✔	✔	✔	✔	✔
Sonia de Demandolx	✔	✔	✔	✔	✔
Nicolas Eyt	✔	✔	✔	✔	✔
Christiane Marcellier	✔	✔	✔	✔	✔
Laurent Mignon	✔	✔	✔	✔	✔
Jean-Yves Forel	✔	✔	✔	✔	✔
Marcia Campbell	✔	✔	✔	✔	✔
Stéphane Pallez	✔	✔	✔	✔	✔
Rose-Marie Van Lerberghe	✔	✔	✔	-	✔
Laurence Guitard	✔	✔	✔	-	✔
Philippe Bartoli	✔	✔	✔	✔	✔

COLLECTIVE EXPERTISE OF THE MEMBERS OF THE BOARD OF DIRECTORS

In 2020, a further assessment of the directors' skills and experience was carried out, covering four additional areas: Human Resources, Corporate Social Responsibility (CSR), Information Technology and International Business.

The collective Solvency II expertise map therefore now also reflects the directors' skills and experience in these four additional areas.

Insurance and financial markets	**100%**
Insurance undertaking strategy and business model	**100%**
Governance system of an insurance undertaking	**100%**
Financial and actuarial analysis	**88%**
Experience of legal and regulatory systems of an insurance undertaking	**100%**
Corporate Social Responsibility (CSR)	**82%**
Human resources	**76%**
IT consulting	**65%**
International	**88%**

Information about the way that CNP Assurances endeavours to ensure balanced representation of men and women on the Executive Committee

The membership of the Executive Committee reflects the choice of the Chief Executive Officer to surround himself with the technical, marketing, managerial and operational skills that he considers necessary in order to have an internal structure he can rely on when making his decisions.

As of 31 December 2020, the Executive Committee comprised the Chief Executive Officer, the Deputy Chief Executive Officer and nine senior executives, representing 11 members in all, including seven men and four women (proportion of women directors: 36.36%).

Information about gender balance among executives representing the top 10%

As of 31 December 2020, 84 executives were in the top 10%, 36% of whom were women.

Information about gender balance on governance bodies

On the recommendation of the Chief Executive Officer and in accordance with Article 7 of the AFEP-MEDEF Code, at its meeting on 8 January 2021 the Board of Directors set objectives in terms of gender balance for the Group's governance bodies, including not only the Board of Directors but also the Executive and Management Committees and senior management in general.

In the case of CNP Assurances, the AFEP-MEDEF concept of governance bodies refers to the Executive Committee, the Development Committee (comprising Executive Committee members, the four key function holders and the holders of the development functions) and senior management.

The gender balance policy applied to governance bodies aims to achieve balanced representation of men and women on these bodies.

The objective for 2021 is to increase (or maintain) the proportion of women in each governance body to at least 36% (43% for the Development Committee), taking into account forecast natural attrition rates among women on the Development Committee and in senior management positions.

Directors' qualifying shares

Article 1.2 C) 3 of the Board of Directors' internal rules stipulates that each director must hold at least 200 CNP Assurances shares (500 in the case of the Chairwoman of the Board and the Chief Executive Officer). Directors representing employees are not required to hold any CNP Assurances shares.

3.2.3 Compliance with the AFEP-MEDEF Corporate Governance Code

Explanation of practices that differ from those recommended in the AFEP-MEDEF Corporate Governance Code

CNP Assurances refers to the AFEP-MEDEF Corporate Governance Code [1]. Without calling this principle into question, its practices may on occasion differ from those set out in the Code due to the Company's specific features.

The divergent practices are listed in the table below which has been prepared in accordance with the "comply or explain" provisions of Article L.22-10-10, paragraph 4 of the French Commercial Code.

AFEP-MEDEF Code Recommendations	CNP Assurances	Explanations
Proportion of independent directors		
▪ Board of Directors: proportion should be greater than 33% in controlled companies	Proportion is 26.67%	Membership of CNP Assurances' Board of Directors reflects its ownership structure. Consequently, the proportion of independent directors does not comply with Code guidelines.
▪ Audit and Risk Committee: proportion should be greater than 66%	Proportion is 40%	
▪ Remuneration and Nominations Committee: proportion should be greater than 50%	Proportion is 40%	
Independence criteria		
Not to be a (...) director (...) of a consolidated subsidiary (...) of CNP Assurances.	Véronique Weill is a director of Caixa Seguros Holding (Brazil), a consolidated subsidiary of CNP Assurances.	The Board of Directors believes that, in light of Caixa Seguros Holding's critical contribution to CNP Assurances, electing an independent director of CNP Assurances to its Board is useful, because it provides CNP Assurances' Board with an additional perspective on the Group's business in Latin America. As recommended in the March 2020 AFEP-MEDEF Corporate Governance Code's application guidance, Véronique Weill does not participate in deliberations or decisions by CNP Assurances' Board on matters that may give rise to a conflict of interests between CNP Assurances and Caixa Seguros Holding.
Organisation each year of a meeting not attended by the executive directors (Article 11-3).		Each year, during its February meeting, the Board of Directors assesses the performance of the Chief Executive Officer and the Chair of the Board and determines the components of their respective remuneration packages. The Chief Executive Officer, the Chairwoman of the Board and the members of management present at the meeting leave the room while the Board discusses the management of the business and the performance of the Chief Executive Officer and the Chairwoman.
The Nominations Committee (or a special committee) designs management succession plans for corporate officers.		The Committee members are actively involved in succession issues, holding meetings to organise the replacement of officers who have resigned (as was the case of Jean-Paul Faugère in 2020) or whose term is coming to an end (as was also the case in 2020, concerning the Chief Executive Officer whose term expires on 16 April 2021). CNP Assurances' practices comply with Solvency II, which requires insurance undertakings to identify two persons who effectively run the undertaking. This means that if either of the two positions concerned were to fall vacant, there would still be one person left to effectively run the business. Concerning the temporary or permanent replacement of holders of other key functions in the Group, a continuity and succession plan for key functions was reviewed by the Remuneration and Nominations Committee in February 2019.

(1) The AFEP-MEDEF Corporate Governance Code is available on the AFEP website, at www.afep.com/themes/governance/

AFEP-MEDEF Code Recommendations	CNP Assurances	Explanations
The Remuneration and Nominations Committee should include a director representing employees.		The Board of Directors' internal rules reflect the Company's ownership structure and do not currently provide for the appointment of a director representing employees to the Remuneration and Nominations Committee.
When an employee becomes a corporate officer, his or her employment contract with the Company or another Group entity should be terminated either by means of a settlement agreement or by the employee resigning.		The Board of Directors considered that it would not be appropriate to require the termination of Antoine Lissowski's employment contract with CNP Assurances, which has been in force since 2003. The Board took the view that the loss of his rights under the contract and by virtue of his years of service up until 1 September 2018 would be sufficiently damaging as to adversely affect the management transition, given that he was appointed Chief Executive Officer for a fixed term in accordance with the Articles of Association.
Quantifiable criteria should have more weight than qualitative criteria for the determination of the Chief Executive Officer's remuneration.		The Board of Directors decided in February 2020 that, in light of the Group's long-term development challenges, it was more appropriate to give equal weight to quantifiable and qualitative criteria.

3.2.4 Preparation and organisation of the Board's work

The procedures for the preparation of the Board's work and its organisation are described in its internal rules, which supplement and clarify the corresponding laws and regulations, the relevant provisions of the Articles of Association and the AFEP-MEDEF Corporate Governance Code to which the Board refers. The Board's internal rules may be consulted on the CNP Assurances website.

Every year, the dates and agendas for the upcoming meetings of the Board and its Audit and Risk Committee are drawn up and approved.

The Chairwoman provides the directors with all documents and information required to enable them to fulfil their duties and prepare their decisions. Between any two Board meetings, directors may also be sent briefings on important topics or copies of press releases by e-mail.

Several days ahead of each Board meeting, the directors receive briefing documents on the various agenda items, together with the draft minutes of the previous meeting, a file containing press cuttings and selected analyst reports concerning the Company or the Group.

At each meeting, the Chief Executive Officer reports to the Board about day-to-day management matters and any significant events affecting the running of the Company. Directors are regularly provided with a detailed analysis of the Group's results, notably in the form of the annual and interim financial statements and the quarterly results indicators.

Directors also receive detailed updates on developments regarding commercial, financial and operational issues that help them to track the implementation of the Group's strategy and better understand its businesses and outlook. In addition, they are kept regularly informed about action plans implemented by CNP Assurances at the request of the insurance supervisor (ACPR) and about climate risk issues.

At each Board meeting, the agenda items are presented in detail by the Chief Executive Officer and other members of Executive Management.

After the directors have obtained answers to their questions, they discuss these presentations and then, where applicable, vote on the related decisions.

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 Chairwoman of the Board of Directors.

The Board's internal rules include specific rules covering the prevention and management of conflicts of interest.

In order to perform its management and supervisory duties more effectively, the Board of Directors receives advice from the committees of the Board.

The duties and procedures of the Audit and Risk Committee, the Remuneration and Nominations Committee, the Strategy Committee and the Follow-up Committee on the Implementation of the BPCE and LBP Partnerships are set out in the Board of Directors' internal rules. The committees may use the services of external experts.

All of the members of the committees are directors and are appointed by the Board which also appoints the Chair of each Committee.

3.2.5 Activities of the Board of Directors and its committees in 2020

Board of Directors

9	89%	2h30
Number of meetings	Attendance rate	Average duration of each meeting

The main matters discussed by the Board of Directors in 2020 were as follows:

- business and operating procedures during the pandemic (regular updates);
- the Group's strategy and business model, particularly in light of the interest rate environment, leading to reviews of solvency capital, measures to adapt to this environment and the speed with which they are being implemented;
- wide-ranging business development issues, especially in the life and non-life segments in Latin America (Latin America BU);
- the process for renewing the partnerships in Brazil with Caixa Econômica Federal and Caixa Seguridade;
- corporate social responsibility (CSR) strategy and challenges;
- succession plan to replace Jean-Paul Faugère as Chairman, following the announcement on 15 July 2020 of his intention to step down from the Board;
- launch of a project leading the Board of Directors to propose to the Annual General Meeting of 16 April 2021 the inclusion in the Articles of Association of a clause setting out the Company's corporate mission;
- authorisation of related party transactions concerning the Group's business and/or its investments (with La Banque Postale, LPBAM, Ostrum AM, Société forestière de la CDC);
- matters that affect the Group's performance such as information systems security and outsourcing (numerous discussions);
- the technical procedures required under Solvency II (review of the own risk and solvency assessment (ORSA) process and approval of reports [1] and adjustments to written policies [2] designed to guarantee the sound, prudent and efficient management of the business);
- the Company's responses to questions and information requests from France's banking and insurance supervisor, ACPR.

The Board of Directors decided to give one of its members the task of closely monitoring the Group's corporate social responsibility (CSR) practices, to ensure that the CSR issues affecting the business are duly taken into account by senior management and the Board of Directors, especially during the decision-making process.

Committees of the Board of Directors

AUDIT AND RISK COMMITTEE

Number of members: 5		Number of meetings	Attendance rate	Average duration of each meeting
Independent directors	**Stéphane Pallez, Chairwoman** Marcia Campbell	7	97%	Three hours
Non-independent directors	LBP, represented by Perrine Kaltwasser Tony Blanco Jean-Yves Forel			

The members of the Audit and Risk Committee are chosen based on their business experience and/or qualifications. All of the Committee's members have the required expertise in finance, accounting or financial audit. For more information, see "Diversity policy applied to members of the Board of Directors".

(1) SFCR reports, RSR reports, report on the procedures for the preparation and verification of financial information, report on internal control over the system to combat money laundering and the financing of terrorism, recovery plan

(2) The main policies concern (i) risk management (including underwriting, reserving, asset/liability management, investment, operational risk management, reinsurance and other risk mitigation policies); (ii) internal control; (iii) internal audit; (iv) outsourcing; (v) reporting; (vi) ORSA; (vii) measurement of assets and liabilities; (viii) capital management; (ix) fit and proper requirements; (x) remuneration and (xi) business continuity

During 2020, the Audit and Risk Committee continued to provide opinions and recommendations to the Board, based notably on discussions with the Statutory Auditors.

The members of the Audit and Risk Committee receive the documents and information required for their review of the annual and interim financial statements and the quarterly indicators sufficiently in advance to enable them to prepare their questions for the Statutory Auditors, the Chief Financial Officer, the Accounting Director, the Chief Actuary and the Chief Risk Officer.

Audit and Risk Committee meetings are generally held the day before Board meetings, to make it easier for the Committee member who is based outside France to attend the meetings in person.

The Committee may consult independent experts, after first informing the Chairwoman of the Board or the Board of Directors. In this case, the experts' fees are paid by the Company.

In 2020, the Audit and Risk Committee focused primarily on:

- the audit of the financial statements;
- the Group's risk exposure;
- portfolios with a sharply negative Value of New Business, by conducting an assessment of the measures deployed to reverse the situation;
- Solvency II programme issues (determination of the overall Solvency Capital Requirement, drafting of written policies, etc.);
- the Group's investment policy and policy concerning the use of financial futures;
- the activities of the Internal Audit department and the Compliance department in 2020, and their respective programmes for 2021;
- the action plan for the Group risk business;
- the manner in which the prolonged low interest rate environment is taken into account in managing the savings business;
- CSR challenges and risks.

The Committee also looked at the Company's management and follow-up of ACPR audits and reviewed the action plans drawn up to address the ACPR's recommendations.

The Audit and Risk Committee has continued to request and obtain a consolidated report presenting the recommendations of the internal auditors, the ACPR, the Statutory Auditors and the Chief Actuary, giving it a holistic vision of all of these different recommendations.

Lastly, the Committee's work programme also covered the provision by the Statutory Auditors of the services referred to in Article L.822-11-2 of the French Commercial Code (non-audit services).

At its meeting on 15 February 2021, the Committee examined the procedure allowing the Board of Directors to assess regularly whether routine agreements presented by senior management as being entered into on arm's length terms effectively fulfil this condition.

The Committee validated the proposed procedure, which consists of obtaining a list of the agreements concerned from the business units and Group functions, along with a written explanation of why they are considered to represent routine agreements and why their terms may be qualified as arm's length. The procedure allows the Committee to request, if appropriate:

- improvements to the assessment process if it identifies anomalies in Executive Management's own assessment or if the criteria for making the "arm's length" determination do not appear relevant;
- changes in the classification of certain agreements included on this list, to be made by senior management.

REMUNERATION AND NOMINATIONS COMMITTEE

Number of members: 5		Number of meetings	Attendance rate	Average duration of each meeting
Independent directors	**Rose-Marie Van Lerberghe, Chairwoman** Véronique Weill	8	94%	40 min
Non-independent directors	Laurent Mignon Philippe Heim Philippe Wahl			

Executive corporate officers are involved in the work of the Remuneration and Nominations Committee. Véronique Weill, Chairwoman of the Board of Directors, is a member of the Committee and the Chief Executive Officer is invited to take part in meetings whenever necessary depending on the agenda items. Neither of them take part in discussions and decisions concerning their re-appointment and remuneration.

The Remuneration and Nominations Committee is responsible for selecting candidates for election as directors and members of the committees of the Board, and for reviewing the proposed appointment of the Chairwoman of the Board of Directors, the Chief Executive Officer, the second person effectively responsible for running the undertaking, and the candidates for appointment to the four key functions.

The Committee also reviews the remuneration awarded to the Chairwoman of the Board of Directors, the Chief Executive Officer and the corporate officers of subsidiaries controlled by the Company. It is informed of the principles underpinning the remuneration policy for employees or certain categories of employees, such as risk-takers [(1)], through the Group remuneration policy approved by the Board of Directors.

The Committee also makes recommendations to the Board concerning the remuneration to be attributed to each director based on fixed and clearly defined criteria such as attendance at meetings and membership (or Chairmanship) of a Committee of the Board.

It reviews any planned employee rights issues or share grants.

In addition, the Remunerations and Nominations Committee:

- is informed by the Chief Executive Officer about:
  - any proposed new or amended wording of the Deputy Chief Executive Officers' employment contracts or remuneration terms (method of determining their fixed and variable remuneration, specific contract termination conditions, pension entitlements, etc.),
  - the remuneration awarded by the Group to its corporate officers;
- is asked by the Chief Executive Officer for its opinion on:
  - the persons that the Chief Executive Officer plans to appoint to the four key functions (if needed, the consultation on the choice of candidates may be carried out by e-mail),
  - the proposal to be submitted to the Board of Directors concerning the designation by the Chief Executive Officer of the second person effectively responsible for running the undertaking;
- issues its opinion each year on the level of remuneration and performance in relation to objectives of the holders of the key functions and the second person effectively responsible for running the undertaking.

STRATEGY COMMITTEE

Number of members: 6		Number of meetings	Attendance rate	Average duration of each meeting
Independent directors	**Véronique Weill, Chairwoman** Marcia Campbell Stéphane Pallez	1	100%	Two hours
Non-independent directors	Yves Brassart Jean-Yves Forel Philippe Heim			

In 2020, the work of the Strategy Committee concerned CNP Assurances' strategic plan for the period to 2030 and the Company's acquisition plans outside France.

FOLLOW-UP COMMITTEE ON THE IMPLEMENTATION OF THE BPCE AND LA BANQUE POSTALE PARTNERSHIPS

Number of members: 4		Number of meetings	Attendance rate	Average duration of each meeting
Independent directors	**Véronique Weill, Chairwoman** Marcia Campbell Stéphane Pallez Rose-Marie Van Lerberghe	1	100%	Two hours

In 2020, the Follow-up Committee on the Implementation of the BPCE and LBP Partnerships reviewed the partnership activities.

(1) Persons whose activities have a material impact on the Company's risk profile, including the persons who effectively run the business and the holders of the four key functions

3.2.6 Performance assessment of the Board of Directors and its committees

In accordance with the AFEP-MEDEF Corporate Governance Code and its own internal rules, in 2020 the Board performed a self-assessment of its performance with the assistance of outside consultants. The results of the self-assessment were presented to the Board at its meeting on 8 January 2021.

The self-assessment was based on a questionnaire sent to all the directors and on one-on-one conversations with five directors.

The topics covered were those listed in the AFEP-MEDEF Code, and directors were asked to respond to questions on the practices of the Board and its committees, how well the Board and the committees work together, the Company's strategy and the overall competence of the Board members.

The directors confirmed their positive assessment of the Company's governance, noting however that integrating the directors who joined the Board during the year was made more difficult by the Covid-19 crisis.

An analysis of the completed questionnaires and the interviews confirmed that the directors have the skills needed for the Board to fulfil its role and that the Board's discussions are of a high quality.

Certain points were noted for inclusion in an action plan to be implemented in 2021.

3.2.7 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 one hundred million euros (€100,000,000) per commitment [1];
- business acquisitions and disposals for amounts in excess of €10 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 put options written or underwriting commitments granted by CNP Assurances and any off-balance sheet commitments. It does not apply to acquisitions and 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, except for transactions carried out on an experimental basis;
- organic growth or internal restructuring operations qualified as having a major impact for the Group.

On 16 February 2021, 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 third parties in accordance with Article L.225-35, paragraph 4 of the French Commercial Code;
- issue, on one or several occasions, bonds or notes for a maximum of €2 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);
- buy back, on one or several occasions as required, at the prices and according to terms and conditions that he shall determine, bonds or notes 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 securities bought back pursuant to this authorisation may not exceed €1.5 billion or the equivalent of this amount in foreign currency or any other unit of account determined by reference to a basket of currencies;
- establish or unwind, on one or several occasions, hedging positions on bonds or notes issued or to be issued by CNP Assurances, in the form of swaps, including but not limited to currency swaps that convert the interest and principal into euros and interest rate swaps involving the exchange of interest streams. The maximum notional amount of the positions may not exceed €1.5 billion or the equivalent in foreign currency.

A detailed description of the restrictions on the Board's powers and the financial authorisations given to the Board is available on the Company's website.

(1) In addition, the Chief Executive Officer is authorised to issue and sign commitments under which CNP Assurances acts as guarantor for its subsidiary CNP Caution in relation to commitments made by CNP Caution to its commercial partners. This authorisation relating to CNP Caution is limited to a maximum cumulative amount of eleven billion euros (€11,000,000,000), less the total amount of the guarantees issued by CNP Assurances in relation to commitments made by CNP Caution to its commercial partners which are still in place

3.3 Members of the Board of Directors

Functions of the members of the Board of Directors and list of their directorships

3.3.1 Chairwoman of the Board

AGE: 61

NATIONALITY: French

EDUCATION: *Institut d'Études Politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:
CNP Assurances
4, place Raoul Dautry
75015 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 500

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Remuneration and Nominations Committee (member)
Strategy Committee (Chairwoman)
Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships (Chairwoman)

FIRST ELECTED TO THE BOARD: 31 July 2020

CURRENT TERM EXPIRES: 2021

NEXT TERM WILL EXPIRE (SUBJECT TO RE-ELECTION BY THE ANNUAL GENERAL MEETING): 2025

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%
Remuneration and Nominations Committee: 100%
Strategy Committee: 100%
Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships: 100%

VÉRONIQUE WEILL

Main function: Chairwoman of the Board of Directors of CNP Assurances (since 31 July 2020)

PROFESSIONAL EXPERIENCE

Véronique Weill began her career with Arthur Andersen Audit in Paris. Between 1985 and 2006, she held various executive positions with J.P. Morgan Chase Bank in New York, including Global Head of Operations for Investment Banking and Global Head of Technology and Operations for Asset Management and Private Banking.

She joined AXA in June 2006 as Chief Executive Officer of AXA Business Services and Head of Operational Excellence. Before her departure in 2017, she also held executive supervisory positions in the global asset management business and was Group Chief Operating Officer and member of the Management Committee of the AXA group.

From September 2017 to December 2020, Véronique Weill was General Manager of Publicis group in charge of resources, IT, real estate, insurance and mergers & acquisitions.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Holding XS1 (Brazil), Director
- Caixa Seguros Holding (Brazil), Director
- Valeo (listed SA), Director and member of the Audit & Risks Committee, the Governance, Appointment & CSR Committee and the Compensation Committee
- Rothschild & Co (listed SA), member of the Supervisory Board
- Fondation Gustave Roussy (non-profit), member of the Roussy Supervisory Board, co-Chair of the Campaign Committee
- Salesforce (United States), member of the European Advisory Board
- Director of Translate Plus – Publicis group (United Kingdom), BBH Holdings Ltd, Prodigious UK (United Kingdom), Fondation George Besse and Musée du Louvre

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- AXA group, Chief Customer Officer
- AXA Global Asset Management, Chief Executive Officer
- AXA Research Fund, member of the Scientific Board
- Chairwoman of the Board of Directors of: AXA Assicurazioni S.p.a (Italy), AXA Aurora Vida, Sa De Seguros Y Reaseguros (Spain), AXA Pensiones SA, AXA Seguros Generales SA De Seguros Y Reaseguros (Spain), AXA Vida SA De Seguros Y Reaseguros (Spain), AXA Global Direct SA (France) and AXA Banque Europe (Belgium)
- Director of: AXA Assistance SA (Italy), AXA MPS Assicurazioni Danni S.p.a (Italy) and AXA MPS Assicurazioni Vita S.p.a (Italy)

3.3.2 Chief Executive Officer

AGE: 64

NATIONALITY: French

EDUCATION: *Institut d'Études Politiques de Paris* and *École nationale d'administration*

SOLVENCY II-RELATED EXPERTISE:
Insurance and financial markets
Insurance undertaking
Governance system of an insurance undertaking
Financial and actuarial analysis
Experience of legal and regulatory systems of an insurance undertaking

BUSINESS ADDRESS:
CNP Assurances
4, place Raoul Dautry
75015 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 2,000

CURRENT TERM EXPIRES: 2021

ANTOINE LISSOWSKI

Main function: Chief Executive Officer of CNP Assurances

PROFESSIONAL EXPERIENCE

Antoine Lissowski began his career with Caisse des Dépôts et Consignations (CDC) as manager of foreign currency treasury transactions and eurocredits. In 1985, he joined the French securities regulator (*Commission des Opérations de Bourse*), where he led the first work groups on ethical practices in the financial services industry.

In 1988, he moved back to Caisse des Dépôts et Consignations, as head of business development on the bond and money markets.

In 1990, he was appointed Managing Director of Caisse Autonome de Refinancement (CAR – Caisse des Dépôts group). After serving as Finance Director of Caisse des Dépôts' Banking & Financial Services unit, he was appointed Finance Director of the newly-formed CDC IXIS in December 2000. In May 2002, he joined the company's Executive Board as head of the bank's Proprietary Trading department.

In December 2003, Mr Lissowski was appointed Member of the Executive Board of CNP Assurances, Chairman of the Plenary Economic and Financial Commission of the French Insurance Federation (FFSA, now FFA) and Solvency II Chairman of Centre Européen des Assurances (CEA).

In 2007, he became Deputy Chief Executive Officer and Finance Director of CNP Assurances, before being appointed as acting Chief Executive Officer on 1 September 2018.

He was named Chief Executive Officer by the Board of Directors on 15 November 2018.

He was elected Chairman of Groupement Français des Bancassureurs in September 2020 (after serving as Vice-Chairman since July 2019) and Vice Chairman of Fédération Française de l'Assurance (FFA) in October 2020.

Antoine Lissowski joined the Executive Committee of La Banque Postale in December 2020.

OTHER DIRECTORSHIPS AND FUNCTIONS

- La Banque Postale (SA), member of the Executive Committee *(since 1 December 2020)*
- Arial CNP Assurances (SA), Chairman of the Board of Directors
- Caixa Seguros Holding (Brazil), Director
- Fédération française des assurances (FFA) (non-profit), Vice Chairman *(since 7 October 2020)*
- Groupement français des bancassureurs (GFBA) (non-profit), Chairman *(since 15 September 2020)*
- Holding XS1 (Brazil), Director
- SICAC (SCI non-trading property company), person authorised to routinely enter into binding commitments on behalf of CNP Assurances, Manager *(term expired 1 September 2020)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Assurbail Patrimoine (SAS), Chairman of the Board of Directors *(term expired 1 June 2015)*
- Assuristance (SA), member of the Supervisory Board *(term expired 17 December 2015)*
- CDC Habitat (public-private company), member of the Supervisory Board, Audit Committee and Selection and Remuneration Committee *(term expired 31 December 2018)*
- CNP Caution (SA), permanent representative of CNP Assurances, Chairman *(term expired 19 December 2018)*
- CNP Immobilier (SCI non-trading property company), person authorised to routinely enter into binding commitments on behalf of CNP Assurances, Manager *(term expired 21 June 2019)*
- CNP IAM (SA), Chairman and Chief Executive Officer *(term expired 28 November 2015)*
- CNP TI (GIE), Chairman of the Board of Directors *(until 22 June 2015)* and Director *(until 23 May 2017)*
- Ecureuil Vie Développement, Director *(term expired 31 December 2015)*
- Ilot A5B (SCI), person authorised to routinely enter into binding commitments on behalf of CNP Assurances *(term expired 21 September 2016)*
- Investissement Trésor Vie (SA), permanent representative of CNP Assurances *(term expired 4 October 2017)*
- La Banque Postale Prévoyance (SA), Director *(term expired 28 June 2016)*
- Lyfe (SAS), representative of CNP Assurances, Chairman *(term expired 17 June 2019)*
- Montparvie IV (SAS), Chairman *(term expired 28 June 2019)*
- Montparvie V (SAS), representative of CNP Assurances, Chairman *(term expired 27 June 2019)*
- MFPrévoyance (SA), permanent representative of CNP Assurances, Chairman *(term expired 4 December 2018)*
- SCI de la CNP (SCI non trading property company), person authorised to routinely enter into binding commitments on behalf of CNP Assurances, Manager *(term expired 21 June 2019)*
- Société Forestière de la CDC (SA), permanent representative of CNP Assurances, Director *(term expired 10 January 2019)*
- Sogestop L (SAS), Director *(term expired 29 March 2019)*

3.3.3 Directors

AGE: 62

NATIONALITY: French

EDUCATION: Master's degree in business management, finance and tax from Paris IX Dauphine University
Post-graduate degree in insurance and risk management techniques from Paris IX Dauphine University

BUSINESS ADDRESS:
CNP Assurances
4, place Raoul Dautry
75015 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 180

FIRST ELECTED TO THE BOARD: 27 April 2017

CURRENT TERM EXPIRES: 2021

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 78%

PHILIPPE BARTOLI

Director representing employees

Main function: Head of the Cross-Functional Audits unit of the Internal Audit department

PROFESSIONAL EXPERIENCE

Philippe Bartoli began his career as an audit supervisor with the Salustro Reydel accounting firm before moving to Ernst & Young and then Cogerco Flipo as audit manager. He joined CNP Assurances in 1995, working first in accounting and then in the areas of internal control and risk management. He is currently head of the Cross-Functional Audits unit of the Internal Audit department, after previously serving as head of the Special and Cross-Functional Audits unit of the Operational Risk and Internal Control section of CNP Assurances' Group Risks Department (July 2015 – April 2019).

OTHER DIRECTORSHIPS AND FUNCTIONS (N/A)

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019 (N/A)

AGE: 55

NATIONALITY: French

EDUCATION: *École polytechnique, École nationale supérieure des télécommunications (Corps des Mines)*, MBA from INSEAD

BUSINESS ADDRESS:
La Banque Postale
115, rue de Sèvres
75275 Paris Cedex 06, France

NUMBER OF CNP ASSURANCES SHARES: 200

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Audit and Risk Committee (member)

FIRST ELECTED TO THE BOARD: 4 March 2020

CURRENT TERM EXPIRES: 2022

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%
Audit and Risk Committee: 100%

TONY BLANCO

Main functions: Executive Board member and General Secretary, La Banque Postale

PROFESSIONAL EXPERIENCE

From 1988 to 1997, Tony Blanco held operational positions at France Télécom in France and abroad, including as head of a regional operations centre, Large Accounts Sales Manager in London and Regional Sales Manager for Northern France.

In 1997, he joined the strategy consulting firm McKinsey & Co. From 2004 to 2010, he worked as an associate director/partner in the financial services sector in France and Europe. He was also co-head of the firm's "bancassurance" line of service and was responsible for recruiting teams for the Paris office.

In March 2010, Tony Blanco joined Barclays Bank France as Deputy Chief Executive Officer, becoming Chief Executive Officer of Barclays France Retail & Business Banking in December 2010.

In July 2011, he was appointed Country Manager France and joined the Barclays Europe ERBB (European Retail and Business Banking) Executive Committee. Between January 2014 and April 2016, in addition to his responsibilities in France, he became Chief Executive Officer of Barclays Italy Retail and Business Banking.

Tony Blanco was appointed member of the Executive Board and General Secretary of La Banque Postale in September 2017.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Ezyness (SAS), Chairman of the Board of Directors *(since 16 April 2019)*
- La Banque Postale (SA with an Executive Board), Chairman of the Executive Board *(from 3 August to 1 September 2020)*
- La Banque Postale Asset Management (SA with an Executive Board), member of the Supervisory Board *(since 3 August 2020)*
- La Banque Postale Asset Management (SA), (formerly LBPAM), permanent representative of La Banque Postale, member of the Supervisory Board *(from 15 December 2017 to 3 August 2020)*, Chairman of the Supervisory Board, member of the Appointments and Compensation Committee *(from 3 August 2020 to 2 October 2020)*
- La Banque Postale Asset Management Holding (SA), Director, member and Chairman of the Yellow Committee *(since 31 October 2020)*
- La Banque Postale Financement (SA with an Executive Board), permanent representative of SF2, member of the Supervisory Board *(since 28 September 2017)*, Chairman of the Risk Committee *(since 1 March 2019)*, member of the Audit Committee *(from 1 March 2019 to 18 December 2020)*, Chairman of the Appointments Committee, member of the Compensation Committee *(from 28 September 2017 to 24 March 2021)*
- La Banque Postale Assurances IARD (SA), Director *(since 4 October 2017)*, Chairman of the Board of Directors, Chairman of the Compensation Committee *(since 10 December 2020)*, Chairman of the Finance Committee *(from 4 October 2017 to 7 April 2020)*, Chairman of the Audit & Risk Committee *(from 7 April 2020 to 10 December 2020)*
- La Banque Postale Assurances Santé (SA), Director, Chairman of the Board of Directors *(since 18 December 2020)*
- La Banque Postale Prévoyance (SA), Director, Chairman of the Board of Directors *(since 8 December 2020)*
- La Banque Postale Home Loan SFH (SA), permanent representative of La Banque Postale, Director, Chairman of the Appointments Committee *(from 28 September 2017 to 7 December 2020)*
- Ma French Bank (SA), permanent representative of La Banque Postale, Director *(since 29 July 2020)*
- Ostrum Asset Management (SA), Director *(since 31 October 2020)*
- Paylib (SAS), Director *(since 26 November 2020)*
- Transactis (SAS), Vice Chairman of the Board *(from 7 May 2019 to 1 April 2020)*, Chairman of the Board *(since 1 April 2020)*
- Tocqueville Finance (SA), permanent representative of SF2, Director *(from 28 September 2017 to 4 March 2021)*, member of the Compensation Committee *(until 4 March 2021)*
- Tocqueville Finance Holding (SAS), permanent representative of SF2, Director *(from 28 September 2017 to 4 March 2021)*
- Office de Coordination Bancaire et Financière (OCBF) (non-profit), Director *(from 31 January 2018 to 1 December 2020)*
- SF2 (SA), Director *(from 30 November 2017 to 14 December 2020)*, Chairman of the Board of Directors *(from 3 August 2020 to 14 December 2020)*
- Sopassure (SA), Director *(from 2 January 2020 to 31 December 2020)*, Chairman and Chief Executive Officer *(from 30 July 2020 to 31 December 2020)*
- Suffren Ré (SA), permanent representative of La Banque Postale, Director *(from 27 November 2018 to 14 December 2020)*
- European Payment Initiative (EPI), Director *(since 26 November 2020)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Barclays Bank France, Chief Executive Officer *(2011 – 2017)*
- Barclays Diversification (SA), Director *(2011 – 2017)*
- Barclays France (SA), Deputy Chief Executive Officer *(from 5 May 2017 to August 2017)*
- Barclays Patrimoine (SCS), Manager *(2011 – 2017)*
- Barclays Vida Y Pensiones (Spain), Director *(2013 – 2016)*
- Barclays Vie (SA), Chairman and Chief Executive Officer *(2011 – 2017)*
- Barclays Wealth Managers (SA), Director *(2011 – 2017)*
- La Banque Postale Asset Management (SA with an Executive Board) (formerly LBPAM), Chairman of the Audit and Risk Committee *(from 11 July 2019 to 19 September 2019)*

AGE: 60

NATIONALITY: French

EDUCATION: *Institut d'études politiques, École nationale supérieure des postes et télécommunications,* EDHEC

BUSINESS ADDRESS:
La Poste
9, rue du Colonel-Pierre-Avia
75015 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 200

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES: Strategy Committee (member)

FIRST ELECTED TO THE BOARD: 4 March 2020

CURRENT TERM EXPIRES: 2021

NEXT TERM WILL EXPIRE (SUBJECT TO RE-ELECTION BY THE ANNUAL GENERAL MEETING): 2025

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%
Strategy Committee: 100%

YVES BRASSART

Main function: Deputy Chief Executive Officer of La Poste, responsible for finance and development

PROFESSIONAL EXPERIENCE

Yves Brassart began his career with the La Poste group in 1987, holding positions in marketing and sales until 1990. He then became Marketing and Sales Director for post/parcels (1991-1993). In 1994, he was Chief Financial Officer of the La Poste group for the west of France.

From 1999 to 2006, he was Chief Financial Officer of the La Poste group for financial services and Chief Financial Officer of the consumer network (2001-2003).

He was appointed Chief Financial Officer of La Banque Postale (2006-2011) and Director of Finance and Strategy of La Banque Postale (2011-2014) and, as of September 2012, headed the Financial Operations Department. He was also a member of the Board of Directors of La Banque Postale from 2013 to 2014.

Since April 2014, he has been Deputy Chief Executive Officer and Chief Financial Officer of the La Poste group and since September 2015, he has been Deputy Chief Executive Officer responsible for finance and development.

OTHER DIRECTORSHIPS AND FUNCTIONS

- GeoPost (SA), Director, member of the Audit and Accounts Committee and the Strategy Committee
- La Banque Postale (SA), Director, Vice Chairman of the Supervisory Board, member of the Accounts Committee, member of the Risk Committee, Chairman of the Strategy Committee
- La Poste (SA), member of the Executive Committee
- La Poste Intrapreneuriat (SAS), Chairman
- La Poste Silver (SAS), member of the Strategy Committee
- Poste Immo (SAS), Director, member of the Audit Committee, Chairman of the Strategy Committee
- La Poste Telecom (SAS), member of the Strategy Committee
- LP5 (SAS), Chairman
- LP7 (SAS), Chairman
- Siparex Associés (SA), permanent representative of La Poste, Non-voting director
- Siparex Proximité Innovation (SAS), permanent representative of La Poste, member of the Supervisory Board

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Oh My Keys (SAS), Chairman
- LP6 (SAS), Chairman
- LP2 (SAS), Chairman
- Xange Capital

AGE: 62

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

NUMBER OF CNP ASSURANCES SHARES: 750

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Audit and Risk Committee (member)
Strategy Committee (member)
Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships (member)

FIRST ELECTED TO THE BOARD: 22 February 2011

NEXT TERM WILL EXPIRE: 2024

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 89%
Audit and Risk Committee: 100%
Strategy Committee: 100%
Follow-up Committee on the Implementation of the BPCE and LBP Partnerships: 100%

MARCIA CAMPBELL

Main function: Company Director

PROFESSIONAL EXPERIENCE

Marcia Campbell began her career in 1982 working as a consultant for Proudfoot Plc International Management consultants and became Chief Executive Officer for the UK in 1988. In 1990, she joined Standard Life Plc, where she held 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) and Director of Operations and Chief Executive Officer for Asia-Pacific (2004 – 2010).

She was Director of Operations at 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 is a director of several companies outside France.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Aviva (UK and Ireland), member of the Independent Governance Committee
- Canada Life (Great-West Life group) (Canada), Director
- Canada Life Limited (Great-West Life group) (Canada), Director, Chair of the Risk Committee and member of the Audit Committee
- Charles Stanley Group Plc (UK public limited company), Director, Chair of the Risk Committee and member of the Audit Committee
- Marsh UK and Ireland (Marsh and McLennan Companies) (United States), Director
- Murray International Trust Plc (UK public limited company), Chair of the Audit and Risk Committee

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Sainsbury's Bank (UK), Director, member of the Audit and Risk Committee *(term expired in September 2019)*
- Woodford Investment Management, Chair *(term expired in October 2019)*

AGE: 44

NATIONALITY: French

EDUCATION: ESCP Business School, law degree from Paris X University

BUSINESS ADDRESS:
Demandolx Furtado Ltda
Rua Leopoldo Couto de Magalhães Junior 1098
São Paulo, SP 04542 001, Brazil

NUMBER OF CNP ASSURANCES SHARES: 200

FIRST ELECTED TO THE BOARD: 4 March 2020

CURRENT TERM EXPIRES: 2024

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 86%

SONIA DE DEMANDOLX

Main function: Managing Partner

PROFESSIONAL EXPERIENCE

From 1999 to 2004, Sonia de Demandolx worked as a senior banker in mergers and acquisitions at Lazard in Paris. She then joined the executive search firm Russell Reynolds Associates specialising in the financial services and Board of Directors sectors. Appointed Managing Director-Partner in 2010, she then joined the São Paulo office of Russell Reynolds Associates in 2011, in charge of French clients in the region. After gaining nine years' experience in Brazil, in 2014 she founded Demandolx Furtado, an executive search and assessment firm in Brazil, of which she is a managing partner.

During her career between France and Brazil, she has led several recruitment and assessment projects for board members and executives in various sectors such as financial services, retail, consumer goods, energy and industry.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Caixa Vida e Previdência (Brazil) *(since January 2021)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019 (N/A)

AGE: 44

NATIONALITY: French

EDUCATION: INSEEC Bordeaux, DESS post-graduate degree from Paris IX Dauphine University

BUSINESS ADDRESS:
La Banque Postale
115, rue de Sèvres
75275 Paris Cedex 06, France

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Strategy Committee (member)

FIRST ELECTED TO THE BOARD: 4 March, 2021

CURRENT TERM EXPIRES (SUBJECT TO RATIFICATION BY THE ANNUAL GENERAL MEETING): 2021

NEXT TERM WILL EXPIRE (SUBJECT TO RE-ELECTION BY THE ANNUAL GENERAL MEETING): 2025

NICOLAS EYT

Main function: Director, International Partnerships & Strategic Insurance Projects Coordination, La Banque Postale since 1 March 2021

PROFESSIONAL EXPERIENCE

Nicolas Eyt began his career in 2001 in consulting and audit with Arthur Andersen and then Ernst & Young. In 2003, he joined the Finance department of Sogecap, the life insurance subsidiary of Société Générale. From 2006 to 2010, he served as Operations Director for the International Life Insurance business unit, before becoming Chief Financial Officer of Société Générale's newly formed Insurance Division. In 2014, he was named Deputy Director then Director, Strategy & Business Development, in the International Retail Banking & Specialised Financial Services Division.

OTHER DIRECTORSHIPS AND FUNCTIONS (N/A)

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019 (N/A)

AGE: 59

NATIONALITY: French

EDUCATION: *Institut d'Études Politiques de Grenoble*, Degree in Economics

BUSINESS ADDRESS:
BPCE
50, avenue Pierre-Mendès France
75013 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 200

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Audit and Risk Committee (member)
Strategy Committee (member)

FIRST ELECTED TO THE BOARD: 11 December 2012

CURRENT TERM EXPIRES: 2022

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 78%
Audit and Risk Committee: 100%
Strategy Committee: 100%

JEAN-YVES FOREL

Main functions: Deputy Chief Executive Officer in charge of Retail Banking in Europe and of the Paris 2024 Olympic Games initiative at BPCE

PROFESSIONAL EXPERIENCE

Jean-Yves Forel began his 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, Central Director. In 1997, he joined Banque Populaire Atlantique as Central Director with responsibility for business development and the business line subsidiaries. In 2000, he was appointed Business Development Director at Banque Fédérale des Banques Populaires and in 2001, became a member of the General Management Committee.

In 2003, he moved to Natexis Banques Populaires where he was appointed member of the General Management Committee and Director of Banking, Financial and Technological Services. 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 corporate and investment banking, asset management and specialised services arm.

In 2012, Jean-Yves Forel became a member of BPCE's Management Board, serving as Chief Executive Officer responsible for Retail Banking & Insurance. In May 2016, he was appointed Chief Executive Officer in charge of Transformation and Operational Excellence. Since 15 October 2018, he has been Deputy Chief Executive Officer in charge of Retail Banking in Europe and of the Paris 2024 Olympic Games initiative.

OTHER DIRECTORSHIPS AND FUNCTIONS

- BPCE Immobilier Exploitation (SAS), permanent representative of BPCE, Chairman of the company and the Board of Directors *(term expired in 2020)*
- Fidor Bank (Germany), Chairman of the Supervisory Board *(since October 2018)*
- Fidor Solution (Germany), Chairman of the Supervisory Board *(term expired in 2020)*
- Holassure, Director, Chairman of the Board of Directors (*term expired in 2020*)
- Média Consulting & Investment (SA), Director *(since 20 April 2010)*
- Natixis Algérie (Algeria), Chairman of the Board of Directors *(since 20 January 2011)*
- Natixis Coficiné (SA), Director *(since 20 April 2010)*
- Oney Bank (SA), Chairman of the Board of Directors *(since October 2019)*
- Sopassure (SA), Chairman and Chief Executive Officer *(until 2 January 2020)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Albiant IT (SA), Director, Chairman and Chief Executive Officer *(term expired 7 December 2018)*
- Banque Palatine (SA), Chairman of the Board of Directors *(term expired 24 May 2016)*
- BPCE Achats, Director *(term expired 12 December 2018)*
- BPCE IT, Director, Chairman and Chief Executive Officer *(term expired 7 December 2018)*
- BPCE International et Outre-Mer (SA), Chairman of the Board of Directors *(term expired 25 May 2016)*
- Crédit Foncier de France (SA), Director *(term expired 9 June 2016)*
- Ecureuil Vie Développement, representative of BPCE, Director *(term expired 31 December 2015)*
- EDEP, Director, Chairman of the Board of Directors *(term expired 28 March 2018)*
- IT-CE, Chairman and Chief Executive Officer *(term expired 17 October 2018)*
- i-BP, Director, Chairman and Chief Executive Officer *(term expired 10 October 2018)*
- NEFER, Director, Chairman of the Board of Directors *(term expired 26 September 2018)*
- Partecis (SAS), Director *(term expired on 10 March 2015)*

AGE: 52

NATIONALITY: French

EDUCATION: École Polytechnique

BUSINESS ADDRESS:
La Banque Postale
115, rue de Sèvres
75275 Paris Cedex 06, France

NUMBER OF CNP ASSURANCES SHARES: 200

FIRST ELECTED TO THE BOARD: 4 March 2020

CURRENT TERM EXPIRES: 2022

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%

FRANÇOIS GÉRONDE

Main function: Chief Financial Officer, La Banque Postale

PROFESSIONAL EXPERIENCE

François Géronde began his career in 1993 at the Société Générale group where he held various positions in the interest rates and equities markets in France and Japan.

In 1997, he joined Westdeutsche Landesbank as Deputy Director of the Trading Room.

In 2000, he took over responsibility for risk measurement and monitoring methodologies at Crédit Agricole SA in the Central Banking Risk Department.

In 2002, he joined the La Poste group's Efiposte as a financial engineer before becoming Director of Risk Control in 2004.

From 2006, when La Banque Postale was created, to 2011, François Géronde was Director of Market and Counterparty Risks. From 2009, in his capacity as Deputy to the Risk Director, he was responsible for the Operational Risk Department. In 2011, he was appointed Chief Risk Director of the La Banque Postale group. In January 2018, he took over the management of ongoing auditing and joined the Executive Committee of La Banque Postale.

Since 1 October 2019, François Géronde has been Chief Financial Officer of La Banque Postale and a member of the Executive Committee of La Banque Postale.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Fonds de Garantie des Dépôts et de Résolution (guarantee fund), permanent representative of La Banque Postale, member of the Supervisory Board, member of the Audit Committee
- La Banque Postale Asset Management (SA), member of the Supervisory Board, Chairman of the Audit and Risks Committee
- La Banque Postale Asset Management Holding, Director, member of the Yellow Committee
- La Banque Postale Assurances IARD (SA), member of the Board of Directors, member of the Audit and Risks Committee, member of the Finance Committee
- La Banque Postale Assurance Santé (SA), permanent representative of La Banque Postale, Director, member of the Audit and Risk Committee
- La Banque Postale Home Loan SFH (SA), Chairman of the Board of Directors
- La Banque Postale Prévoyance (SA), permanent representative of SF2, Director, Chairman of the Audit and Risks Committee
- Sèvres LBP 1 (SA), permanent representative of SF2, Director
- Sèvres LBP 2 (SA), permanent representative of SF2, Director
- SF2 (SA), Director, Chief Executive Officer

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Suffren Ré (SA), permanent representative of SF2, Director

AGE: 59

NATIONALITY: French

EDUCATION: *École nationale d'assurance* and CNIL

BUSINESS ADDRESS:
CNP Assurances
4, place Raoul Dautry
75015 Paris, France

FIRST ELECTED TO THE BOARD: 28 April 2016

CURRENT TERM EXPIRES: 2021

NEXT TERM: 2025

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 89%

LAURENCE GUITARD

Director representing employees

Main function: Customer Relationship Manager at the BPCE BU

PROFESSIONAL EXPERIENCE

Laurence Guitard began her career in 1982 with Alfred Herlicq & Fils, a construction company. In 1988, she joined France Télécom where she was responsible for operational tasks, reporting to the Direct Marketing Director.

She then acquired experience in the property sector, as a researcher with Rocval & Savills, a firm of property consultants (1989 to 1993) and as assistant to the Chairman of Cofradim, a property developer (1997 to 2000).

In 2001, she took up a position with Solving International, a strategy consulting firm, as assistant to the Deputy Chief Executive Officer responsible for the Insurance group.

In 2004, she joined the headquarters of Banque CIC (Bordelaise CIC) as assistant to the Director, Financial Engineering and Financial Operations.

Laurence Guitard joined the CNP Assurances Group in 2005, as assistant to the Deputy Chief Executive Officer responsible for Innovation, Property Management, Legal Affairs and Information Systems.

Since 2011, she has been responsible for data protection projects at CNP Assurances.

Since January 2020, she has been a customer relationship manager in the BPCE CNP Assurances Angers business unit.

OTHER DIRECTORSHIPS AND FUNCTIONS (N/A)

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019 (N/A)

AGE: 53

NATIONALITY: French

EDUCATION: ESCP Europe business school, degree in moral and political philosophy from Sorbonne University, *Institut d'études politiques de Paris, École nationale d'administration*

BUSINESS ADDRESS:
La Banque Postale
115, rue de Sèvres
75275 Paris Cedex 06, France

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Strategy Committee (member)
Remuneration and Nominations Committee (member)

FIRST ELECTED TO THE BOARD: 24 September 2020

CURRENT TERM EXPIRES: 2022

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%
Remuneration and Nominations Committee: 100%
Strategy Committee: 100%

PHILIPPE HEIM

Main functions: Chairman of the Management Board of La Banque Postale, and Deputy Chief Executive and Director of Financial Services at La Poste

PROFESSIONAL EXPERIENCE

Philippe Heim began his career in 1997 as a civil servant with the French Ministry of the Economy and Finance, where he held several positions before transferring to the French Embassy in Singapore as Economic Advisor. In 2003, he was named Technical Advisor to Francis Mer, who at the time was French Minister of the Economy, Finance and Industry. The following year, he became Budget Advisor to Nicolas Sarkozy, who had replaced Francis Mer as Minister of the Economy, Finance and Industry, and in 2004 he was promoted to the position of Deputy Chief of Staff then Chief of Staff for Jean-François Copé, Budget Minister and Government Spokesperson.

In 2007, he joined Société Générale as Senior Banker in charge of Global Relations, responsible for strategic client relationships at SG CIB, and in 2009 he became Director, Strategy and M&A, in the group's strategy and finance departments.

In 2013, he was promoted to the position of Chief Financial Officer and member of the group Executive Committee.

From May 2018 to August 2020, Philippe Heim served as Deputy Chief Executive Officer in charge of International Retail Banking activities, Financial Services and Insurance.

Since 1 September 2020, he has been Chairman of the Board of Directors of La Banque Postale, and Executive Vice-President and Head of Financial Services of La Poste.

OTHER DIRECTORSHIPS AND FUNCTIONS

- ALD Automotive, Chairman of the Board of Directors *(from May 2019 to August 2020)*
- Association Française des Banques (non-profit organisation), Vice-Chairman *(since 1 September 2020)*
- CRSF Métropole (SCI), representative of La Banque Postale, legal manager *(since 1 September 2020)*
- CRSF DOM (SCI), representative of La Banque Postale, legal manager *(since 1 September 2020)*
- Fédération Bancaire Française (federation), permanent representative of Association Française des Banques, member of the Executive Committee *(since 1 September 2020)*
- La Banque Postale Asset Management (SA with an Executive Board), Chairman of the Supervisory Board *(since 2 October 2020)*, member of the Appointments and Compensation Committee *(since 31 October 2020)*
- La Banque Postale Asset Management Holding (SA), Chairman of the Board of Directors *(since 31 October 2020)*
- La Banque Postale Assurances IARD (SA), Director, member of the Compensation Committee *(since 16 October 2020)*
- L'Envol Le Campus de La Banque Postale (non-profit organisation), Director, Vice Chairman of the Board of Directors *(since 20 November 2020)*
- Ma French Bank (SA), Director, Chairman of the Board of Directors *(since 1 October 2020)*
- Ostrum Asset Management (SA), Director *(since 31 October 2020)*, member of the Appointments & Compensation Committee *(since 9 December 2020)*
- Paris Europlace (non-profit organisation), Director (*since 1 September 2020*)
- Poste Immo (SA), Director *(since 16 December 2020)*
- Rosbank (Russian Federation), Director *(from June 2018 to August 2020)*
- SCI Tertiaire Saint Romain (SCI), permanent representative of La Banque Postale, legal manager *(since 1 September 2020)*
- Société Générale, Chief Operating Officer *(from May 2018 to August 2020)*
- SOGECAP, Director, Chairman of the Board of Directors *(from May 2018 to August 2020)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Inter Europe Conseil, Director, Chief Executive Officer *(from March 2013 to April 2019)*
- SG Marocaine de Banque, member of the Supervisory Board *(from May to June 2019)*
- BRD (Romania), Director *(from June 2018 to November 2019)*

AGE: 40

NATIONALITY: French

EDUCATION: *École polytechnique*, ENSAE

BUSINESS ADDRESS:
La Banque Postale
115, rue de Sèvres
75275 Paris Cedex 06, France

NUMBER OF CNP ASSURANCES SHARES: 200

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Audit and Risk Committee (member)

PERMANENT REPRESENTATIVE OF SOPASSURE SINCE:
26 September 2019

PERMANENT REPRESENTATIVE OF LBP SINCE:
24 September 2020

SOPASSURE FIRST ELECTED TO THE BOARD OF CNP ASSURANCES (LISTED SA): 2000

CURRENT TERM EXPIRES (SUBJECT TO RATIFICATION BY THE ANNUAL GENERAL MEETING): 2021

NEXT TERM WILL EXPIRE (SUBJECT TO RE-ELECTION BY THE ANNUAL GENERAL MEETING): 2025

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 89%
Audit and Risk Committee: 100%

PERRINE KALTWASSER, permanent representative of LBP

Main function: Group Chief Risk Officer, La Banque Postale group

PROFESSIONAL EXPERIENCE

Perrine Kaltwasser became an insurance auditor in 2004. The same year she joined the financial services unit attached to the French Embassy in the United States. In 2005, she took up a position with the French insurance supervisor *(Autorité de Contrôle des Assurances et des Mutuelles)* before moving to EIOPA in 2009, first as a member of the Solvency II team responsible for issues concerning the control of insurance groups and then as project manager for the 5th Solvency II impact study. She also participated in negotiating level 2 texts at the European Commission.

She joined the French banking and insurance supervisor *(Autorité de Contrôle Prudentiel et de Résolution)* in September 2011 as unit manager in the Mutual Banks and Insurers and Investment Firms Control Department, then moved to the ECB in April 2014 as Division Manager in the Microprudential Supervision department.

In December 2018, she became Director of Capital Management and Conglomerate at La Banque Postale and Deputy Director of Balance Sheet Management.

She has been Group Chief Risk Officer at La Banque Postale since February 2020.

She has been permanent representative of LBP since September 2020; prior to that, she was permanent representative of Sopassure.

OTHER DIRECTORSHIPS AND FUNCTIONS (N/A)

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019 (N/A)

AGE: 64

NATIONALITY: French

EDUCATION: Paris IX Dauphine University

BUSINESS ADDRESS:
JD4C Conseil
11, rue Lalo
75116 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 200

FIRST ELECTED TO THE BOARD: 4 March 2020

CURRENT TERM EXPIRES: 2024

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%

CHRISTIANE MARCELLIER

Main function: Chairwoman and founder of JD4C Conseil

PROFESSIONAL EXPERIENCE

Christiane Marcellier began her career as a financial analyst specialising in banking, insurance, holding companies and real estate. At the same time, she managed the research departments of European stock exchange companies. Over 15 years, she acquired proven expertise in listed companies (vice-presidency of the SFAF (French Financial Analysts Association)) and a thorough understanding of FIG sectors, which led her to successively join the Strategy Department of Paribas in 1997, then in 2000 that of CNCE, which became BPCE. In this capacity, she took part in the strategic negotiations of the Caisse d'Epargne group, particularly in relation to the insurance business and the creation of Sopassure, of which she is a Director. In 2004, Christiane Marcellier was appointed head of the insurance business unit for the Caisse d'Epargne group, which comprises seven insurance companies (including CNP Assurances), and in this capacity was a member of the Executive Committee of the French Federation of Insurance (*Fédération française de l'assurance* - FFA, formerly FFSA).

Having played a significant role in the development of ABN AMRO in southern Europe, Christiane Marcellier created JD4C Conseil in 2008, a consulting and investment company in transformation projects with a technological component.

From 2001 to 2018, she was successively client, consultant, and Director of the Financière CEP brokerage group, becoming Chairwoman of the Board of Directors in 2016.

OTHER DIRECTORSHIPS AND FUNCTIONS

- La Banque Postale Asset Management (SA), Director *(until June 2020)*, member of the Strategy Committee, member of the Audit Committee and Chair of the Appointments and Compensation Committee *(from December 2012 to June 2020)*
- Navya (listed SA), independent Director, Vice-Chair *(since November 2020)*, member of the Audit Committee *(since July 2018)*
- Ostrum (SA), Director, member of the Compliance, Risk Management, and Internal Audit Committee *(Chairwoman since November 2020)*, member of the Audit Committee
- The GreenData (SAS), Independent Director, member of the Strategy Committee *(since October 2019)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- La Banque Postale Asset Management (SA), Chairwoman of the Audit Committee *(2014/2015)*
- Financière CEP (SA), Chairwoman of the Executive Board and Chairwoman of the group's subsidiaries *(2016 to 2018)*

AGE: 57

NATIONALITY: French

EDUCATION: HEC, Stanford Executive Program

BUSINESS ADDRESS:
BPCE
50, avenue Pierre-Mendès-France
75013 Paris, France

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Remuneration and Nominations Committee (member)

FIRST ELECTED TO THE BOARD: 15 May 2018

CURRENT TERM EXPIRES: 2022

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 67%
Remuneration and Nominations Committee: 100%

LAURENT MIGNON

Main function: Chairman of the Management Board of BPCE

PROFESSIONAL EXPERIENCE

After graduating from HEC and following the Stanford Executive Program, Laurent Mignon spent the first ten years of his career with Banque Indosuez, where he held various positions in the trading and investment banking areas. In 1996, he moved to London to take up a position with Schroders Bank, before joining AGF in 1997 as Chief Financial Officer and, from 1998, member of the Executive Committee. He became head of Investments, Banque AGF, AGF Asset Management and AGF Immobilier in 2002, head of Life Insurance, Financial Services and Credit Insurance in 2003 and Chief Executive Officer and Chairman of the Executive Committee in 2006. From September 2007 to May 2009, he was Managing Partner at Oddo et Cie.

He was Chief Executive Officer of Natixis between 2009 and 2018, becoming a member of the BPCE Management Board in 2013.

Since 1 June 2018, Laurent Mignon has been Chairman of the Management Board of BPCE.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Arkema (listed SA), Director
- AROP (Association pour le Rayonnement de l'Opéra National de Paris), Director
- CE Holding Promotion (SAS), Chairman *(since 6 June 2018)*
- Fimalac, Non-voting Director *(since 16 April 2019)*
- Natixis (listed SA), Chairman of the Board of Directors and member of the Strategy Committee *(since 1 June 2018)*
- ODDO BHF SCA, Non-voting Director *(since 29 March 2019)*
- Sopassure (SA), Director *(until 2 January 2020)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Crédit Foncier de France (CFF) (SA), Chairman of the Board of Directors *(from 17 May 2018 to 31 July 2019)*
- Coface (SA), Chairman of the Board of Directors *(term expired 15 June 2018)*
- Lazard Ltd (listed SA), Director *(term expired 19 April 2016)*
- Natixis (listed SA), Chief Executive Officer *(term expired 31 May 2018)*
- Natixis Assurances, Chairman of the Board of Directors *(term expired 7 June 2018)*
- Natixis Investment Managers, Chairman of the Board of Directors *(term expired 28 May 2018)*
- Peter J. Solomon Company LLC, Director *(term expired 30 May 2018)*

AGE: 61

NATIONALITY: French

EDUCATION: *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:
La Française des Jeux
3-7, quai du Point-du-Jour
92560 Boulogne-Billancourt Cedex, France

NUMBER OF CNP ASSURANCES SHARES: 200

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Audit and Risk Committee (Chairwoman)
Strategy Committee (member)
Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships (member)

FIRST ELECTED TO THE BOARD: 5 April 2011

CURRENT TERM EXPIRES: 2024

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 89%
Audit and Risk Committee: 100%
Strategy Committee: 100%
Follow-up Committee on the Implementation of the BPCE and LBP Partnerships: 100%

STÉPHANE PALLEZ

Main function: Chair and Chief Executive Officer, La Française des Jeux (listed company)

PROFESSIONAL EXPERIENCE

Stéphane Pallez began her career in 1984 and served as a Technical Advisor on industrial matters in the Office of the Minister for the Economy and Finance between 1991 and 1993. She spent time at the Directorate General of the Treasury 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 in this capacity served as Chair of the Club de Paris and a Director of the European Investment Bank (EIB). In April 2004, Stéphane Pallez was appointed as Deputy Chief Financial Officer at France Télécom Orange, with responsibility for financing and treasury strategy, cash management, tax, internal audit, risk management, internal control, fraud prevention, and financial reporting.

Between 2011 and January 2015, she was Chair and Chief Executive Officer of Caisse Centrale de Réassurance.

Stéphane Pallez has been Chair of the Board and Chief Executive Officer of La Française des Jeux since November 2014.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Conservatoire National Supérieur de Musique et de Danse de Paris (CNSMODP), Chairwoman of the Board of Directors
- Eurazeo (listed SA), member of the Supervisory Board, Audit Committee and CSR Committee
- RAISESHERPAS Endowment fund, Director

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- ENGIE (formerly GDF-Suez) (listed SA), representative of the French State, Director *(term expired 18 May 2018)*

AGE: 74

NATIONALITY: French

EDUCATION: *Institut d'études politiques de Paris, École nationale d'administration,* INSEAD, and *École normale supérieure,* history graduate and philosophy professor

BUSINESS ADDRESS:
33, rue Frémicourt
75015 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 200

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Remuneration and Nominations Committee (Chair)
Follow-up Committee on the Implementation of the BPCE and La Banque Postale Partnerships (member)

FIRST ELECTED TO THE BOARD: 25 September 2013

CURRENT TERM EXPIRES: 2021

NEXT TERM WILL EXPIRE (SUBJECT TO RE-ELECTION BY THE ANNUAL GENERAL MEETING): 2025

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%
Remuneration and Nominations Committee: 100%
Follow-up Committee on the Imple-mentation of the BPCE and LBP Partnerships: 100%

ROSE-MARIE VAN LERBERGHE

Main function: Company Director

PROFESSIONAL EXPERIENCE

Rose-Marie Van Lerberghe worked as Inspector General of Social Affairs and Deputy Director for the Defence and Promotion of Employment in the Employment department of the French Ministry of Labour.

In 1986, she joined BSN-Danone, where she held various management positions including Chief Executive Officer of two subsidiaries, Les Verreries de Masnières, with 800 employees and €92 million in revenues (1990–1992), and L'Alsacienne, with 1,000 employees and €185 million in revenues. She then served as Human Resources Director of the Danone group from 1993 to 1996.

In 1996, she returned to the public sector, as General Delegate for Employment and Vocational Training at the French Ministry of Labour and Social Affairs.

She then became Chief Executive of the Paris public hospitals authority *(Assistance Publique – Hôpitaux de Paris)*. Between 2006 and December 2011, she served as Chair of the Management Board of the Korian group.

She was Chairwoman of the Board of Directors of Institut Pasteur (Foundation) between 2013 and 2016 and a senior advisor at BPI group between 2015 and 2018.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Bouygues (listed SA), Director
- Fondation Paris Université, Chairwoman
- Groupe Hospitalier Paris Saint Joseph (private healthcare institution), Director
- Klépierre (listed SA), Director, Vice-Chairwoman of the Supervisory Board since 2017
- Orchestre des Champs Élysées, Chairwoman of the Board of Directors

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019

- Air France (listed SA), Director *(term expired 2016)*
- BPI group, senior advisor *(until 2018)*
- Casino (listed SA), Director *(term expired 2016)*
- Conseil Supérieur de la Magistrature, member *(term expired 2016)*
- Institut Pasteur (Foundation), Chairman of the Board of Directors *(term expired October 2016)*

AGE: 65

NATIONALITY: French

EDUCATION: *Institut d'études politiques de Paris* and *École nationale d'administration*
Post-graduate degree in monetary and financial economics

BUSINESS ADDRESS:
La Poste
9, rue du Colonel-Pierre-Avia
75015 Paris, France

NUMBER OF CNP ASSURANCES SHARES: 200

MEMBERSHIP OF COMMITTEES OF THE BOARD OF DIRECTORS OF CNP ASSURANCES:
Remuneration and Nominations Committee (member)

FIRST ELECTED TO THE BOARD: 22 February 2011

CURRENT TERM EXPIRES: 2022

ATTENDANCE RATE AT BOARD MEETINGS:
Board of Directors: 100%
Remuneration and Nominations Committee: 100%

PHILIPPE WAHL

Main function: Chairman and Chief Executive Officer of La Poste

PROFESSIONAL EXPERIENCE

Philippe Wahl began his career in 1984 as Auditor and Master of Petitions *(maître des requêtes)* at the Conseil d'État. In 1986 he was advisor to the President of the French Securities and Exchange Commission (AMF, formerly *Commission des opérations de Bourse*), 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 served as 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 bank's Executive Committee. In 1999, Philippe Wahl was appointed Chief Executive Officer of Caisse Nationale des Caisses d'Epargne (CNCE).

As such, 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 as an advisor to the RBS Global Banking and Markets Board in London. In December 2008, he became Chief Executive Officer of RBS for France, Belgium and Luxembourg.

From January 2011 to September 2013, he served as Chairman of the Management 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.

OTHER DIRECTORSHIPS AND FUNCTIONS

- Géopost (SA), representative of La Poste, Director
- Institut Montaigne (non-profit organisation), member of the Steering Committee
- La Banque Postale (SA), Chairman of the Supervisory Board, member of the Nominations Committee and member of the Remuneration Committee.
- La Poste Silver (SASU), member of the Strategy Committee
- L'Envol Le Campus de La Banque Postale (non-profit organisation), Director
- Poste Immo (SA), representative of La Poste, Director
- Sopassure (SA), Director *(term expired 2 January 2020)*

OTHER DIRECTORSHIPS AND FUNCTIONS HELD IN THE PERIOD 2015 TO 2019 (N/A)

3.4. Remuneration of corporate officers

The remuneration packages of CNP Assurances' Chairman of the Board of Directors and Chief Executive Officer are decided by the Board of Directors and the General Meeting, according to a decision process that complies with the recommendations of the AFEP-MEDEF Corporate Governance Code and Article L.225-37-2 of the French Commercial Code.

Remuneration of the Chairwoman of the Board of Directors and the Chief Executive Officer

Under the Solvency II governance system in force at CNP Assurances, the Board of Directors has approved a remuneration policy that formally embodies a set of remuneration principles applicable to the Company's employees, risk-takers[1] and corporate officers.

The specific policy applicable to the Chairwoman of the Board of Directors and the Chief Executive Officer is part of this broad policy and is decided by the Board of Directors.

It is aligned with the Company's corporate interests because it establishes a close link between their remuneration and both the actual work they have performed and their active involvement in developing the business over the long term. Added to this, their remuneration may be considered as very reasonable compared with executive remuneration at most listed companies included in the SBF 120 index.

The remuneration policy applicable to the Chairwoman of the Board of Directors and the Chief Executive Officer:

- contributes to the Group's sustainability by setting objectives for the Chief Executive Officer concerning CNP Assurances' long-term development;
- is consistent with the Group's strategy because the Chief Executive Officer's objectives under the policy are aligned with the Group's strategic objectives.

Remuneration policy applicable to the Chief Executive Officer

Principles

The Chief Executive Officer receives a fixed salary and a variable bonus. If a Chief Executive Officer is appointed in the latter part of the year, the decision may be made not to award him or her any variable compensation for that year, due to the limited period between his or her appointment and the year-end, which makes it difficult to determine qualitative and quantitative objectives for the period concerned.

He or she may participate in the benefit plan open to all employees and covering death/disability insurance and medical insurance, and may also be given the use of a company car.

In order to ensure that the Chief Executive Officer's remuneration is aligned with the Company's strategic objectives and with the objective of sound and efficient risk management, the variable component is:

Flexible	Application of this principle may result in no variable bonus being paid for a given year.
Deferred	Payment of 40% of the variable bonus for a given year, as decided the following year, is deferred over three years, with 20% paid the first year, 10% the second year and 10% the third year.
Conditional and modulated	The variable bonus may be "adjusted downwards based on current and future risks, taking into account the Company's risk profile and cost of capital." The Chief Executive Officer's variable bonus is subject to: ▪ performance conditions (quantitative and qualitative objectives). In addition, in line with the principle applicable to all risk-takers, if the Group reports an attributable net loss, payment of half of the portion of the deferred bonus that should have been paid the following year is postponed by one year. Then, if the attributable net profit reported the following year does not fully offset the loss, the postponed deferred bonus payment is forfeited; ▪ compliance with internal and external rules and ethical standards. The Chief Executive Officer would forfeit all or part of his deferred remuneration in the event of any disciplinary sanction, equivalent measure or formal action resulting from his failure to comply with the internal rules (procedural rules, ethical or professional standards) or external rules that apply to him.

(1) Person whose activities have an impact on the Company's risk profile, including the persons who effectively run the business and the holders of the four key functions

Rules adopted by the Board of Directors

Each year, the Board of Directors sets the Chief Executive Officer's salary and bonus based on the level of achievement of qualitative and quantifiable objectives set by the Board.

His or her salary is capped at €450,000 and his or her 2021 variable bonus is capped at €150,000.

Details of the policy adopted by the Board of Directors and the resulting remuneration paid or awarded to the Chief Executive Officer are presented below. Payment of his 2020 variable bonus is subject to shareholder approval at the 2021 Annual General Meeting.

Remuneration policy applicable to the Chairman/Chairwoman of the Board of Directors

Principles

The remuneration of the Chairman/Chairwoman of the Board of Directors consists of a fixed payment. He or she may participate in the benefit plan open to all employees and covering death/disability insurance and medical insurance, and may also be given the use of a company car.

Rules adopted by the Board of Directors

Each year, the Board of Directors decides on the fixed remuneration to be paid to the Chairman/Chairwoman. This remuneration was increased to €280,000 in 2016 after remaining unchanged at €250,000 between 2012 and 2015. It was raised to €350,000 in 2020 and will remain at this amount in 2021.

The Chairwoman does not receive any remuneration for participating in meetings of the Board and the committees of the Board.

Remuneration policy applicable to the members of the Board of Directors

Principles

The remuneration allocated to each director is based on the total amount awarded to the Board at the Annual General Meeting.

Since 2015, this amount has been set at €830,000 per year (resolution adopted by the Annual General Meeting of 28 April 2016).

The amount allocated to individual directors is based on their attendance rate at meetings, with the chair of each meeting of a Committee of the Board receiving double the amount allocated to the other members.

Rules adopted by the Board of Directors

In 2020, the allocated amounts were as follows:

- €3,800 for each meeting of the Board of Directors and €3,050 for each meeting of a Committee of the Board (where applicable) attended by the director;
- €3,050 for each meeting of a Committee of the Board chaired by the director.

The Board of Directors' meeting of 18 December 2007 decided to pay directors as follows: the first payment is for meetings of the Board and the committees 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.

Report on the remuneration of the corporate officers

Table 1

GROSS REMUNERATION PAYABLE AND STOCK OPTIONS AND SHARES GRANTED TO THE CHAIRMAN/CHAIRWOMAN AND THE CHIEF EXECUTIVE OFFICER *(in euros)*

Jean-Paul Faugère, Chairman of the Board of Directors until 15 July 2020 Véronique Weill, Chairwoman of the Board of Directors since 31 July 2020	2019	2020	
	Jean-Paul Faugère	Jean-Paul Faugère	Véronique Weill
Remuneration payable for the year *(Table 2)*	280,000	151,159	147,101
Value of stock options granted over the year *(Table 4)*	None	None	None
Value of performance shares granted during the year *(Table 6)*	None	None	None
Value of other long-term remuneration	None	None	None
TOTAL	**280,000**	**151,159**	**147,101**

Antoine Lissowski, Chief Executive Officer	2019	2020
Remuneration payable for the year *(Table 2)*	450,000	440,000
Value of stock options granted over the year *(Table 4)*	None	None
Value of performance shares granted during the year *(Table 6)*	None	None
Value of other long-term remuneration	None	None
TOTAL	**450,000**	**440,000**

Table 2

GROSS REMUNERATION OF THE CHAIRMAN/CHAIRWOMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER *(in euros)*

Jean-Paul Faugère, Chairman of the Board of Directors until 15 July 2020 Véronique Weill, Chairwoman of the Board of Directors since 31 July 2020	2019		2020			
	Payable	Paid[2]	Payable[1]		Paid[2]	
	Jean-Paul Faugère	Jean-Paul Faugère	Jean-Paul Faugère	Véronique Weill	Jean-Paul Faugère	Véronique Weill
Salary	280,000	280,000	151,159	147,101	151,159	147,101
Annual variable bonus	None	None	None	None	None	None
Special bonus	None	None	None	None	None	None
Remuneration allocated to directors	None	None	None	None	None	None
Benefits in kind	0	0	0	0	0	0
Sub-total	**280,000**	**280,000**	**151,159**	**147,101**	**151,159**	**147,101**
TOTAL	**280,000**	**280,000**	**298,260**		**298,260**	

(1) The "Payable" columns indicate the remuneration awarded to the Chairman/Chairwoman or the Chief Executive Officer for the duties performed in each year concerned, regardless of the payment date

(2) The "Paid" columns show the total remuneration paid to the Chairman/Chairwoman or the Chief Executive Officer for the duties performed in each of those years

Additional information on the remuneration of Jean-Paul Faugère, Chairman of the Board of Directors

2019	2020
Fixed and variable remuneration On 20 February 2019, the Board of Directors set Jean-Paul Faugère's annual remuneration for 2019 at €280,000 (capped since 2016)	**Fixed and variable remuneration** On 19 February 2020, the Board of Directors set Jean-Paul Faugère's annual remuneration for 2020 at €280,000 (capped since 2016). Jean-Paul Faugère served as Chairman of the Board of Directors until 15 July 2020 His remuneration payable in respect of his period as Chairman in 2020 and paid in 2020 amounted to €151,159
Remuneration allocated to directors n/a	**Remuneration allocated to directors** n/a
Benefits in kind Jean-Paul Faugère did not receive any benefits in kind	**Benefits in kind** Jean-Paul Faugère did not receive any benefits in kind
Benefit plan open to all employees and covering death/disability insurance and medical insurance Jean-Paul Faugère participated in this plan	**Benefit plan open to all employees and covering death/disability insurance and medical insurance** Jean-Paul Faugère participated in this plan

Additional information on the remuneration of Véronique Weill, Chairwoman of the Board of Directors

2020
Fixed and variable remuneration On 31 July 2020, the Board of Directors set Véronique Weill's annual remuneration for 2020 at €350,000 Her remuneration payable in respect of her period as Chairwoman in 2020 and paid in 2020 amounted to €147,101
Remuneration allocated to directors n/a
Benefits in kind Véronique Weill does not receive any benefits in kind
Benefit plan open to all employees and covering death/disability insurance and medical insurance Véronique Weill participates in this plan

Additional information on the remuneration of Antoine Lissowski, Chief Executive Officer

Antoine Lissowski, Chief Executive Officer	2019		2020	
	Payable [(1)]	Paid [(2)]	Payable [(1)]	Paid [(2)]
Salary	400,000	400,000	400,000	400,000
Annual variable bonus [(3)]	50,000	0	40,000	30,000
Special bonus	0	0	0	0
Remuneration allocated to directors	0	0	0	0
Benefits in kind [(4)]	0	0	0	0
Sub-total	**450,000**	**400,000**	**440,000**	**430,000**
TOTAL	**450,000**	**400,000**	**440,000**	**430,000**

(1) The "Payable" columns indicate the remuneration awarded to the Chairwoman or the Chief Executive Officer for the duties performed in each year concerned, regardless of the payment date. Antoine Lissowski's 2020 bonus of €40,000 will be paid after deducting the €16,693 in remuneration he received from CSH in 2020 for in his capacity as member of CSH's Board during that year

(2) The "Paid" columns show the total remuneration paid to the Chairwoman or the Chief Executive Officer for the duties performed in each of those years

(3) Payment of Antoine Lissowski's 2020 variable bonus is subject to shareholder approval at the 2021 Annual General Meeting

(4) Corresponding to the use of a company car

2019 salary

On 20 February 2019, the Board of Directors set Antoine Lissowski's gross annual fixed salary for 2019 at €400,000, corresponding to the amount paid to the Chief Executive Officer since 2012.

2019 bonus

At the same meeting, his maximum bonus for 2019 was set at €50,000 (representing 12.5% of his annual fixed salary), corresponding to the maximum possible annual bonus awarded to the Chief Executive Officer since 2012.

The Board of Directors' meeting of 20 February 2019 also set the objectives to be used in 2020 to determine Antoine Lissowski's bonus, as presented in the table below.

In 2020, based on the Remuneration and Nominations Committee's analysis of achievement rates compared to Antoine Lissowski's 2019 bonus objectives, as presented to the Board of Directors on 19 February 2020 (see description in the table below), at its meeting on 19 February 2020, the Board of Directors decided to award a bonus of €50,000 to Antoine Lissowski for 2018. The bonus breakdown is shown in the last column of the table below.

Benefit plan open to all employees and covering death/disability insurance and medical insurance

Antoine Lissowski participated in this plan.

Additional information about the variable remuneration payable to Antoine Lissowski in 2019 in respect of 2019, that was paid after the 2020 Annual General Meeting

	% weighting	2019 threshold/objective	2019 performance	Achievement rate & variable bonus
Quantifiable objectives				
Net insurance revenue (NIR)	20%	At least **€3,241m** With the following intermediate amounts: ▪ 100% if NIR at least €3,241m ▪ 50% if NIR between €3,113m and €3,241m ▪ 0% if NIR less than or equal to €3,113m	2019 pro forma net insurance revenue* = **€3,249m**	Rate = 100% Variable = €10k
EBIT	30%	At least **€3,009m**	2019 EBIT = **€3,041m**	Rate = 100% Variable = €15k
Qualitative objectives				
Strengthen the Group's multi-partner business model	30%	Major partnerships in France and abroad, premium savings segment in France and Europe, etc.	Brazil: signature of an addendum to the framework agreement of 29 August 2018 between CNP Assurances and Caixa Seguridade Signature between the BPCE group and CNP Assurances of an agreement extending the expiry date of their distribution partnership from 31 December 2022 to 31 December 2030 Closer partnership between CNP Assurances, BPE and La Banque Postale, with the launch of BPE Émeraude for wealth management clients Increased interest in CNP Cyprus Insurance Holdings, leading to greater strategic agility	Rate = 100% Variable = €15k
Quality of strategic initiatives deployed during the period	20%	Managerial performance, NEW CNP	Deployment of new digital tools, notably to facilitate working from home	Rate = 100% Variable = €10k
		Improved Customer Experience	Digitisation of the various stages in the customer relationship (electronic signatures in bank branches, etc.), reduced processing times	
		Operational excellence, Digitisation	Process digitisation, leading to improved service quality and reduced costs	
		Compliance and CSR	Compliance: stronger AML-TF CSR system: CSR objectives achieved and even exceeded	
TOTAL	**100%**			**OVERALL ACHIEVEMENT RATE = 100%** **TOTAL VARIABLE BONUS = €50K**

* Pro forma net insurance revenue corresponds to 2019 net insurance revenue of €3,220 million restated to exclude the negative impact of €29 million following the adjustment to the regulatory valuation rate of interest on guaranteed minimum yield reserves

Additional information on the remuneration of Antoine Lissowski, Chief Executive Officer, in 2020

2020 salary

On 19 February 2020, the Board of Directors set Antoine Lissowski's gross annual fixed salary for 2020 at €400,000, corresponding to the amount paid to the Chief Executive Officer since 2012.

2020 bonus

At the same meeting, his maximum bonus for 2020 was set at €50,000 (representing 12.5% of his annual fixed salary), corresponding to the maximum possible annual bonus awarded to the Chief Executive Officer since 2012.

The Board of Directors' meeting of 19 February 2020 also set the objectives to be used in 2021 to determine Antoine Lissowski's bonus, as presented in the table below.

In 2021, based on the Remuneration and Nominations Committee's analysis of achievement rates compared to Antoine Lissowski's 2020 bonus objectives, as presented to the Board of Directors on 12 February 2021 (see description in the table below), at its meeting on 16 February 2021, the Board of Directors decided to award a bonus of €40,000 to Antoine Lissowski for 2020. The bonus breakdown is shown in the last column of the table below.

Benefit plan open to all employees and covering death/disability insurance and medical insurance

Antoine Lissowski participated in this plan.

Additional information about the variable remuneration payable to Antoine Lissowski in 2020 in respect of 2020, to be paid after the 2021 Annual General Meeting if approved by shareholders

	% weighting	2020 threshold/objective	2020 performance	Achievement rate & variable bonus
Quantifiable objectives				
Net insurance revenue (NIR)	20%	At least **€3,334m** With the following intermediate amounts: ▪ linear rate if NIR at least €3,334m ▪ 50% if NIR between €3,220m and €3,334m ▪ 0% if NIR less than or equal to €3,220m	Consolidated net insurance revenue as reported: **€2,943m** At constant exchange rates: **€3,228m**	The Board of Directors reviewed the results obtained in last year's Covid-19 environment. Based on the Chief Executive Officer's management of the crisis, the Board decided to set the achievement rate for the quantifiable objectives at 60%, corresponding to a bonus of €15,000.
EBIT	30%	At least **€3,041m** With the following intermediate amounts: ▪ linear rate if EBIT at least €3,041m ▪ 50% if EBIT between €3,009m and €3,041m ▪ 0% if EBIT less than €3,009m	Consolidated EBIT as reported: **€2,614m** At constant exchange rates: **€2,867m**	
Qualitative objectives				
Development	50%	▪ Strengthen the Group's multi-partner business model, notably with BPCE	▪ Deploy CNPNet in the Banque Populaires networks ▪ Extend use of electronic signatures ▪ Launch Perln pension offer	Rate = 100% Variable = €25k
		▪ Develop sales and operating synergies with La Banque Postale	▪ Set up governance system ▪ Launch projects to revamp the operating model ▪ Anchor financial systems (accounting, reporting) more firmly ▪ Extend use of electronic signatures ▪ Launch Perln pension offer	
		▪ Adapt the Group's strategic model (ALM, CSR, etc.) and the Life Insurance/Pensions offer in the low interest rate environment	▪ Increase unit-linked premiums to over 50% of total Group savings premiums ▪ Create the CNP Immo Premium unit-linked fund ▪ PACTE law transfers: +€3.4bn ▪ 40% reduction in the carbon footprint of the property portfolio ▪ Numerous solidarity initiatives	
		▪ Finalise the closing of the partnership agreement with Caixa (JV1) and develop the Brazilian business model	▪ Finalisation of new exclusive distribution agreement with the Caixa Econômica Federal network	
SUB-TOTAL	**100%**			**OVERALL ACHIEVEMENT RATE = 80%** **TOTAL VARIABLE BONUS = €40K**

In accordance with the remuneration policy, 60% of the €40,000 net bonus (i.e., €24,000) will be paid in 2021 followed by 20% in 2022, 10% in 2023 and 10% in 2024, subject to the Annual General Meeting voting in favour.

Table 3

REMUNERATION RECEIVED BY THE BOARD, THE CHIEF EXECUTIVE OFFICER AND THE DIRECTORS

Members of the Board of Directors	Remuneration paid to the directors in 2019 *(in €)* In respect of second-half 2018	Remuneration paid to the directors in 2019 *(in €)* In respect of first-half 2019	Remuneration paid to the directors in 2020 *(in €)* In respect of second-half 2019	Remuneration paid to the directors in 2020 *(in €)* In respect of first-half 2020	Paid to
Jean-Paul Faugère [(1)]	-	-	-	-	
Frédéric Lavenir [(1)]	-	-	-	-	
Florence Lustman (Sopassure) [(2)]	31,200	24,350	3,050		Sopassure/LBP
Perrine Kaltwasser (LBP) [(2)]	-	-	24,350	24,350	LBP
Philippe Wahl [(2)]	31,200	14,450	22,800	22,050	Sopassure/LBP
Rémy Weber [(2)]	19,000	21,300	31,950	19,000	Sopassure/LBP
Tony Blanco [(2)]	-	-	-	17,500	LBP
Yves Brassart [(2)]	-	-	-	11,400	LBP
Catherine Charrier-Leflaive [(2)]	-	-	-	11,400	LBP
Sonia de Demandolx	-	-	-	7,600	Sonia de Demandolx
François Géronde	-	-	-	11,400	LBP
Christiane Marcellier	-	-	-	11,400	Christiane Marcellier
Laurent Mignon [(2)]	23,600	11,400	15,200	14,450	Sopassure/BPCE
Jean-Yves Forel [(2)]	31,200	27,400	41,100	28,150	Sopassure/BPC
Eric Lombard (CDC) [(2)]	31,200	18,250	22,800	6,850	CDC
Annabelle Beugin-Soulon	15,200	-	-	-	CDC
Alexandra Basso	-	15,200	19,000	-	CDC
Virginie Chapron du Jeu [(2)]	14,450	17,500	31,200	3,800	CDC
Pauline Cornu-Thénard	3,800	-	-	-	CDC
Olivier Fabas [(2)]	-	11,400	25,850	3,800	CDC
Laurence Giraudon	11,400	15,200	19,000	3,800	CDC
Olivier Mareuse [(2)]	23,600	26,650	40,350	-	CDC
Olivier Sichel [(2)]	11,400	-	-	-	CDC
Charles Sarrazin (French State) [(2)]	14,450	15,200	22,800	-	French Treasury
Marcia Campbell [(2)]	33,500	35,050	34,250	28,150	Marcia Campbell
Stéphane Pallez [(2)]	48,750	45,700	35,800	33,500	Stéphane Pallez
Rose-Marie Van Lerberghe [(2)]	52,550	33,500	25,850	25,100	Rose-Marie Van Lerberghe
Philippe Bartoli	19,000	11,400	22,800	11,400	Trade union
Laurence Guitard	11,400	11,400	22,800	19,000	Trade union
TOTAL	**426,900**	**355,350**	**460,950**	**314,100**	

(1) Jean-Paul Faugère and Frédéric Lavenir do not receive any directors' fees for participating in meetings of the Board or the committees of the Board in accordance with the decisions of the Board of Directors based on the recommendations of the Remuneration and Nominations Committee

(2) Also a member of a Committee of the Board during all or part of the period between 1 July 2018 and 30 June 2020

The two directors representing employees both have an employment contract with the Company and receive remuneration from these companies that is not related to their service on the Board. As a result, no details of this remuneration are disclosed.

Table 4*

STOCK OPTIONS GRANTED DURING THE YEAR TO THE CHAIRWOMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER BY CNP ASSURANCES AND ALL OTHER GROUP COMPANIES

Stock options granted to the Chairwoman of the Board and the Chief Executive Officer by CNP Assurances SA and all other Group companies	Plan no. and date	Type of stock options (purchase or subscription)	Value 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

Table 5*

STOCK OPTIONS EXERCISED DURING THE YEAR BY THE CHAIRWOMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER

Stock options exercised by the Chairwoman of the Board and the Chief Executive Officer	Plan no. and date	Number of stock options exercised during the year	Exercise price
Not applicable	Not applicable	None	Not applicable

Table 6*

PERFORMANCE SHARES GRANTED DURING THE YEAR TO THE CHAIRWOMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER BY CNP ASSURANCES AND ALL OTHER GROUP COMPANIES

Performance shares granted to the Chairwoman of the Board and the Chief Executive Officers by CNP Assurances and all other Group companies	Plan no. and date	Number of shares granted during the year	Value of shares based on the method used for the consolidated financial statements	Vesting date	End of lock-up period	Performance conditions
Not applicable	Not applicable	None	Not applicable	Not applicable	Not applicable	Not applicable

Table 7*

PERFORMANCE SHARES GRANTED TO THE CHAIRWOMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER FOR WHICH THE LOCK-UP PERIOD ENDED DURING THE YEAR

Performance shares granted to the Chairwoman of the Board and the Chief Executive Officer for which the lock-up period ended during the year	Plan no. and date	Number of shares for which the lock-up period ended during the year	Vesting conditions
Not applicable	Not applicable	None	Not applicable

Table 8*

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

* Tables 4 to 9: there are currently no stock option or performance share plans for any CNP Assurances senior executives or employees

Table 9*

HISTORICAL INFORMATION CONCERNING PERFORMANCE SHARE GRANTS

Information on performance shares	Date of AGM	Plan 1	Plan 2	Plan 3
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Table 10

LONG-TERM INCENTIVE BONUSES PAID TO THE CHAIRMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER

Not applicable.

Table 11

ADDITIONAL INFORMATION CONCERNING THE CHAIRMAN/CHAIRWOMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER

Chairman/Chairwoman of the Board and Chief Executive Officer	Employment contract		Supplementary pension plan (Article 39 of the French Tax Code)		Compensation for loss of office due or that may be due		Non-compete indemnity	
	Yes	No	Yes	No	Yes	No	Yes	No
Jean-Paul Faugère Chairman of the Board of Directors First appointed: 29 June 2012 Term expired: 15 July 2020		X		X		X		X
Véronique Weill Chairwoman of the Board of Directors First appointed: 31 July 2020 Term expires: 2021 AGM to approve the 2020 financial statements		X		X		X		X
Antoine Lissowski Chief Executive Officer First appointed: 1 September 2018 Term expires: 2021 AGM to approve the 2020 financial statements	X*		X		X			X

* Antoine Lissowski's employment contract, which had been in force since 2003, was suspended on 1 September 2018

Supplementary pension plan

The defined benefit supplementary pension plan was set up following Supervisory Board approval at its meeting of 20 December 2005.

Véronique Weill, Chairwoman of the Board of Directors since 31 July 2020, does not participate in this supplementary pension plan. Likewise, Jean-Paul Faugère, Chairman of the Board of Directors until 15 July 2020, did not participate in this plan.

Antoine Lissowski, Chief Executive Officer since 1 September 2018, participated in the plan under his employment contract, with contributions paid in respect of his salary when he was member of the Management Board and then Deputy Chief Executive Officer. Antoine Lissowski's rights under the defined benefit supplementary pension plan were frozen when his employment contract was suspended.

Contractual termination benefits

As Véronique Weill, Chairwoman of the Board of Directors since 31 July 2020, does not have an employment contract with the Company, she would not be entitled to any contractual termination benefits. Similarly, Jean-Paul Faugère, Chairman of the Board of Directors until 15 July 2020, did not have an employment contract with the Company and was not entitled to any contractual termination benefits. The same applies to Antoine Lissowski, Chief Executive Officer, whose employment contract has been suspended.

Retirement benefits payable on retirement

(Article 43 of the Company-wide agreement covering all employees)

As Véronique Weill, Chairwoman of the Board of Directors since 31 July 2020, does not have an employment contract with the Company, she would not be entitled to any retirement benefit. Similarly, Jean-Paul Faugère, Chairman of the Board of Directors until 15 July 2020, did not have an employment contract with the Company and would not have been entitled to any retirement benefit.

Antoine Lissowski, Chief Executive Officer, will be entitled to a length-of-service award on retirement under the terms of his suspended employment contract.

Table 12

HISTORICAL INFORMATION CONCERNING SHARE GRANTS

	Plan 1	Plan 2
Date of AGM	7 June 2005	7 June 2005
Date of Management 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 the Chairman/Chairwoman of the Board and the Chief Executive Officer	0	0

Table 13

PAY RATIOS (DISCLOSURES REQUIRED BY ARTICLE L.22-10-9 PARAGRAPH 6 OF THE FRENCH COMMERCIAL CODE)

	2015	2016	2017	2018	2019	2020
Average remuneration of employees	61,251	60,279	62,089	62,103	60,468	62,324
Median remuneration of employees	47,531	48,367	50,158	50,763	50,128	50,499
Chairman/Chairwoman's remuneration	250,000	250,000	280,000	280,000	280,000	298,260
Chairman-to-average worker pay ratio	4.1	4.6	4.5	4.5	4.6	4.8
Chairman-to-median worker pay ratio	5.3	5.8	5.6	5.5	5.6	5.9
Chief Executive Officer's remuneration	450,000	450,000	430,815	456,381	400,000	430,000
CEO-to-average worker pay ratio	7.3	7.5	6.9	7.3	6.6	6.9
CEO-to-median worker pay ratio	9.5	9.3	8.6	9.0	8.0	8.5

Pay ratio calculation method

Remuneration of the Chairman/Chairwoman of the Board and the Chief Executive Officer

Persons concerned: Chairman/Chairwoman and Chief Executive Officer

- 2015: Jean-Paul Faugère and Frédéric Lavenir;
- 2016: Jean-Paul Faugère and Frédéric Lavenir;
- 2017: Jean-Paul Faugère and Frédéric Lavenir;
- 2018: Jean-Paul Faugère, Frédéric Lavenir and Antoine Lissowski (prorated to the term served);
- 2019: Jean-Paul Faugère and Antoine Lissowski;
- 2020: Jean-Paul Faugère, Véronique Weill (prorated to the term served) and Antoine Lissowski.

Components of remuneration: Fixed and variable remuneration + Benefits in kind.

The remuneration taken into account for the Chief Executive Officer corresponds to the remuneration paid to him in the reference year.

2019

The Chief Executive Officer, Antoine Lissowski, only received his fixed salary in 2019. He did not receive any variable remuneration in respect of his 2018 performance as Chief Executive Officer.

His maximum potential variable bonus for 2019 has been set at €50,000, corresponding to 12.5% of his fixed salary.

In 2019, Antoine Lissowski received a variable bonus in respect of his 2018 performance as Deputy Chief Executive and Chief Financial Officer.

For information, Frédéric Lavenir received a variable bonus of €32,696.84 corresponding to deferred remuneration due in respect of prior years, in line with CNP Assurances' Remuneration Policy.

2020

In 2020, Antoine Lissowski received a variable bonus of €30,000, with the balance in respect of 2020 payable in accordance with CNP Assurances' Remuneration Policy.

During the year, Antoine Lissowski also received variable remuneration in respect of his performance in prior years as Deputy Chief Executive and Chief Financial Officer, in accordance with CNP Assurances' Remuneration Policy.

For information, Frédéric Lavenir received a variable bonus of €15,701.45 corresponding to deferred remuneration due in respect of prior years, in line with CNP Assurances' Remuneration Policy.

Employees

Permanent employees of CNP Assurances, excluding the Chief Executive Officer.

Components of remuneration: Full-time equivalent gross remuneration (excluding discretionary and statutory profit-sharing). Full-time equivalent remuneration is calculated based on the working hours used to calculate discretionary and statutory profit-sharing.

Table 14

PAY INCREASES (DISCLOSURES REQUIRED BY ARTICLE L.22-10-9 PARAGRAPH 7 OF THE FRENCH COMMERCIAL CODE)

% Change	2016	2017	2018	2019	2020
Total remunerations [1]	1%	2%	-3%	-1%	2%
Company performance [2]	6%	7%	6%	3%	-4%
Average remuneration of employees	-2%	3%	0%	-3%	3%
Median remuneration of employees	2%	4%	1%	-1%	1%
Chairman/Chairwoman's remuneration	0%	12%	0%	0%	7%
Chairman-to-average worker pay ratio	12%	-2%	0%	2%	4%
Chairman-to-median worker pay ratio	9%	-3%	-2%	2%	5%
Chief Executive Officer's remuneration	0%	-4%	6%	-12%	7%
CEO-to-average worker pay ratio	3%	-8%	6%	-10%	5%
CEO-to-median worker pay ratio	-2%	-8%	5%	-11%	6%

(1) Total gross payroll reported in CNP Assurances' corporate report ("Bilan social")
(2) Attributable net profit

3.5 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 while acting as member of an administrative, management or supervisory body or as Chief Executive Officer within the last five years;
- 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 other companies in the Group.

Conflicts of interest

The Board of Directors' organisation and procedures – particularly the presence of four independent directors – ensure that no single shareholder is in a position to exercise undue control over Board decisions.

To the best of the Company's knowledge at the date of publication of this document, there are no potential conflicts of interest between the duties of members of the Board of Directors or Executive Management in their capacity as director or corporate officer of CNP Assurances, and their private interests and/or other duties. To the best of CNP Assurance's knowledge as of the date of publication of this document, no arrangements or agreements have been entered into with major 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 at the date of publication of this document, 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 personal interests or those of the shareholder or group of shareholders that he/she represents, as soon as he/she is aware of it (see section I – 1.2 C, paragraph 6 of the internal rules of the Board of Directors, available at www.cnp.fr).

In the case of any conflict of interest, the director concerned does not participate in the Board of Directors' discussion or vote on the matter in question.

The members of the Board of Directors of CNP Assurances state that they have not personally entered into any arrangements with the main shareholders, customers or suppliers of the Group, or any arrangements that are likely, at the date of publication of this document, to create a conflict of interest that is incompatible with their duties as directors or corporate officers of CNP Assurances.

There are no family ties between any members of the Board of Directors and Executive Management.

3.6 Statutory Auditors' report on related-party agreements and commitments

Annual General Meeting for the approval of the financial statements for the year ended 31 December 2020

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, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.225-31 of the French Commercial Code *(Code de commerce)* and Article R.322-7 of the French Insurance Code *(Code des assurances)*, it is the responsibility of the shareholders to determine whether the agreements 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.322-7 of the French Insurance Code in relation to the implementation during the year of agreements 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 to be submitted for the approval of the Annual General Meeting

Agreements authorised and entered into during the year

Under the provisions of Article L.225-40 of the French Commercial Code *(Code de commerce)* and Article R.322-7 of the French Insurance Code *(Code des assurances)*, it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

1) Addendum to the securities management agreement with Ostrum AM to comply with the new MIFID II legislative framework

Persons concerned

Laurent Mignon and Jean-Yves Forel, directors as of the date of the Board's authorisations of both CNP Assurances and BPCE (indirect shareholder of CNP Assurances with an interest of more than 10%).

Nature and purpose

On 6 August 2020, CNP Assurances and Ostrum AM signed an addendum to their securities management agreement to align its terms with the new MIFID II legislative framework applicable since 3 January 2018.

Conditions

The Company's Executive Management was authorised to sign the addendum by the Board of Directors at its meeting on 31 July 2020 in accordance with Articles L.225-38 *et seq.* of the French Commercial Code.

Benefits for the Company of signing the addendum

The benefits for the Company lie in the fact that, with the addendum, the agreement will comply with the new Markets in Financial Instruments Directive (MIFID II) applicable since 3 January 2018, which strengthens investor protection vis-à-vis financial institutions and makes the financial markets more efficient, resilient and transparent.

This planned agreement had no impact on the financial statements for the year ended 31 December 2020.

2) Addendum to the securities management agreement with LBPAM concerning high yield securities

Persons concerned

Philippe Wahl, Rémy Weber, Tony Blanco, Yves Brassart, Catherine Charrier-Leflaive, Sonia de Demandolx, François Géronde, Christiane Marcellier and Sopassure represented by Perrine Kaltwasser, directors as of the date of the Board's authorisations of both CNP Assurances and LBP (direct shareholder of CNP Assurances with an interest of more than 10%).

Nature and purpose

On 17 August 2020, CNP Assurances and LBPAM signed an addendum to their securities management agreement authorising LBPAM to invest in high yield securities and unrated securities on behalf of CNP Assurances.

Conditions

The Company's Executive Management was authorised to sign the addendum by the Board of Directors at its meeting on 31 July 2020 in accordance with Articles L.225-38 *et seq.* of the French Commercial Code.

Benefits for the Company of signing the agreement

The addendum will enable the Company to acquire a tactical portfolio of high yield securities under the delegated asset management agreement, mainly for inclusion in the own-funds portfolio. The remuneration paid by CNP Assurances corresponds to the normal arm's length rate for this type of product.

This planned agreement had no impact on the financial statements for the year ended 31 December 2020.

3) Addendum to the securities management agreement with LBPAM transferring the agreement to Ostrum AM

Persons concerned

Philippe Wahl, Rémy Weber, Tony Blanco, Yves Brassart, Catherine Charrier-Leflaive, Sonia de Demandolx, François Géronde, Christiane Marcellier, Sopassure represented by Perrine Kaltwasser, directors as of the date of the Board's authorisations of both CNP Assurances and LBP (direct shareholder of CNP Assurances with an interest of more than 10%), Laurent Mignon and Jean-Yves Forel, directors as of the date of the Board's authorisations of both CNP Assurances and BPCE (indirect shareholder of CNP Assurances with an interest of more than 10%).

Nature and purpose

On 8 October 2020, CNP Assurances and LBPAM signed an addendum amending their asset management agreement dated 26 June 2017.

This addendum was made necessary by the planned merger of LBPAM into Ostrum Asset Management. It transferred to Ostrum Asset Management the asset management and order receipt and transmission (ORT) services performed by LBPAM under the agreement dated 26 June 2017.

Conditions

The Company's Executive Management was authorised to sign the addendum by the Board of Directors at its meeting on 24 September 2020 in accordance with Articles L.225-38 *et seq.* of the French Commercial Code.

Benefits for the Company of signing the agreement

The addendum has enabled CNP Assurances to continue benefiting from the delegated services related to the management of part of its asset portfolio, on the same terms as previously.

This planned agreement had no impact on the financial statements for the year ended 31 December 2020.

4) Woodland management agreement with Société Forestière de la CDC (directly owned assets)

Persons concerned

Philippe Wahl, Rémy Weber, Tony Blanco, Yves Brassart, Sonia de Demandolx, François Géronde, Christiane Marcellier and Sopassure represented by Perrine Kaltwasser, directors as of the date of the Board's authorisations of both CNP Assurances and LBP (direct shareholder of CNP Assurances with an interest of more than 10%).

Nature and purpose

On 11 February 2021, CNP Assurances and Société Forestière de la CDC signed an agreement amending an earlier agreement for the management of woodland owned directly by CNP Assurances. The new agreement covers the five-year period from 1 January 2021 to 31 December 2025.

CNP Assurances owns approximately 60,000 hectares of woodland in France and Europe, either directly or through other companies (forestry consortia or non-trading companies). CNP Assurances invests regularly in new forestry assets.

As an owner and investor, CNP Assurances has used the services of Société Forestière de la CDC since 1995 to manage these assets and make new forestry investments.

Conditions

The Company's Executive Management was authorised to sign two agreements, concerning directly owned and indirectly owned forestry assets respectively, by the Board of Directors at its meeting on 22 December 2020 in accordance with Articles L.225-38 *et seq.* of the French Commercial Code.

Benefits for the Company of signing the agreement

The agreements give CNP Assurances the ability to ensure that its forestry assets are managed in accordance with sustainable development objectives (promote biodiversity, protect soil and watercourses, improve forests' resilience and increase carbon sinks).

This planned agreement had no impact on the financial statements for the year ended 31 December 2020.

Agreements authorised and entered into after the 2020 year-end

Under the provisions of Article R.225-40 of the French Commercial Code *(Code de commerce)* and Article R.322-7 of the French Insurance Code *(Code des assurances)*, it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

1) Agreement concerning an investment in infrastructure assets (Orange Concessions) with CDC

Persons concerned

Philippe Wahl, Philippe Heim, Tony Blanco, Yves Brassart, Sonia de Demandolx, François Géronde, Christiane Marcellier and LBP represented by Perrine Kaltwasser, directors as of the date of the Board's authorisation of both CNP Assurances and LBP (direct shareholder of CNP Assurances with an interest of more than 10%).

Nature and purpose

On 22 January 2021, the consortium of CNP Assurances, Banque des Territoires (Caisse des Dépôts) and EDF Invest signed an exclusive agreement with Orange for the acquisition of a 50% stake in Orange Concessions, the company set up by Orange to consolidate its fiber optic investments in public initiative networks (PINs) in France.

Conditions

The Company's Executive Management was authorised to sign the agreement related to this investment (including the consortium agreement and the shareholders' agreement) by the Board of Directors at its meeting on 8 January 2021 in accordance with Articles L.225-38 *et seq.* of the French Commercial Code.

Benefits for the Company of signing the agreement

The agreement will enable CNP Assurances to invest in essential regional infrastructure in partnership with Orange, one of Europe's leading telecoms companies with recognised technical and commercial expertise, in line with CNP Assurances' long-term responsible investor strategy.

This planned agreement had no impact on the financial statements for the year ended 31 December 2020.

Agreements authorised but not yet signed

Under the provisions of Article L.225-40 of the French Commercial Code (*Code de commerce*) and Article R.322-7 of the French Insurance Code (*Code des assurances*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

1) Agreement amending the new partnership agreements between CNP Assurances and La Banque Postale

Persons concerned

Philippe Wahl, Rémy Weber, Tony Blanco, Yves Brassart, Catherine Charrier-Leflaive, Sonia de Demandolx, François Géronde, Christiane Marcellier and Sopassure represented by Perrine Kaltwasser, directors as of the date of the Board's authorisations of both CNP Assurances and LBP (direct shareholder of CNP Assurances with an interest of more than 10%).

Nature and purpose

CNP Assurances and LBP plan to sign an agreement amending the new partnership agreements between CNP Assurances and La Banque Postale dated 25 March 2016 (the "Amendment Agreement").

The purpose of this Amendment Agreement is to push back the expiry date of the partnership agreement signed in March 2016 between CNP Assurances and La Banque Postale from 31 December 2025 to 31 December 2035.

CNP Assurances and La Banque Postale have also agreed to examine the potential benefits of adapting their partnership in light of La Banque Postale's recent acquisition of control of CNP Assurances and making good faith revisions to their agreements to take into account the extension of their partnership.

Conditions

The Company's Executive Management was authorised to sign the addendum by the Board of Directors at its meeting on 14 May 2020 in accordance with Articles L.225-38 *et seq.* of the French Commercial Code.

Benefits for the Company of signing the agreement

The Amendment Agreement will lock in CNP Assurances' partnership with La Banque Postale until 31 December 2035, without CNP Assurances having to make any payment in this respect at this stage.

This planned agreement had no impact on the financial statements for the year ended 31 December 2020.

2) Woodland management agreement with Société Forestière de la CDC (indirectly owned assets)

Persons concerned

Philippe Wahl, Rémy Weber, Tony Blanco, Yves Brassart, Sonia de Demandolx, François Géronde, Christiane Marcellier and Sopassure represented by Perrine Kaltwasser, directors as of the date of the Board's authorisations of both CNP Assurances and LBP (direct shareholder of CNP Assurances with an interest of more than 10%).

Nature and purpose

CNP Assurances and Société Forestière de la CDC plan to sign an agreement concerning indirectly owned forestry assets. The agreement had not yet been signed as of the date of this report.

CNP Assurances owns approximately 60,000 hectares of woodland in France and Europe, either directly or through other companies (forestry consortia or non-trading companies). CNP Assurances invests regularly in new forestry assets.

As an owner and investor, CNP Assurances has used the services of Société Forestière de la CDC since 1995 to manage these assets and make new forestry investments.

Conditions

The Company's Executive Management was authorised to sign two agreements, concerning directly owned and indirectly owned forestry assets respectively, by the Board of Directors at its meeting on 22 December 2020 in accordance with Articles L.225-38 *et seq.* of the French Commercial Code.

Benefits for the Company of signing the agreement

The agreements give CNP Assurances the ability to ensure that its forestry assets are managed in accordance with sustainable development objectives (promote biodiversity, protect soil and watercourses, improve forests' resilience and increase carbon sinks).

This planned agreement had no impact on the financial statements for the year ended 31 December 2020.

Agreements already approved by the Annual General Meeting

Agreements approved in previous years

a) that were implemented during the year

In accordance with Article R.225-30 of the French Commercial Code and Article R.322-7 of the French Insurance Code, we were informed of the following agreements and commitments authorised by the Board of Directors.

1) Partnership agreements between CNP Assurances and the BPCE group

Persons concerned

François Pérol, then Laurent Mignon, and Jean-Yves Forel (directors as of the date of the Board's authorisations of both CNP Assurances and BPCE).

Nature and purpose

In March 2015, CNP Assurances and the BPCE group signed new partnership agreements that came into effect on 1 January 2016 for an initial period of seven years (expiring 31 December 2022). The purpose of these agreements was to take into account BPCE's decision to gradually transfer to Natixis Assurances, during 2016, all new savings and pensions business (life insurance and endowment policies) generated by the Caisses d'Epargne network.

In December 2019, CNP Assurances and the BPCE group signed agreements that came into effect on 1 January 2020, extending the new partnership agreements until 31 December 2030 without any option of negotiating the purchase of the Savings/Pensions insurance book ahead of this date. In addition, under the terms of the 2019 agreements, CNP Assurances' share of group Term Creditor Insurance business co-insured with Natixis Assurances was reduced from 66% to 50% and 34% of individual term creditor insurance written by BPCE Vie is reinsured by CNP Assurances.

Conditions

Pursuant to the Board of Directors' authorisation to sign new partnership agreements given on 18 February 2015, a master partnership agreement was signed on 23 March 2015 between CNP Assurances, BPCE (acting in its own name and in the name and on behalf of, *inter alia,* the banks in the Caisses d'Epargne and Banques Populaires networks) and Natixis. On 30 December 2015, an addendum was signed extending the deadlines for signing certain agreements for the application of the master partnership that could not be finalised within the deadline. The addendum also amended certain agreements to reflect regulatory or operational changes that had created a need to modify certain appendices and defer creation of the Follow-up Committee on the Implementation of the BPCE and LBP Partnerships until 1 January 2016.

Pursuant to the Board of Directors' 17 December 2019 authorisation to extend the new partnership agreements, on 19 December 2019 an agreement was signed amending the new partnership agreements between CNP Assurances, BPCE and Natixis (the "Amendment Agreement") and a reinsurance treaty was set up between CNP Assurances, BPCE Vie and BPCE Prévoyance covering individual term creditor insurance ("Individual Term Creditor Insurance Reinsurance Treaty").

The new partnership agreements mainly comprise:

- mechanisms concerning savings and pensions technical reserves retained by CNP Assurances (related to contracts sold to Caisses d'Epargne customers in the period to end-October 2016 when the last Caisses d'Epargne branches switched from CNP Assurances to Natixis Assurances for new business) on terms that protect the interests of policyholders as well as those of CNP Assurances;
- an exclusive partnership with Natixis Assurances for group term creditor insurance distributed by the Banques Populaires networks (excluding BRED, Crédit Coopératif and CASDEN), the Caisses d'Epargne network, Banque Palatine and Crédit Foncier (co-insured 66% by CNP Assurances and 34% by Natixis Assurances from 1 January 2016

to 31 December 2019, then on a 50/50 basis from 1 January 2020), and specific partnerships in personal risk insurance and employee benefit plans, including health insurance (to address the market created by the national inter-professional agreement - *Accord National Interprofessionnel*).

Various agreements for the application of the master partnership agreement and the extension agreements were also signed, as follows:

- in the area of savings and pension products (life and endowment contracts):

  The main components of the new agreements signed on 23 March 2015 and supplemented, where necessary, during 2015 by technical addenda, are as follows:
  - partnership agreement with BPCE primarily dealing with the administration of In-Force business retained by CNP Assurances and top-up premiums paid on the contracts;
  - addendum to the commission agreement with BPCE, extending its term for a period expiring at the end of the life of the CNP Assurances savings and pensions contracts (life policies);
  - mechanism covering Savings business, based on two agreements with BPCE: an agreement guaranteeing stable In-Force business levels and an outperformance agreement. Addendum no. 1 to each of these agreements was signed on 19 December 2019;
  - the mechanism covering Savings business will be triggered if surrenders and/or top-up premiums deviate from the benchmark trajectories determined on the basis of historical data for CNP Assurances. If observed surrenders are higher than expected or observed top-up premiums are lower than expected, BPCE will make a compensatory payment to CNP Assurances, and CNP Assurances will pay a symmetrical outperformance commission to BPCE if the reverse is true. The mechanism will be deactivated in the event of an interest rate or behavioural shock;
  - a 10% quota share reinsurance treaty with BPCE Vie covering In-Force business sold through the BPCE group;
  - a reinsurance treaty with BPCE Vie, to which Natixis is a party, covering tranche 1 new business. Under the terms of this treaty, CNP Assurances reinsures 40% of the BPCE Vie savings and pension products (excluding unit-linked contracts or formulas) sold by the Caisses d'Epargne and related banks during the 2016-2019 calendar years, extended for two generations (2020 and 2021) at adjusted rates (Addendum no. 1 signed on 19 December 2019). This treaty will remain in force until the reinsured policies expire;
  - a reinsurance treaty with BPCE Vie, to which BPCE and Natixis are parties, covering tranche 2 new business. Under the terms of this treaty, which would be activated by an interest rate or behavioural shock, CNP Assurances reinsures 90% of the insurance liabilities arising from payments into BPCE Vie savings and pension products made by former CNP Assurances customers. Under the terms of Addendum no. 1 signed on 19 December 2019 the tranche 2 treaty would continue to be activated by an interest rate or behavioural shock until 31 December 2030 and would be automatically renewed if the stock of the Savings/Pensions insurance book is not purchased by BPCE before that date;
  - similarly, a "*Eurocroissance*" agreement provides for CNP Assurances to be indemnified for policyholder payments into a BPCE Vie "*Eurocroissance*" product. "Cross-matching" agreements organise the supply by BPCE of the list of former CNP Assurances customers that have become BPCE Vie customers following the occurrence of an interest rate or behavioural shock.
  - in addition:
    - in the premium savings segment, partnership agreements were signed by CNP Assurances with Banque Privée 1818 and Sélection 1818, which came into effect on 1 January 2015,
    - concerning Ecureuil Vie Développement (set up to drive growth in insurance sales by the Caisses d'Epargne network), an agreement for the sale of 2% of its shares was signed between CNP Assurances, BPCE and Natixis Assurances (giving Natixis Assurances 51% of Ecureuil Vie Développement's capital and voting rights as of 1 January 2016), together with a Shareholders' Agreement between the three partners, and an agreement between CNP Assurances and Ecureuil Vie Développement concerning the secondment of employees,
    - in the area of asset management, a master portfolio management and investment services agreement was signed on 28 December 2015 between CNP Assurances and Natixis Asset Management;
- in the area of group term creditor insurance distributed by the Banques Populaires networks (excluding BRED, Crédit Coopératif and CASDEN), the Caisses d'Epargne network, Banque Palatine and Crédit Foncier.

  The main components of the new agreements signed on 23 March 2015 are as follows:
  - co-insurance agreement between CNP Assurances, BPCE Vie and BPCE Prévoyance (CNP Assurances for 66% and BPCE Prévoyance for 34% until 31 December 2019, then 50% for CNP Assurances and 50% for BPCE Vie and BPCE Prévoyance from 1 January 2020);
  - several agreements that are a standard feature of this type of partnership, including a fee agreement, a brokerage agreement between CNP Assurances, BPCE, BPCE Vie and BPCE Prévoyance and a delegated management mandate and service level agreement between CNP Assurances and BPCE;
- in personal risk insurance (long-term care and renters' insurance) and group death/disability and health insurance, the following agreements were signed:
  - personal risk insurance commission agreement with BPCE;
  - health insurance referral agreement with BPCE and BPCE Assurances that came into effect on 1 June 2015;

- in individual term creditor insurance distributed in the BPCE networks, 34% reinsurance by CNP Assurances of BPCE Vie products sold between 1 January 2020 and 31 December 2030.

Reason for the agreement remaining in force

The benefits of the agreements are as follows:

- the partnership with the BPCE group has been secured until 31 December 2030, supporting CNP Assurances' multi-partner business model;
- CNP Assurances will continue to benefit from the system protecting its technical reserves, which adequately cover the risks identified by the Company;
- CNP Assurances will benefit from the distribution partnerships in individual and group term creditor insurance, personal risk insurance and group death/disability and health insurance.

The remuneration received by Groupe Caisses d'Epargne 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 2020 amounted to €934.1 million.

2) New exclusive distribution agreement in Brazil through the Caixa Econômica Federal (CEF) network, for life insurance *(vida)*, consumer credit life insurance *(prestamista)* and private pension plans *(previdência)* (agreement between companies that have common directors)

Persons concerned

The Chief Executive Officer of CNP Assurances (Frédéric Lavenir, then Antoine Lissowski) and the Chairman of the Board of Directors (Jean-Paul Faugère), directors as of the date of the Board's authorisations of both CNP Assurances and Caixa Seguros Holding (CSH), a 51.75%-owned subsidiary of CNP Assurances.

Nature and purpose

On 29 August 2018, an agreement was signed securing for the very long term (through 2041) and for revised product categories [life insurance *(vida)*, consumer credit life insurance *(prestamista)* and private pension plans *(previdência)*], a significant part of the business conducted with the Caixa Econômica Federal (CEF) network.

The distribution agreement will be implemented through a joint venture ("New JV") set up for this purpose between CNP Assurances and Caixa Seguridade, the holding company for CEF's insurance operations, with CNP Assurances and Caixa Seguridade owning respectively 51% and 49% of the voting rights and 40% and 60% of the economic rights. On the transaction completion date, Caixa Seguros Holding (CSH) will transfer all of the company's shares to the new insurance company, which will hold the In-Force insurance portfolios corresponding to the product categories included in the scope of the agreement.

In parallel, CNP Assurances has reached a separate agreement with Caixa Seguridade and the insurance brokerage group Wiz regarding the terms of future cooperation with Wiz, including operational back office services provided by Wiz to CSH and to the insurance joint venture to be created under the new agreement with Caixa Seguridade.

In March 2019, the new management team at Caixa Seguridade initiated discussions with CNP Assurances with a view to agreeing certain adjustments or possible additions to the 29 August 2018 agreement.

On 20 September 2019, an addendum to the 29 August 2018 agreement was signed.

The addendum introduces the following changes to the agreement:

- CNP Assurances will benefit from a 5-year extension of the exclusive distribution agreement, which will now run until 13 February 2046 (versus the original expiry date of 13 February 2041);
- CNP Assurances' share of life insurance, consumer credit life insurance and private pensions business will be kept at 51.75% until December 2020 (as opposed to being reduced immediately to 40% as previously agreed);
- CNP Assurances will continue to write all the other classes of business through its subsidiary, Caixa Seguros Holding, until the current operating agreement expires on 14 February 2021 and none of these businesses will be discontinued ahead of that date;
- in December 2020 (date specified in the addendum), CNP Assurances will pay a fixed amount of R$7.0 billion (versus the previously agreed amount of R$4.65 billion). The addendum also includes incentives to outperform the first five years' volume and margin objectives, in the form of additional payments capped at R$0.8 billion (Group share) based on 31 December 2020 values.

Completion transactions provided for in the agreement is subject to various conditions precedent, including the issuance of the necessary approvals by the competent supervisory and competition authorities. The transaction was completed on 30 December 2020.

Terms and conditions

In accordance with Articles L.225-38 *et seq.* of the French Commercial Code, at its meetings on 15 January 2018, 27 July 2018, 18 April 2019 and 12 September 2019, the Board of Directors authorised the Company's Executive Management to sign the following documents:

- a binding framework agreement with CEF and Caixa Seguridade (together "Caixa"), together with the agreements listed therein and/or that resulted therefrom, including:
  - (i) a distribution agreement covering *vida*, *prestamista* and *previdência* products, to be entered into notably with the new insurance company (wholly-owned by the New JV),
  - (ii) a new JV Shareholders' Agreement between CNP Assurances and Caixa Seguridade,
  - (iii) an addendum to the Caixa Seguros Holding (CSH) Shareholders' Agreement between CNP Assurances and Caixa Seguridade,

(iv) letters issued by CNP Assurances waiving the exclusive distribution rights granted by Caixa to the CSH group under the current partnership agreement for the insurance products not included in the scope of the new partnership,

(v) an addendum to the distribution agreement currently in force between CSH and CEF;

- contractual documents with the Wiz brokerage group (i.e., a framework settlement agreement, a letter in which the Wiz subsidiaries sign up to this agreement and a commitment by CNP Assurances concerning operational back office services to be entered into by the new insurance company), defining the terms and conditions of future cooperation between the CSH group, Caixa Seguridade and the Wiz group, particularly for the supply of operational back office services to CSH and the new insurance company;
- an addendum to the binding framework agreement with CEF and Caixa Seguridade (together "Caixa"), together with the agreements listed therein and/or that resulted therefrom.

Reason for the agreement remaining in force

The benefits of pursuing these agreements, which were finalised on 30 December 2020 (except for the settlement agreement with Wiz that came into effect on the date it was signed, in August 2018) are as follows:

- the agreements secure the long-term future of CNP Assurances' business in Brazil;
- a significant proportion of CNP Assurances' current business via the CEF network has been secured;
- the renewed partnership will create value, unlike the various no-deal scenarios;
- Wiz has given a commitment not to challenge the interpretation according to which its exclusive rights will expire no later than 14 February 2021.

3) Agreements with Arial CNP Assurances (signed in connection with the transfer of a portfolio of company retirement savings plan contracts carried out in 2017) (agreements with companies that have common directors)

Persons concerned

The Chief Executive Officer of CNP Assurances (Frédéric Lavenir then Antoine Lissowski), directors as of the date of the Board's authorisations, of both CNP Assurances and Arial CNP Assurances which is 40%-owned by CNP Assurances.

Nature and purpose

AG2R La Mondiale and CNP Assurances initially signed a framework partnership agreement on 11 December 2015, covering their retirement savings plan and employee benefits plan businesses. The partnership was cemented by CNP Assurances' acquisition of 40% of the capital and voting rights of Arial CNP Assurances (ACA).

In connection with this strategic partnership to create a major player in the company retirement savings plan market that became operational at the end of 2017 when the portfolio was transferred, various agreements were signed between 2017 and 2019 addressing the practical organisation of the partnership's implementation.

Terms and conditions

In accordance with Articles L.225-38 *et seq.* of the French Commercial Code, at its meetings on 13 April and 10 May 2017, the Board of Directors authorised the Company's Executive Management to sign the following documents that were still in effect in 2020:

- agreements implementing the partnership:
  - in-force reinsurance treaty No. RS 170003 (signed on 29 May 2017). This 100% quota-share treaty concerns the reinsurance by CNP Assurances of all the Group contracts transferred to ACA pursuant to the terms and conditions of the asset contribution agreement;
  - three senior pledge agreements (signed on 19 October 2017) guaranteeing CNP Assurances' obligations towards ACA under the In-Force reinsurance treaty. The agreements concern financial securities accounts pledged separately to three contractually defined contract categories (202, 235 and 237) (pledges presented in Appendix 2 to the reinsurance treaty);
  - an addendum to the new business reinsurance treaty (signed on 29 May 2017), whose purpose is to reflect the structure adopted in the In-Force reinsurance treaty concerning pledges for category 211 contracts;
  - a pledge agreement (signed on 19 October 2017) extending the pledge on financial securities accounts to include CNP Assurances' obligations towards ACA under the In-Force reinsurance treaty. The extension only concerns obligations related to contracts included in the transferred portfolio that are classified as category 211;
  - a delegated financial management mandate (signed on 29 May 2017) appointing CNP Assurances to manage the unit-linked portfolios included in the scope of the agreement and the In-Force reinsurance treaty. ACA has appointed CNP Assurances to manage, in its name and on its behalf, the assets held in the account(s) opened for this purpose. The delegated financial management mandate sets the rules for managing the portfolios and describes the fee arrangements as well as the process for recording and transmitting buy and sell orders;
- the following addenda governing relations between the partners:
  - an addendum to the Shareholders' Agreement (and the undertakings given in application of the agreement) (signed on 28 June 2017);
  - an addendum to the exclusive distribution agreement (signed on 28 June 2017).

In accordance with Articles L.225-38 et *seq. of* the French Commercial Code, at its meeting on 21 February 2018, the Board of Directors authorised the Company's Executive Management to sign the following documents that were still in effect in 2020:

- a delegated management agreement (concerning the CNP Assurances company retirement savings plans that have not been transferred to ACA) (delegated management agreement describing the tasks delegated to ACA for CNP Assurances company retirement savings plans not transferred to ACA, covering contract administration and management, client relationship management, management of actuarial analyses and management of sales and marketing activities);
- a delegated administrative services agreement (for the CNP Assurances portfolio transferred to ACA) (signed on 7 January 2020) (management by CNP Assurances on its information system of the portfolio of CNP Assurances Company retirement savings plans transferred to ACA, pending migration to ACA's target PTV information system);
- an agreement for the use of computer applications (signed on 7 January 2020) (concerning the portfolio of CNP Assurances Company retirement savings plans transferred to ACA and the plans not transferred that are managed by ACA under a delegated management agreement) (use by ACA of the CNP Assurances computer applications needed to manage the portfolios).

Reason for the agreement remaining in force

The ongoing execution of these agreements for the implementation of the partnership maintains a contractual framework governing relations between the partners and clarifies their respective roles concerning the management of the insurance portfolios and the use of IT resources.

Inward reinsurance premiums received by CNP Assurances in 2020 totalled €235.3 million, including €39.7 million from the new business reinsurance treaty. Net expenses came to €8 million.

4) Agreement concerning the proposed acquisition of an office complex in Issy-les-Moulineaux, a south-western suburb of Paris, and transfer of the Company's headquarters to the new property (agreement with a shareholder)

Persons concerned

The persons concerned are Caisse des Dépôts (which owned more than 10% of CNP Assurances as of the date of the Board's authorisations), represented by Éric Lombard, and the directors elected on the recommendation of Caisse des Dépôts (Olivier Sichel, Olivier Mareuse, Virginie Chapron du Jeu, Annabelle Beugin Soulon, Pauline Cornu-Thenard and Laurence Giraudon), that were directors as of the date of the Board's authorisations of both CNP Assurances and Caisse des Dépôts.

Nature and purpose

In connection with the search for a new headquarters building, CNP Assurances identified an office complex to be built on land owned jointly by Caisse des Dépôts and another company.

Conditions

At its meetings on 27 July 2018 and 19 December 2018, the Board of Directors authorised CNP Assurances' Executive Management to sign agreements concerning the acquisition of its future headquarters building in Issy-les-Moulineaux.

The agreements (one between CNP Assurances and Caisse des Dépôts, and another between CNP Assurances, Caisse des Dépôts and Altarea Cogedim) include certain conditions precedent and provide for two alternative deal structures:

(i) a Share Deal, whereby CNP Assurances and Caisse des Dépôts would become joint owners of CNP Assurances' headquarters building on a 50/50 basis; and

(ii) an Off-Plan Deal, whereby CNP Assurances would purchase the building alone, for future delivery once construction has been completed.

They describe the relations between the parties depending on the chosen structure and the related contractual impacts.

Finally, the Off-Plan Deal option was selected and implemented in 2019.

Reason for the agreement remaining in force

The agreements benefit the Company by enabling it to move to new offices where it can house a significant proportion of its employees in a high quality working environment. The property was found after an extensive search that took into account real estate, environmental and financial criteria.

In 2020, CNP Assurances paid a current account advance of €412.8 million to SCI ICV.

5) Agreement concerning the proposed sale of offices in the Montparnasse district of Paris, corresponding to the Company's current headquarters (agreements with a shareholder)

Persons concerned

The persons concerned are Caisse des Dépôts, represented by Éric Lombard, and the directors elected on the recommendation of Caisse des Dépôts (Olivier Sichel, Olivier Mareuse, Virginie Chapron du Jeu, Annabelle Beugin Soulon and Laurence Giraudon), directors as of the date of the Board's authorisations of both CNP Assurances and Caisse des Dépôts.

Nature and purpose

Caisse des Dépôts and Altarea Cogedim expressed an interest in acquiring CNP Assurances' current headquarters in the Montparnasse district of Paris and presented an indicative offer.

Conditions

At its meeting on 19 December 2018, the Board of Directors authorised CNP Assurances' Executive Management to:

- complete the sale on the terms presented to the Board, which include a mechanism to increase or reduce the sale price depending on factors affecting the property's value (asbestos removal, creation of additional space) and an occupancy charge for the period between the completion date of the sale and the date when CNP Assurances' employees move to the new building;
- accept the signature of the related contractual documents.

CNP Assurances accepted the offer made by CDC and Altarea Cogedim and the related agreements were signed.

Reason for the agreement remaining in force

The benefits of the agreement are as follows:

- it is in CNP Assurances' interests to sell the offices, which require considerable work;
- the financial terms (price per sq.m., total value of the property) are attractive;
- CNP Assurances would be able to continue occupying the offices until the Issy-Les-Moulineaux property is delivered;
- CNP Assurances could receive contingent consideration depending on the additional office space created by Altarea Cogedim and CDC and the rent negotiated with the new tenant(s);
- an independent expert has expressed a favourable opinion on the terms offered by Caisse des Dépôts and Altarea Cogedim.

This agreement had no impact on the financial statements for the year ended 31 December 2020.

6) Securities management agreement with LBPAM (agreements between companies with common directors)

Persons concerned

Sopassure, Rémy Weber, Philippe Wahl, the French State, Caisse des Dépôts and Franck Silvent (common directors or concerned persons on the transaction date).

Nature and purpose

Under the terms of agreements signed on 26 June 2017 in replacement of an asset management mandate dated 28 April 2006, CNP Assurances gave full powers to LBPAM to manage asset portfolios and cash deposited in a related account, in its name and on its behalf, or in the name and on behalf of its insurance subsidiaries, subject to compliance with the applicable regulations and the investment guidelines and instructions issued by CNP Assurances.

Conditions

In accordance with Articles L.225-38 *et seq.* of the French Commercial Code, at its meeting on 10 May 2017, the Board of Directors authorised the Company's Executive Management to sign the following documents:

- a delegated asset management mandate covering equities and fixed income products, including the investment fund order reception and transmission services that LBPAM is licensed to provide;
- a service level agreement setting out key performance indicators (KPIs), the penalties for failing to meet the required service levels, the service governance structure (Committees) and the management processes;
- an investment advice agreement concerning purchases and sales of units in investment funds and covering due diligence reviews and analyses of investment funds and their asset managers.

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.

Reason for this agreement remaining in force

The agreement covers the continued management of part of the securities portfolio on terms that reflect the changes made necessary by Solvency II, adjust the services provided and set higher service level requirements, in exchange for fees that are aligned with very satisfactory market rates for standard services.

Fees paid by CNP Assurances pursuant to this agreement in 2020 amounted to €14.4 million. This amount was rebilled to the subsidiaries concerned.

7) Agreements with AEW Ciloger (agreement with a company that owns more than 10% of CNP Assurances' capital)

Persons concerned

Sopassure, Philippe Wahl, Rémy Weber, François Pérol and Jean-Yves Forel (common directors or concerned persons on the transaction date).

Nature and purpose

Under the terms of agreements signed on 22 December 2017 in replacement of a property portfolio management mandate signed on 11 July 2008, CNP Assurances retained the services of AEW Ciloger (previously AEW Europe) for five years from 1 January 2018 to 31 December 2022 to manage all of the property assets defined in the mandate, and to provide assistance and advice in defining and implementing the investment and asset rotation strategy.

Agreements for the management of five dedicated OPPCI property funds were included in the negotiations.

The fee arrangements are aligned with those negotiated with CNP Assurances' other property portfolio managers.

Conditions

In accordance with Articles L.225-38 *et seq.* of the French Commercial Code, at its meeting on 15 November 2017, the Board of Directors authorised the Company's Executive Management to sign the following documents:

- a master property portfolio management mandate covering properties owned indirectly by CNP Assurances;
- a master property portfolio management mandate covering properties owned directly by CNP Assurances;
- five OPPCI property fund management mandates (AEW IMCOM UN, AEW IMCOM 6, AEP 247, LBP Actifs Immo and Outlet Invest).

These agreements were signed on 22 December 2017.

AEW Ciloger received a fee determined as follows:

- portfolio rotation transactions: a percentage of the purchase and/or sale price of the properties purchased or sold with its assistance;
- property management services: a percentage of rental income, based on property type, excluding taxes and expenses;
- property leasing services: a percentage of the rent under the signed lease;
- investment vehicle administrative management services: a flat annual fee per investment vehicle based on the number of assets held by the vehicle and the number of account closing balance;
- investment vehicle account consolidation services: a flat fee based on the number of investment vehicles and the number of account closings;
- works management services: fees based on the invoiced cost of the works, excluding tax.

AEW Ciloger's costs under the agreement are paid by the investment vehicles, except for €187 thousand paid directly by CNP Assurances.

All of the costs associated with these agreements will be paid directly by the investment vehicles.

Reason for the agreement remaining in force

The new agreements with AEW Ciloger extend the existing relationship. Through its experience of buying, selling and managing properties, AEW Ciloger has become an expert in analysing property investments and structuring deals, enabling it to present investment opportunities that are compatible with CNP Assurances' investment strategy in France and the rest of the Eurozone, encompassing various types of assets (offices, retail units, residential units, warehouses), in exchange for fees that are comparable to those of CNP Assurances' other property portfolio management services providers.

8) Acquisition of a stake in Réseau de Transport d'Électricité (RTE)

Persons concerned

La Caisse des Dépôts, Delphine de Chaisemartin, Franck Silvent, Olivier Mareuse, Pauline Cornu-Thénard, Virginie Chapron du Jeu and the French State (common directors or concerned persons on the transaction date).

Nature and purpose

EDF, the sole shareholder of RTE, sold part of RTE's capital subject to the legislative requirement that its entire capital must be held by the French State, EDF and/or another public sector entity.

In July 2016, CDC and CNP Assurances started bilateral negotiations with EDF with a view to acquiring a 49.9% stake in RTE, of which 20% would be acquired by CNP Assurances.

Conditions

At its meeting on 14 December 2016, the Board of Directors authorised CNP Assurances' Executive Management to sign:

- an investment agreement between CNP Assurances, Caisse des Dépôts and EDF describing the terms and conditions of the purchase of 49.9% of the capital and voting rights of CTE, a company to be set up by EDF to which it would transfer 100% of RTE's capital and voting rights;
- a memorandum of understanding concerning the signature of a Shareholders' Agreement between CDC and CNP Assurances.

The investment agreement and memorandum of understanding were signed on 14 December 2016 and include, respectively, appendices setting out the agreements that the parties intend to sign on the transaction completion date:

- an agreement between the shareholders of SOCIETE C25, CNP Assurances, Caisse des Dépôts and EDF - organising their rights and obligations as indirect shareholders of RTE and describing RTE and CTE's governance rules based on the specific regulations applicable to RTE;
- a Shareholders' Agreement between CNP Assurances and Caisse des Dépôts organising their rights and obligations as shareholders of CTE and indirect shareholders of RTE, and the exercise of their collective rights under the agreement in the governance of RTE and CTE.

Reason for the agreement remaining in force

This significant investment in Europe's leading electricity transmission system operator and the sole operator in France (€1,080 million for CNP Assurances' share, representing 20% of RTE's capital) was made at a price that offers a satisfactory internal rate of return and a healthy projected average yield over the next ten years.

In addition, it qualifies as a strategic investment under Solvency II, with the result that the corresponding solvency capital requirement is less than for a non-strategic infrastructure investment.

9) Renewal of the partnership with La Banque Postale

Persons concerned

Sopassure, Philippe Wahl, Rémy Weber, and the French State (common directors or concerned persons on the transaction date).

Nature and purpose

Following the authorisation given by the Board of Directors on 16 February 2016, CNP Assurances and La Banque Postale signed a framework agreement on 25 March 2016 renewing their partnership.

Conditions

The main purpose of the master agreement was to:

- define, organise and set a framework for the contractual relationship created through the new partnership agreements;
- set at ten years the duration of the renewed partnership, commencing 1 January 2016, except for home-buyer term creditor insurance for which the ten-year period commenced when La Banque Postale and BPE began distributing new CNP Assurances policies on 28 September 2016;
- specify the terms and conditions for unwinding their relations under the renewed partnership and any new distribution agreement that they may enter into in the future. If the parties decided to go their separate ways, they would negotiate the details in good faith, particularly the fate of the In-Force life insurance and endowment policies sold through La Banque Postale and BPE, and the method of ensuring that La Banque Postale and BPE continue to receive the commission due to them for as long as the policies remain in force;
- generally, organise and set a framework for relations between the parties under the renewed partnership agreement.

In line with the terms of the master agreement, new partnership agreements were signed, along with contracts implementing their provisions in the following areas:

- in life insurance, the main components of the new agreements are as follows:
  - a ten-year partnership agreement in the area of life and endowment insurance between CNP Assurances, La Banque Postale and BPE (La Banque Postale's private banking arm that has been wholly-owned by the Group since 2013). La Banque Postale and BPE have given CNP Assurances exclusive distribution rights (except to wealth management customers served under open model arrangements) for life insurance and endowment products representing a certain percentage of market share, with a commission arrangement designed to ensure that profits are shared equally between the insurer and the distributor,
  - an agreement whereby CNP Assurances has appointed La Banque Postale and BPE to distribute its life insurance and endowment products,
  - a marketing cost-sharing agreement, whereby CNP Assurances contributes to the sales promotion and communication costs incurred by La Banque Postale and BPE;
- personal risk/protection insurance:
  - an agreement for the sale by CNP Assurances to La Banque Postale of its 50% interest in La Banque Postale Prévoyance ("LBPP") for €306.9 million (less the amount of dividends paid prior to the completion date), with La Banque Postale Prévoyance retaining *inter alia* the Personal Risk Insurance business. The sale was completed on 28 June 2016 and was preceded by the signature on 25 March 2016 of (i) a delegated management agreement whereby CNP Assurances continues to administer current personal risk insurance products with the same fee arrangements as applied before the agreement was signed, (ii) an addendum to the advisory and financial management agreement, and (iii) an agreement organising the transfer to La Banque Postale Prévoyance by the end of 2017 of certain back-office activities previously performed by CNP Assurances,
  - a distribution agreement between CNP Assurances, La Banque Postale and BPE concerning home-buyer term creditor insurance, a financial agreement defining commissions payable to La Banque Postale and BPE and the payment by CNP Assurances to La Banque Postale and BPE of an initial commission when distribution of the new group policies begins, to be adjusted at the end of 2020 and after ten years, and a delegated management agreement setting out the service level and reporting commitments given by La Banque Postale and BPE,
  - a 5% quote-share reinsurance treaty covering new home-buyer Term Creditor Insurance business between La Banque Postale Prévoyance and CNP Assurances. The ten-year treaty will come into effect when La Banque Postale and BPE start distributing CNP Assurances' new group policies,
  - a certain number of addenda and application agreements were signed during 2016. Addenda postponing the deadlines for signing the agreements that had not been finalised were signed on 15 February 2017.

Reason for the agreement remaining in force

The benefits of the agreement are as follows:

- renewal of the life and endowment insurance partnership for a long period on satisfactory financial terms protects the value of the partnership between CNP Assurances and La Banque Postale;
- the overall agreement is balanced, with the removal from the partnership of individual personal risk insurance business being offset by the extension of activities in the wealth management segment with BPE and the strengthening of the home-buyer Term Creditor Insurance business;
- the proposed agreement covers a long period and the partnership conditions are not excessively inflexible, providing CNP Assurances with improved visibility when it comes to preparing its business plan.

No payments were made or received under these agreements during 2020.

The remuneration received by La Banque Postale as distributor corresponds mainly to a share of the premium and asset loadings and the deductions from investment income.

Fees paid by CNP Assurances pursuant to this agreement in 2020 amounted to €616.8 million.

10) Investment by CNP Assurances in GRTgaz

Persons concerned

Caisse des Dépôts and the five directors elected on the recommendation of Caisse des Dépôts, Stéphane Pallez and the French State (common directors or concerned persons on the transaction date).

Nature and purpose

On 12 July 2011, a public consortium comprising CNP Assurances, CDC Infrastructure and Caisse des Dépôts (CDC) laid the foundations for a long-term partnership with GDF Suez in natural gas transportation in France and the rest of Europe. The partnership was based on the acquisition of a 25% non-controlling interest in GRTgaz for an amount of €1.1 billion, alongside Engie (formerly GDF Suez) which held the other 75% of the shares.

The 25% minority stake is held indirectly through two holding companies, Société d'Infrastructures Gazières (SIG) which holds the GRTgaz shares and is wholly-owned by Holding d'Infrastructures Gazières, which in turn is 54.4%-owned by CNP Assurances and 45.6% by Caisse des Dépôts.

A Shareholders' Agreement relating to GRTgaz was authorised by the Board of Directors on 5 April 2011 and signed on 27 June 2011 between GDF Suez and SIG in the presence of GRTgaz, CNP Assurances, CDC Infrastructure and Caisse des Dépôts. It 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. It grants SIG the usual rights of a non-controlling shareholder.

In 2017, to support GRTgaz's plan to acquire the entire capital of Elengy, a methane terminal operator wholly-owned by Engie, CNP Assurances and Caisse des Dépôts decided to underwrite a capital increase by GRTgaz through SIG in order to maintain the balance of ownership interests in GRTgaz. CNP Assurances' share of SIG's €200 million investment amounted to €110 million.

The transaction led to the signature of several agreements authorised by the Board of Directors on 10 May 2017:

- an addendum to the GRTgaz Shareholders' Agreement to be entered into between Engie and SIG, to which GRTgaz, CNP Assurances and Caisse des Dépôts are also parties, adjusting the dividend policy to include distribution of the profits generated by Elengy (the agreement currently provides for GRTgaz's IFRS profit to be distributed in full);
- an additional agreement (alongside the Shareholders' Agreement) to be entered into between Engie and SIG, to which GRTgaz, CNP Assurances, CDC and Elengy are also parties;
- a call option on GRTgaz shares representing up to 0.187% of the capital, to granted by Engie to SIG. The option would be exercisable if revenues from Elengy's unregulated businesses in the period to 2022 fall short of Engie's projections;
- a call option on GRTgaz shares representing up to 0.063% of the capital, to be granted by SIG to Engie. The option would be exercisable if a subsidiary of Elengy receives an amount in settlement of a dispute between the subsidiary and the STS group of companies that is distributed by the subsidiary to Elengy, by Elengy to GRTgaz and by GRTgaz to its own shareholders.

The Shareholders' Agreement remained in effect in 2020 and the call options on the shares were not exercised.

Terms and conditions

At 31 December 2020, CNP Assurances held 54.41% of the share capital of HIG (€474.88 million) as well as bonds directly issued by SIG in the amount of €353.25 million.

Reason for the agreement remaining in force

GRTGaz constitutes a long term infrastructure investment for CNP Assurances. In this context, the shareholders' agreement should not be called into question.

11) Agreement between CNP Assurances and La Banque Postale (LBP) concerning La Banque Postale Prévoyance (LBPP)

Persons concerned

Sopassure, Jean-Paul Bailly and Patrick Werner (common directors or concerned persons on the transaction date).

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.

Following the renewal of the partnership with La Banque Postale in March 2016, which notably included the sale of CNP Assurances' 50% interest in LBPP, a delegated management agreement giving CNP Assurances responsibility for managing existing personal risk products, and an addendum to the advisory and financial management agreement, the 2010 agreement was no longer applicable to certain support services provided by CNP Assurances on behalf of LBPP.

Conditions

In 2020, CNP Assurances recorded in its accounts fee income of €13.4 million for the support services and delegated management services still covered by the 2010 agreement and those provided for in the agreements signed on 25 March 2016.

Reason for the agreement remaining in force

The terms of the partnership between CNP Assurances and La Banque Postale, and especially the relations between CNP Assurances and LBPP, were the subject of negotiations and the new partnership sets an end date for the agreement increasing LBPP's autonomy.

12) Securities management agreement with Ostrum AM

Persons concerned

François Pérol and Jean-Yves Forel (directors as of the date of the Board's authorisations of both CNP Assurances and BPCE)

Nature and purpose

Under the renewed partnership with BPCE authorised by the Board of Directors on 18 February 2015, a master portfolio management and associated investment services agreement was signed on 28 December 2015 between CNP Assurances and Ostrum Asset Management (formerly Natixis Asset Management). The agreement replaced the former agreement dated 2008 with effect from 1 January 2016.

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.

Conditions

Ostrum 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.

Reason for the agreement remaining in force

CNP Assurances benefits from the prolongation of this mandate for the management of part of its securities portfolio.

Fees paid by CNP Assurances pursuant to this agreement in 2020 amounted to €21.8 million. This amount was rebilled to the subsidiaries concerned.

13) 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.

Conditions

Interest rate on the notes: Euribor 3 months +95 bp until 20 December 2026, then Euribor 3 months +195 bp.

Reason for the agreement remaining in force

These perpetual subordinated notes constitute regulatory capital under Solvency II. The loan has more competitive interest rate conditions than those which could currently be obtained in the market.

The interest expense recorded by CNP Assurances in 2020 amounted to €577 thousand.

14) 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.

Conditions

Interest rate on the notes:

- first tranche: 4.93% until 2016, then Euribor +160 bp from 15 November 2016,
- second tranche: 3-month Euribor +160 bp from 15 November 2016.

Reason for the agreement remaining in force

This perpetual subordinated loan constitutes regulatory capital under Solvency II. The loan has more competitive interest rate conditions than those which could currently be obtained in the market.

The interest expense recorded by CNP Assurances in 2020 amounted to €1,101 thousand for the first tranche and €1,139 thousand for the second tranche.

15) Agreement for the issue of fixed-term 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 with Caisse Nationale des Caisses d'Epargne et de Prévoyance for a total of €200 million due 23 June 2023.

On 18 December 2007, Ecureuil Vie was merged into CNP Assurances, which replaced Ecureuil Vie as borrower.

Conditions

Interest rate on the notes is Euribor +200 bp.

Reason for the agreement remaining in force

This perpetual subordinated loan constitutes regulatory capital under Solvency II. The loan has more competitive interest rate conditions than those which could currently be obtained in the market.

The interest expense recorded by CNP Assurances in 2020 amounted to €3.228 million.

Neuilly-sur-Seine and Courbevoie, 3 March 2021

The Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT		MAZARS
Bénédicte Vignon	Frédéric Trouillard-Mignen	Olivier Leclerc

Chapter

4

RISK FACTORS AND RISK MANAGEMENT

4.1 Risk factors

The purpose of this section is to present the Group's main risk exposures and comply with:

- Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or for their admission to trading on a regulated market (Prospectus 3);
- Delegated Regulation (EU) 2019/980 of the European Commission dated 14 March 2019, supplementing Regulation 2017/1129 as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market;
- ESMA guidelines on the new format for risk factors which issuers must disclose in Prospectus 3 (ESMA31-62-800).

The risks described below are inherent in the economic, competitive and regulatory environment in which the Group operates.

The main risks to which the Group is exposed are set out in this section.

This section discusses:

- **risk factors linked to the financial markets:** risk of falling interest rates and persistently low rates, risk of falling share prices, corporate credit risk, real estate risk, sovereign credit risk;
- **underwriting risk factors linked to the insurance business:** policy surrender or cancellation risk, morbidity risk;
- **operational risk factors linked to operations:** outsourcing risk, product and client interaction compliance risk, information systems and data risk and risks related to models;
- **strategic risk factors:** strategic partnership risk, country risk, regulatory risk.

Risks are discussed in declining order of importance within each category. Information about these processes, procedures and controls is provided in section 4, paragraph 4.2.

Risks are selected and classified based on Solvency II indicators (Pillar 1), supported by an expert qualitative analysis:

- SCR modules, to identify and classify the risk categories;
- SCR sub-modules and Pillar 1 coverage ratio sensitivities to classify financial and underwriting risks;
- for operational risks: use of operational risk report and incident database;
- qualitative approach based on expert analyses for strategic and operational risks.

The level of risks can be summarised as follows:

	Exposure
Risk of a fall in interest rates and persistently low interest rates	Very significant
Risks related to the Group's strategic partnerships	Very significant
Risk of falling stock prices	Significant
Corporate credit risk	Significant
Outsourcing risk	Significant
Product and client interaction compliance risk	Significant
Information system and data risk	Significant
Model risk	Significant
Country risk	Significant
Sovereign credit risk	Significant
Property risk	Significant
Surrender or cancellation risk	Significant
Insureds morbidity risk	Significant
Risks related to new regulations	Significant

2020 was shaped by the systemic health crisis caused by Covid-19, which had only a limited impact on the Group's operating activities. The crisis had a significant impact on new business written in the first half of 2020, with the 32.3% decline in consolidated premium income for the period primarily due to the Covid-19 effect. The impact of the crisis eased in the second half of the year, thanks in particular to reinvigorated performances in Brazil and by CNP UniCredit Vita in Italy.

The Covid-19 crisis underlines the importance of risk factors linked to the financial markets, which were closely monitored throughout 2020, with strengthened oversight and additional stress scenarios analysed. It led to a fall in the Group's SCR coverage ratio, which stood at 208% at the end of 2020 compared to 227% at end-2019, primarily reflecting adverse market fluctuations during the period (down 40 points).

The impacts of the crisis on the risk factors are detailed in the sub-sections of this part of the report.

4.1.1 Risk factors linked to the financial markets

The Group is exposed to fall in interest rates and persistently low interest rates

During a period of falling interest rates, interest and redemption proceeds are reinvested at a lower rate, leading to a gradual erosion of bond portfolio yields. A prolonged fall in interest rates makes contractual loading more difficult to apply to savings and pension products and exposes the insurer to a risk of lower margins, especially on traditional life insurance products. In more extreme scenarios, despite the relatively low proportion of contracts with a guaranteed yield, there is a risk that asset yields will be insufficient to cover contractually guaranteed yields, forcing the Group to use its own-funds portfolio to pay the guaranteed amount.

The health crisis prompted a further fall in interest rates in 2020. Although the impacts of this fall were limited from an accounting perspective, owing to a positive impact on fixed-income assets combined with a fairly neutral impact on liability estimates, which are estimated retrospectively in accordance with IFRS 4, fair value metrics were affected, in particular the Solvency II coverage ratio and the MCEV©.

This is because the coverage ratio and the MCEV© are calculated by reference to an economic balance sheet based on the estimated fair value of liabilities and assets. In 2020, the increase in the fair value of liabilities was greater than the increase in the fair value of assets on account of (i) the significant financial guarantees included in technical reserves (excluding unit-linked), which represent the bulk of the Group's liabilities, and (ii) the difference in duration between liabilities and assets, with the former being longer than the latter.

The decline in benchmark interest rates used to prepare the economic balance sheet therefore led to a decrease in Solvency II own funds in 2020. A further decline in interest rates going forward would continue to reduce the Solvency II coverage ratio and the MCEV©.

The Group has non-unit-linked insurance commitments in France and elsewhere in Europe, representing €249 billion, or 95% of average technical reserves excluding unit-linked portfolios in 2020. The fixed-income portfolio represents 58% of the CNP Assurances Group's assets, and a carrying amount (under IFRS) of more than €233 billion.

All told, a 50-point decline in European interest rates would result in a 26-point reduction in the consolidated SCR coverage ratio, which stood at 208% at 31 December 2020. In addition, a 50-point decline in European interest rates would reduce the value of the Group's In-Force business, as measured for MCEV© calculation purposes, by €3.5 billion.

For several years, CNP Assurances has followed a policy of setting aside a portion of the investment income generated by its investments in the policyholder surplus reserve (PSR), which could be used in such a situation. If interest rates stay low in the future, it may have to use the reserve to top up policyholder dividends. Pursuant to the government order relating to surplus funds in life insurance dated 24 December 2019, a substantial portion of the policyholder surplus reserve can be included in the calculation of the SCR coverage ratio. CNP Assurances also continued to transform its technical reserves into savings and to extend the duration of its fixed-income asset portfolios.

Adverse market fluctuations and persistently low interest rates in the context of the health crisis had a significant impact on the coverage ratio (down 40 points, of which 35 points on account of the sharp decline in 10-year interest rates and 5 points on account of the downturn in equity markets).

Since financial risks represent CNP Assurances' largest risk exposure, oversight procedures for this risk were stepped at the start of the crisis.

For these reasons, the Group's exposure to the fall in interest rates and persistently low interest rates is considered as **very significant.**

The Group is exposed to the risk of a fall in the value and dividend yield of its equity portfolio

We invest fairly significant amounts in equities and equity funds as part of our portfolio diversification policy. Equities represent 6% of the asset portfolio (IFRS carrying amount of €24 billion). More than 80% of the total consists of listed equities, with the balance made up of private equity and infrastructure investments. The IFRS carrying amount of equities in unit-linked portfolios was €1 billion at 31 December 2020.

In 2020, the impacts of the health crisis on equities markets led to the biggest one-day drop in the CAC 40's history (12% on 12 March 2020), and many banking conglomerates chose not to pay any dividends.

News of the start of vaccination campaigns towards the end of 2020 along with central bank stimulus measures pushed the value of the CAC 40 index back to its pre-crisis level. However, the following impacts remained:

- from an accounting perspective, the fall in dividends directly affected the income statement (€232 million in unpaid dividends, with a direct impact of €50 million on own funds in 2020), whereas changes in fair value had no income statement impact;
- from a capital perspective, the recognition of shares at fair value not through the income statement led to a decline in own funds;
- from a solvency coverage ratio perspective, the measurement of economic assets and liabilities at fair value led to an immediate decrease in the coverage rates (down 40 points as a result of unfavourable changes in market prices) due to the decrease in fair value.

CNP Assurances is sensitive to two types of risk:

i) a risk related to the reduction in dividends, which essentially impacts the income statement for accounting purposes and results in a decrease in revenues (€232 million in unpaid dividends, with a direct impact of €50 million on own funds in 2020);

ii) a risk related to the decline in the market value of equities, which could have an impact at several levels:

   a) a decrease in the Solvency II coverage ratio (sensitivity of -10 points in the event of a drop of 25%),

   b) a decrease in IFRS own funds (sensitivity of €397.2 million in the event of a drop of 10%),

   c) in the event of a significant and prolonged decline in equities markets, there may be an additional income statement impact resulting from the recognition of a liquidity risk reserve and impairment provision.

In 2020, the deterioration in the economic environment led to a decline in revenues from ordinary activities following the postponement or cancellation of stock dividends in an amount of €232 million, including an impact of €50 million on proprietary portfolios.

CNP Assurances also has hedging programmes designed to limit the impact of the downturn in the equities markets on IFRS investment income and on unrealised portfolio capital gains. In 2020, these hedges protected attributable net profit in an amount of €19 million.

A 25% fall in equity prices would result in a 10-point reduction in the consolidated SCR coverage ratio, which stood at 208% at 31 December 2020. In addition, a 25% fall in equity prices would reduce the value of the Group's In-Force business, as measured for MCEV© calculation purposes, by €2.3 billion. Lastly, a 10% fall in equity prices would reduce the Group's attributable net profit (IFRS) by €5.1 million.

CNP Assurances Group has a long-standing hedging programme to protect against equity risk. At 31 December 2020, it held hedges on a notional amount of €13.6 billion. The equities portfolio hedging strategy was reinforced in 2020, affording greater protection to IFRS investment income and capital gains on the portfolios.

For these reasons, the Group's exposure to the risk of a fall in equity prices is considered as **significant**.

Credit risk on corporate bonds

The credit risk on a bond is the risk of partial or total issuer default and also by extension an increase in the bond portfolio's credit spread. The credit spread is the risk premium, namely the difference between the yield on a bond and that on a risk-free government bond with the same characteristics. Credit spreads vary according to investor perceptions of the credit risk represented by the issuer.

As a long-term investor, CNP Assurances Group holds over €90 billion worth of corporate bonds (based on net carrying amounts excluding unit-linked portfolios) in its asset portfolio, representing over 47% of the total asset portfolio (excluding unit-linked portfolios) at 31 December 2020. It is therefore exposed to the risk of a change in credit spread on these bonds.

This risk depends on the health of the issuer's balance sheet and its credit quality. Out of the total corporate bond portfolio, 71% are rated A or higher and non-investment grade bonds (rated BBB) account for 28% (based on market values). Bonds issued by banks account for 41% of the total and the balance of the portfolio is invested in bonds issued by companies operating in a wide range of industries and sectors.

There were no significant rating downgrades in the credit portfolio, as CNP Assurances' exposure to businesses deemed high-risk in the context of Covid-19 remains limited. However, an additional coverage ratio sensitivity test was introduced to round out its assessment of credit risk impacts. The new test analysed sensitivity to a full rating downgrade for 20% of the bond portfolio. At 31 December 2020, sensitivity to this input was limited, with the coverage ratio declining 4 points in the event of a full rating downgrade for 20% of the bond portfolio.

This exposure is considered as **significant**.

Credit risks on government bonds and government bond-based instruments

During periods of increased government borrowing, there may be growing concern about 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 be faced with an actual default or a debt restructuring and have to take a significant haircut on the securities in question.

The Group holds significant portfolios of French and other European government bonds and is naturally sensitive to any widening of sovereign debt spreads in the main Eurozone countries that are considered to be relatively exposed. A wave of surrenders could oblige us to sell part of the government bond portfolio and if spreads widen, the sales could generate losses which could in turn impact the Group's own funds.

Spreads widened for a time after lockdowns and other health restrictions were introduced in many countries, affecting household spending and businesses, before governments and central banks began to react. In light of the financial position of many companies and countries, uncertainties remain as to trends in spreads going forward.

A 50-point decline in sovereign spreads would result in an 8-point reduction in the consolidated SCR coverage ratio, which stood at 208% at 31 December 2020.

All told, the Group's exposure to credit risks on government bonds and government bond-based instruments is considered as **significant**.

Risk of a fall in property values or yields

The value of properties owned directly by CNP Assurances Group or through a fund is exposed to the risk of changes in rental income and in the investment market itself, as well as to the potential risk that certain buildings will be rendered obsolete by new regulations (on energy use, for example) resulting in losses in the event of sale or additional costs to bring the assets back into compliance. The rental income from a property portfolio is exposed to market risk (e.g., excess of supply over demand, increased vacancy rates and their impact on rental value) as well as to the risk of tenant default and unfavourable changes in rent adjustment indices.

At 31 December 2020, the Group's property portfolio represented around €15 billion (net carrying amount excluding unit-linked portfolios).

There was only a small decline in the value of properties held in CNP Assurances' investment property portfolio. Rental payments deferred in 2020 owing to the health crisis were not material to total rents as a whole (3.1% of annual rents).

In addition, €3.4 billion worth of properties were held in unit-linked portfolios. A decline in the value of these assets could trigger a high volume of surrenders for the policies concerned. The underlying properties could prove difficult to sell in the falling market, forcing the Group to draw on its own funds to finance the surrenders.

Lastly, the subsidiary CNP Caution could experience a fall in earnings from its home loan guarantee business in the event that a steep decline in property values limits its ability to recover the guaranteed amount if the borrower goes into default.

All told, the Group's exposure to the risk of a fall in property values or yields is considered as **significant**.

4.1.2 Risk factors linked to the insurance business

Surrender or cancellation risk

Traditional savings contracts include an early surrender option for a contractually fixed amount. Surrender rates depend on how the financial markets perform, the yield offered by other competing financial products, policyholder behaviour and their confidence in the Group, and the tax rules applicable to investments in life insurance products.

For group pensions contracts, surrender risk corresponds to the risk of the policy being transferred by the client to another insurer. The PACTE law that came into effect in 2019 required insurers to include a clause in their policies allowing for this.

Average technical reserves for the Savings/Pensions business alone represent €242 billion in France and CNP Assurances' exposure to surrender risk is therefore significant. Traditional savings products are exposed to surrender risk in the event of a sharp and rapid increase in interest rates.

In term creditor insurance, surrender risk includes the risk of a contract being surrendered due to the early repayment or renegotiation of the underlying loan (which is more likely in a period of falling interest rates) or the loan's cancellation. An unexpectedly high surrender rate would modify the average contract duration and could adversely affect the business's profitability. As France's leading provider of term creditor insurance [1], the Group has significant exposure to cancellation risk, which could have a material impact on consolidated earnings under IFRS.

There was no significant change in surrender trends linked to the pandemic in 2020. The level of surrenders remained stable on the whole during the year.

More generally, surrender risk is linked to policyholder behaviour, which by definition is highly uncertain and partly dependent on external factors. The Group's exposure to surrender risk is therefore considered as **significant**.

Insureds morbidity risk

Personal risk contracts comprise various types of primary guarantees covering temporary or permanent disability, long-term care and health risks. These guarantees expose the Group to morbidity risks. The risk arises when insureds' death rates are higher than were expected when the policies were priced. The longer the Group's commitments, the greater the risk; as a result, morbidity risk is greatest for term creditor insurance and long-term care insurance.

(1) *Argus de l'Assurance* "Classification of term creditor insurance: bancassurers (2019 data, in €m)", September 2020, based on premium income before reinsurance in France

The Group is exposed to risks associated with natural disasters which, in addition to the damage they cause and their immediate impact, may have consequences for the margin realised on certain classes of personal insurance business. The increase in the legal retirement age in France has also had an adverse impact as benefits are payable until the policyholder retires.

In 2020, there was no major change in claims linked to the pandemic, due mainly to the characteristics of CNP Assurances' policyholders, i.e., populations less directly impacted by Covid-19.

With 38 million insureds under personal risk/protection policies in France, Latin America and Europe, the Group's exposure to morbidity risk is considered as **significant**.

4.1.3 Risk factors linked to operations

Outsourcing risk

CNP Assurances' business model makes extensive use of outsourcing as defined in Solvency II. Activities delegated to partners or outsourced to service providers include:

- certain insurance transactions (delegated to individual insurance partners in France);
- part of the policy and/or claims administration activities of CNP Santander Insurance in particular, and part of the policy administrative activities of the Brazilian subsidiary;
- asset management activities, for a significant proportion of the asset portfolios in France or in Italy (outsourced by CNP UniCredit Vita);
- information systems management, outsourced by CNP Santander Insurance in particular, but also part of the Group's information systems management activities in France;
- certain key functions of the less material subsidiaries (CNP Luxembourg for internal audit only, with other key functions performed internally).

The main outsourcing risks are quality and compliance of the outsourced activities and regulatory compliance (including the ban on price bargaining, dependence issues, loss of internal know-how and conflicts of interest). An internal outsourcing policy is in place to increase employee understanding, monitoring and control of the related risks.

A Group Outsourcing department was set up in 2019 to strengthen cross-functional outsourcing processes by updating the contractor map and systematically seek Group-level back-up. In addition, an outsourcing audit team has been set up within the Internal Audit department to help strengthen operational controls performed by contractors and controls over compliance risks.

The control environment was updated to reflect these changes in 2020.

Currently, outsourced critical and important activities are generally in the areas of policy administration (policy administration, client relationship management and archiving), asset management, and information systems management.

The Group's exposure to outsourcing risk is considered as **significant**.

Product and client interaction compliance risk

Product compliance risk relates to risks that could prevent the Company from fulfilling its regulatory obligations or complying with internal standards in its relations with policyholders.

Several aspects of the regulatory framework governing insurance activities have been changed. Many new regulations have been introduced to improve client protection, with the Packaged Retail and Insurance-based Investment Products (PRIIPs) regulation that came into effect on January 2018, the Insurance Distribution directive (IDD) that came into effect in October 2018 and the General Data Protection Regulation (GDPR).

The new regulations expose the Group to compliance risks due to its broad range of businesses, in an environment shaped by the digitalisation of policyholder relationships and the increased focus on unit-linked sales, which are also a source of changing risks.

The life insurance section of the CNP Assurances business model (covering insurer liability) is frequently prepared by the partner networks. The products offered by the Group and the contractual and marketing documents presented to customers must be legally watertight and provide policyholders with clear information about the content and scope of the purchased cover or the insurance proposal.

In response to the health crisis and in line with its efforts to modernise exchanges, CNP Assurances has developed electronic signatures with its partners.

No events were reported in relation to the health and economic crisis in 2020 that could prevent the Company from fulfilling its obligations.

Combating money laundering and the financing of terrorism is a constant concern for the Company. The tasks entrusted to intermediaries are set out in the distribution agreements between the Group and its partners. Nearly all transactions go through policyholders' accounts with the partner banks which are responsible for performing background checks on cash flows. The tasks performed by partners on the Group's behalf are described in the distribution agreements between CNP Assurances and its partners.

CNP Assurances was ordered to pay a fine of €8 million in 2016 due to failings in its anti-money laundering systems, and was fined €40 million in 2014 after being found not to have made sufficient effort to trace the beneficiaries of unclaimed life insurance settlements. In light of these penalties, the Group's exposure to compliance risk is considered as **significant**.

Information system, data protection and cyber-security risks

Cyber risk is any risk of financial loss, business interruption or damage to the Company's reputation due to a failure of information systems (IS). CNP Assurances monitors cyber risk continuously, and its coverage is regularly challenged by dedicated experts in order to adapt with agility to a shifting environment.

The Group's sales and marketing and underwriting operations are all organised around information systems. These mission-critical systems must be capable of being adapted to a rapidly changing environment. Information system incidents are generally the main cause of operating incidents for CNP Assurances. These incidents mainly affect the policyholder services units. If several applications go down, this can affect service quality, while calculation or processing errors have to be corrected, which can be a problem especially for the management of unit-linked contracts. The relative financial impact of these incidents remains moderate.

CNP Assurances must be capable of adapting to a constantly changing environment and increasingly frequent cyber-attacks.

Information system risks include systems security risks, software malfunction risks and data protection risks (covering the disclosure, alteration or destruction of sensitive data). Instances of system downtime or failure or processing delays could lead to losses and may also damage the Group's image among customers. Granting access to the systems to certain partners and outside contractors exposes the Group to risks of intrusion and malicious acts that could result in the disclosure of sensitive data. It has therefore deployed an information systems security management process and appointed a Chief Systems Security Officer.

For partners and subsidiaries, several initiatives are in place including training and awareness-raising sessions for employees and improved process security aided by head office experts. The cyber-risk management system was recently enhanced, with the adoption of new preventive measures (infrastructure specifically designed to prevent "denial of service" attacks, roll-out of the self-care mechanism, data anonymity, encryption of audio communications, improved workstation security, stricter access controls for sensitive networks, definition of cyber-policies, management, etc.).

Given the increase in cyber-crime and the widespread roll-out of working from home arrangements since March 2020, intruder risk in CNP Assurances' systems remains a concern. Various critical preventive measures have been put in place Group wide.

Security weaknesses have been detected in subsidiaries' information systems, particularly in Brazil, but are being rapidly resolved following local audit recommendations issued by the head office and the improved efficiency of local teams.

As a life insurer that holds insureds' medical data, the Group is heavily exposed to the risk of personal data breaches due to the large volume of information on policies and policyholders that is processed automatically or manually. A cross-functional compliance project was carried out within the Group in preparation for the application of the new General Data Protection Regulation (GDPR).

In all, information system risks are considered as **significant** at Group level.

Risks related to models

CNP Assurances uses statistical and actuarial methods to calculate its solvency and profitability indicators, its asset-liability management and its technical reserves.

These calculations are inherently uncertain and use data extrapolated from past experience or prospective assumptions that draw upon trends in policyholder behaviour, factors specific to the insurance business or wider economic or regulatory factors.

A model risk can therefore be characterized by errors in design (methods or assumptions not relevant to the specified aim) or in implementation, or inappropriate use of the models.

A system to manage model risk is in place within CNP Assurances, based on a model map and drawing on various principles such as a dedicated risk governance structure and an independent risk review.

CNP Assurances' exposure to model risk is considered as **significant**.

4.1.4 Strategic risk

Partnership risk

CNP Assurances enters into various strategic partnerships, directly or through subsidiaries, to strengthen its presence in certain markets. These partnerships represent a means of sharing the business and financial risk with the partners concerned. They may simply be commercial arrangements, such as a distribution agreement, or involve the investment of capital in a joint subsidiary.

Integrating these partnerships or joint subsidiaries into the Group can sometimes take longer, be more difficult and require bigger teams of employees and managers than originally expected, and this may negatively affect consolidated earnings. The constantly evolving nature of the business means that there is no guarantee that the financial performance of acquirees or partners will be aligned with the original business plans on which the investment decision was based. Underperformance may result in impairment losses being recognised on goodwill or other intangible assets that will negatively affect the Group's financial position.

It may be necessary to rethink a partnership in the event of changes to the project itself, the local political and economic situation, the partner's own financial situation, or because of a disagreement between partners.

As the bancassurance business model relies on maintaining and renewing partnership agreements, the risk that those agreements will not be renewed could affect the Company's profitability and financial position.

In 2020, over three-quarters of the Group's premium income (on an IFRS basis) was generated through its five main distribution partners (La Banque Postale for 23.4%, BPCE for 17.5%, Caixa Seguridade for 20.7%, Banco UniCredit for 12.2% and Banco Santander for 2.8%).

Two strategic international agreements were signed in the year, strengthening CNP Assurances' footprint in Brazil and its multi-partner approach:

- exclusive distribution agreements with CNP Assurances' long-standing partner in Brazil, Caixa Econômica Federal (CEF), securing CNP Assurances' presence and business on this market for the next 25 years. This agreement provides for the exclusive distribution of personal risk insurance, term credit insurance, consumer loan insurance and retirement products;
- a non-exclusive 10-year distribution agreement between its Brazilian subsidiary Caixa Seguradora and Correios, the Brazilian national mail operator, relating to capitalization and dental insurance products.

On 19 December 2019, the BPCE group and CNP Assurances signed agreements extending the 2015 distribution partnerships between BPCE/Natixis and CNP Assurances that were originally due to expire on 31 December 2022. Under the new agreements, which came into effect on 1 January 2020, the distribution partnerships will now continue until 31 December 2030, thereby consolidating CNP Assurances' multi-partner model.

The Group's business model depends to a considerable extent on the continuation of its existing partnerships and ability to establish new ones. Its exposure to partnership risk is therefore rated as **very significant**.

Country risk

The Group has operations in many countries, in Europe and Latin America. The sustainability and development of its businesses depends in part on these countries' economic health and political stability.

More specifically, the financial viability of certain businesses may depend on local regulations and government commitments in the Group's host countries, especially in cases where insurers are called on to advance funds on behalf of the State. Regulatory changes (for example, the statutory increases in life annuities introduced in 2017) or a government decision to renege on its commitments may lead to litigation, with a significant adverse effect on the Group's earnings if the courts rule against the Group. This could be the case in Brazil, where Caixa Seguradora has advanced funds on behalf of the State under the local administered insurance system.

The Group is thereby bound by local regulations and subject to audits carried out by the competent local authorities. In Brazil, for example, any dividends received by CNP Assurances must be approved by the Brazilian Central Bank and any brokerage activities carried out by Wiz Soluções e Corretagem de Seguros (a CNP Assurances subsidiary in which Caixa Seguradora Holding holds a minority 25% stake), listed on BOVESPA (Brazil's São Paulo stock market), are supervised by the Brazilian Securities Commission (CVM), the equivalent of the AMF in France.

CNP Assurances has large subsidiaries in Brazil and Italy (accounting for 21% and 12% of consolidated premium income in 2020, respectively), two countries hard hit by the health crisis during the year.

However, in Latin America, net insurance revenue held firm in 2020, with the effects of the first-half slowdown in business cancelled by second-half performance. Loss ratios were kept under control and the impact on profit was limited. This strong upturn in business was also apparent for its Italian subsidiary. In Europe excluding France, revenue was reduced by €17 million, due mainly to the slight 0.6% fall in premium income.

In light of this, the Group's exposure to country risk is considered as **significant**.

Risks related to new regulations

The introduction of new regulations in Europe or the Group's other host countries could prove both complex and costly for the Group. Many different departments may be concerned by the change, information systems may have to be adapted and significant costs may have to be incurred for staff training to ensure compliance with the new regulatory framework. Since 2018, for example, the Group has had to implement major projects to comply with the new General Data Protection regulation (GDPR), the Insurance Distribution directive (IDD) and the PACTE law.

In addition, new regulations may be adopted that affect its business model. New accounting standards IFRS 17, which is due to come into effect in 2023, and IFRS 9, could change the presentation of the business indicators published each quarter and impact CNP Assurances' investment strategy. Similarly, discussions currently in progress about the revisions to be made to Solvency II include consideration of yield curve and interest rate module issues. The Group's risk profile is heavily weighted towards financial risks and it could be faced with a significant reduction in its solvency margin as a result of these revisions. Lastly, if adopted, the proposed capping of life insurance commission rates in Germany risks having a material impact on CNP Santander Insurance's business in this country.

All told, the Group's exposure to risks related to new regulations is considered as **significant**.

4.2 Procedures for the preparation and processing of accounting and financial information

The Solvency and Financial Condition Report (SFCR) available on the CNP Assurances website, **www.cnp.fr**, includes a detailed description of the Group's governance (notably, section B3 – Risk management and section B5.1 – Internal control system). Section C of the SFCR presents the Group's risk profile and includes a description of the system for managing each material risk.

The additional information provided below concerns procedures for the preparation and processing of accounting and financial information.

4.2.1 Assessment of underwriting results

Determination of technical reserves is coordinated by the Group Actuarial department, whose activities include calculating the Group's insurance indicators using different standards (MCEV©, French GAAP, IFRS and Solvency II).

Concerning the preparation of the separate and consolidated financial statements and the Group's financial communications, the Group Actuarial department has specific responsibility for:

- calculating policyholder dividend rates for all individual policies and pension products in France;
- determining technical reserves in France;
- coordinating the subsidiaries' calculation of technical reserves;
- checking compliance with certain accounting principles applicable to the consolidated financial statements (including the performance of liability adequacy tests and impairment tests on intangible insurance assets).

Internal controls have been established to provide assurance concerning:

- compliance with the Group's reporting deadlines for financial communication purposes;
- information consistency;
- updating of contractual and financial data underlying the reserve calculations;
- compliance of the work performed with current regulations and the Group's accounting principles and policies.

The Group Actuarial department also assesses portfolio yields and values, particularly for the purpose of justifying the recognition and measurement of intangible insurance assets and calculating the Value of In-Force business, as well as for development projects. The reason for this is that technical items in the financial statements include contractual customer relationships – corresponding to the value of the insurance books of acquired subsidiaries – and the related amortisation. At each year-end, results projections and simulations are produced to verify that the carrying amount of these intangible assets will be recovered through future profits and that no impairment loss needs to be recorded.

4.2.2 Management of system and process upgrades

Application of IFRS 9 and IFRS 17 gives rise to major challenges in terms of complying with the new requirements and revising the accounts closing processes.

IFRS 9 – Financial Instruments has been applicable for most entities since 1 January 2018, but insurance undertakings have the option of deferring its application until the year when IFRS 17 – Insurance Contracts comes into effect, currently expected to be in 2023. CNP Assurances has chosen to take advantage of this deferred application option for the preparation of its consolidated financial statements.

As initially planned and despite the deferral, considerable progress was made in 2020 to prepare the main Group entities for the transition to IFRS 9 and the project was brought to an advanced stage to comply with La Banque Postale's reporting requirements.

The IFRS 17 project was also pursued during the year. An initial version of the new calculation tools was finalised and they were used to conduct preliminary sensitivity exercises. Upon transition to IFRS 17, these tools will be used to produce data for the accounting systems and for the preparation of the financial statements.

In 2021, the focus will be on adapting the accounting systems and designing future financial reporting processes.

4.2.3 Accounting and preparation of financial statements

Controls over the accounts closing process include:

- a documented **accounts closing process** and governance procedures based around planning meetings, regular meetings of the Accounts Closing Committee (every week during the closing period) and feedback meetings, for the purpose of organising the process, tracking progress and determining the action to be taken to deal with any problems or to optimise the process;
- **first-tier controls** performed by Accounting Department teams responsible for the day-to-day recording of accounting transactions and for recording period-end accounting entries. These controls are supplemented by those performed by the teams that participate in the accounts closing process upstream from the Accounting Department (Actuarial Department, Investment Department).

  Additional controls are performed by the Reporting department's statutory reporting team and multi-standard cross-functional reporting team. These controls include analytical reviews of the balance sheet and income statement, as well as analyses of period-on-period changes against applicable standards. Profit analyses are performed for each product and actual profits are reconciled to the corresponding forecasts.

  For the preparation of the consolidated financial statements, in addition to the process described above, instructions are sent to the subsidiaries before each accounts closing, the consolidation packages are checked (through a combination of programmed controls in the consolidation tool and controls performed by the Group Consolidation and Cross-functional Multi-standard Reporting department) and frequent exchanges take place between the accounting teams and local auditors;
- **second-tier controls** performed by the Group Risk Department, mainly the Risks/Internal Control and Data Quality units.

  Self-assessment exercises are organised twice a year by the Department, covering both first- and second-tier controls. These accounting controls are tested using self-assessment at least once a year by the Group Accounting department. Each self-assessment must be backed up by clear evidence that the control has been performed together with documented proof of the results of the control. Each self-assessment is reviewed by a validator, typically from the self-assessor's line management. Furthermore, certain self-assessments are reviewed by the Group Risk department as part of certification processes.

If the results of controls are unsatisfactory or there is room for improvement, action plans are prepared.

In 2020, there was no lessening of the challenges involved in planning and leading the closing process in a multi-standard environment, due notably to the integration in La Banque Postale group. The scope of the Monitoring Accounting and regulatory Process (MAP) system launched in September 2017 continued to be extended by the Group Accounting department to include:

- specific IFRS 9 tasks performed by the Group at the request of La Banque Postale and solely for La Banque Postale reporting purposes;
- other specific tasks related to the preparation of the consolidation package submitted to La Banque Postale.

4.2.4 Identification of publication requirements

Two departments, each with its own specific skills, are involved in identifying information to be disclosed to the markets: the Group finance department (comprising the investor and shareholder relations department, the Group Accounting department, the Group Actuarial department and the budget control department) and the corporate law department. The operational ties forged with correspondents at the French securities regulator *(Autorité des Marchés Financiers)* also help to enhance the financial communication process on an ongoing basis.

Chapter

5

FINANCIAL STATEMENTS

5.1 2020 consolidated financial statements

5.1.1 Consolidated balance sheet

ASSETS

(In € millions)	*Notes*	31.12.2020	31.12.2019
Goodwill	*6*	188.9	229.9
Value of In-Force business	*6*	12.2	16.4
Other intangible assets	*6*	3,436.4	426.6
Total intangible assets		**3,637.5**	**672.9**
Investment property	*8*	2,411.0	2,315.3
Held-to-maturity investments	*8*	144.6	236.5
Available-for-sale financial assets	*8*	305,704.9	303,254.4
Securities held for trading	*8*	90,933.2	92,769.8
Loans and receivables	*8*	5,123.1	4,698.5
Derivative instruments	*8*	530.6	525.9
Insurance investments		**404,847.3**	**403,800.4**
Other investments		**3.5**	**5.6**
Investments in equity-accounted companies	*4*	**526.6**	**487.9**
Reinsurers' share of insurance and financial liabilities	*9*	**21,082.6**	**21,409.7**
Insurance or reinsurance receivables	*11*	2,624.5	3,123.2
Current tax assets		693.5	490.7
Other receivables	*11*	4,881.7	5,831.2
Owner-occupied property and other property and equipment	*7*	152.3	175.4
Other non-current assets		2,176.6	2,360.9
Deferred participation asset	*9*	0.0	0.0
Deferred tax assets	*19*	180.2	200.9
Other assets		**10,708.7**	**12,182.3**
Non-current assets held for sale and discontinued operations		**0.0**	**0.0**
Cash and cash equivalents		**1,734.0**	**1,807.6**
TOTAL ASSETS		**442,540.1**	**440,366.3**

EQUITY AND LIABILITIES

(In € millions)	*Notes*	31.12.2020	31.12.2019
Share capital	*5*	686.6	686.6
Share premium account		1,736.3	1,736.3
Revaluation reserve		4,362.2	3,866.2
Cash flow hedge reserve	*8*	(15.9)	8.1
Undated subordinated notes reclassified in equity	*5*	1,881.3	1,881.3
Retained earnings		11,837.2	10,383.7
Profit for the period		1,350.0	1,411.7
Translation reserve		(1,157.6)	(580.7)
Equity attributable to owners of the parent		**20,680.2**	**19,393.3**
Non-controlling interests		3,319.2	1,794.7
Total equity		**23,999.3**	**21,188.0**
Insurance liabilities (excluding unit-linked)	*9*	171,903.1	170,190.6
Insurance liabilities (unit-linked)	*9*	57,293.2	56,649.0
Insurance liabilities		**229,196.3**	**226,839.6**
Financial liabilities – financial instruments with DPF (excluding unit-linked)	*9*	106,260.8	112,776.2
Financial liabilities – financial instruments without DPF (excluding unit-linked)	*9*	494.1	635.8
Financial liabilities – unit-linked financial instruments	*9*	9,559.5	8,806.5
Financial liabilities		**116,314.4**	**122,218.5**
Derivative financial instruments separated from the host contract		0.0	0.0
Deferred participation reserve	*9*	31,587.0	29,254.7
Insurance and financial liabilities		**377,097.7**	**378,312.8**
Provisions	*12*	**286.6**	**325.0**
Subordinated debt	*10*	6,824.2	6,380.7
Other financing liabilities		0.0	4.8
Financing liabilities		**6,824.2**	**6,385.5**
Operating liabilities represented by securities		13,957.7	12,599.1
Operating liabilities due to banks		117.3	192.4
Liabilities arising from insurance and reinsurance transactions	*13*	13,270.1	13,842.9
Current taxes payable		184.0	272.2
Current account advances		81.8	74.6
Liabilities towards holders of units in controlled mutual funds		399.7	699.3
Derivative instruments	*8*	912.3	1,132.0
Deferred tax liabilities	*19*	983.0	753.1
Miscellaneous payables	*13*	4,426.4	4,589.3
Other liabilities		**34,332.3**	**34,155.0**
Liabilities related to assets held for sale and discontinued operations		**0.0**	**0.0**
TOTAL EQUITY AND LIABILITIES		**442,540.1**	**440,366.3**

5.1.2 Consolidated income statement

(In € millions)	*Notes*	2020	2019
Premiums written		27,116.9	33,671.9
Change in unearned premiums reserve		(194.5)	(235.6)
Earned premiums	*14*	**26,922.4**	**33,436.4**
Revenue from other activities	*14*	**121.8**	**147.8**
Other operating revenue		**0.0**	**0.0**
Net investment income		5,714.2	6,274.9
Gains and losses on disposal of investments		389.4	1,795.7
Change in fair value of financial assets at fair value through profit or loss		1,609.7	5,863.5
Change in impairment losses on financial instruments		(5.6)	1,054.5
Investment income before finance costs	*18*	**7,707.8**	**14,988.6**
Income from ordinary activities		**34,752.0**	**48,572.7**
Claims and benefits expenses	*15*	(27,686.0)	(40,853.8)
Reinsurance result	*17*	141.5	95.7
Expenses of other businesses		(2.9)	(4.7)
Acquisition costs	*16*	(3,905.7)	(4,017.6)
Amortisation of Value of In-Force business and distribution agreements	*6*	(23.2)	(23.9)
Contract administration expenses	*16*	(227.7)	(239.6)
Other recurring operating income and expense, net	*16*	(515.4)	(752.8)
Total other recurring operating income and expense, net		**(32,219.5)**	**(45,796.6)**
Recurring operating profit		**2,532.5**	**2,776.1**
Other non-recurring operating income and expense, net		(25.9)	(26.9)
Operating profit		**2,506.6**	**2,749.2**
Finance costs	*18*	(251.7)	(250.8)
Change in fair value of intangible assets	*6*	0.0	(23.1)
Share of profit of equity-accounted companies	*4*	51.8	44.5
Income tax expense	*19*	(688.9)	(784.2)
Profit (loss) from discontinued operations, after tax		0.0	0.0
Net profit for the period		**1,617.9**	**1,735.7**
Non-controlling interests		(267.9)	(324.0)
Net profit attributable to owners of the parent		**1,350.0**	**1,411.7**
Basic earnings per share *(in €)*		1.91	1.99
Diluted earnings per share *(in €)*		1.91	1.99

5.1.3 Consolidated statement of income and expense recognised in equity – 2020

(In € millions)	Equity attributable to the owners of the parent	Non-controlling interests	Total equity
Net profit for the period	**1,350.0**	**267.9**	**1,617.9**
Income and expense recognised directly in equity			
Amounts recycled through profit or loss	**(151.2)**	**(141.7)**	**(292.8)**
Available-for-sale financial assets	**460.1**	**1.1**	**461.1**
Change in revaluation reserve during the period	2,148.2	37.9	2,186.0
Reclassification of proceeds from disposals to profit or loss	(610.1)	(21.3)	(631.5)
Reclassification of impairment losses to profit or loss	383.3	1.9	385.2
Sub-total including deferred participation and deferred taxes	*1,921.4*	*18.4*	*1,939.7*
Deferred participation including deferred taxes	(1,295.4)	(16.8)	(1,312.3)
Deferred taxes	(165.9)	(0.5)	(166.4)
Of which, change in revaluation reserve for non-current assets held for sale	0.0	0.0	0.0
Sub-total net of deferred participation and deferred taxes	*460.1*	*1.1*	*461.1*
Cash flow hedge reserve	**(23.9)**	**0.0**	**(23.9)**
Change in cash flow hedge reserve during the period	(75.6)	0.0	(75.6)
Cash flow hedge reserve recycled through profit or loss during the period	56.5	0.0	56.5
Deferred taxes	(4.8)	0.0	(4.8)
Translation differences	**(587.3)**	**(142.7)**	**(730.0)**
Amounts not recycled through profit or loss	**(15.5)**	**0.0**	**(15.5)**
Actuarial gains and losses	(15.5)	0.0	(15.5)
Other movements	0.0	0.0	0.0
Total income and expense recognised directly in equity	**(166.6)**	**(141.7)**	**(308.3)**
TOTAL INCOME AND EXPENSE RECOGNISED IN EQUITY	**1,183.3**	**126.2**	**1,309.6**

Consolidated statement of income and expense recognised in equity - 2019

(In € millions)	Equity attributable to the owners of the parent	Non-controlling interests	Total equity
Net profit for the period	**1,411.7**	**324.0**	**1,735.7**
Income and expense recognised directly in equity			
Amounts recycled through profit or loss	**837.0**	**43.0**	**880.0**
Available-for-sale financial assets			
Change in revaluation reserve during the period	9,572.8	151.8	9,724.6
Reclassification of proceeds from disposals to profit or loss	(2,630.4)	(1.6)	(2,632.1)
Reclassification of impairment losses to profit or loss	442.9	20.3	463.2
Sub-total including deferred participation and deferred taxes	*7,385.4*	*170.4*	*7,555.8*
Deferred participation including deferred taxes	(6,266.6)	(78.4)	(6,345.0)
Deferred taxes	(268.3)	(33.8)	(302.1)
Of which, change in revaluation reserve for non-current assets held for sale	0.0	0.0	0.0
Sub-total net of deferred participation and deferred taxes	*850.5*	*58.3*	*908.8*
Cash flow hedge reserve	**25.8**	**0.0**	**25.8**
Change in cash flow hedge reserve during the period	(10.3)	0.0	(10.3)
Cash flow hedge reserve recycled through profit or loss during the period	27.9	0.0	27.9
Deferred taxes	8.2	0.0	8.2
Translation differences	**(39.3)**	**(15.2)**	**(54.5)**
Amounts not recycled through profit or loss	**(27.2)**	**0.0**	**(27.2)**
Actuarial gains and losses	(27.2)	0.0	(27.2)
Other movements	0.0	0.0	0.0
Total income and expense recognised directly in equity	**809.8**	**43.0**	**852.8**
TOTAL INCOME AND EXPENSE RECOGNISED IN EQUITY	**2,221.5**	**367.0**	**2,588.5**

5.1.4 Consolidated statement of changes in equity

(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
Equity at 01.01.2020 – IFRS	**686.6**	**1,736.3**	**3,866.2**	**8.1**	**1,881.3**	**11,795.3**	**(580.7)**	**19,393.2**	**1,794.8**	**21,188.0**
Net profit and unrealised and deferred gains and losses for the period			**460.1**	**(23.9)**	**0.0**	**1,334.5**	**(587.3)**	**1,183.3**	**126.2**	**1,309.6**
▪ Dividends paid								**0.0**	(571.2)	**(571.2)**
▪ Changes in capital/ Merger premium								**0.0**		**0.0**
▪ Subordinated notes, net of tax						(41.8)		**(41.8)**		**(41.8)**
▪ Treasury shares, net of tax						0.6		**0.6**		**0.6**
▪ Changes in scope of consolidation			35.9			111.0	10.3	**157.3**	1,969.2	**2,126.5**
▪ Other movements						(12.5)		**(12.5)**	0.1	**(12.4)**
EQUITY AT 31.12.2020	**686.6**	**1,736.3**	**4,362.2**	**(15.9)**	**1,881.3**	**13,187.2**	**(1,157.6)**	**20,680.2**	**3,319.2**	**23,999.3**

(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**
Equity at 01.01.2019 – IFRS	**686.6**	**1,736.3**	**3,015.7**	**(17.7)**	**1,881.3**	**11,019.6**	**(541.4)**	**17,780.5**	**1,740.4**	**19,520.9**
Net profit and unrealised and deferred gains and losses for the period			**850.5**	**25.8**	**0.0**	**1,384.5**	**(39.3)**	**2,221.5**	**367.0**	**2,588.5**
▪ Dividends paid						(610.8)		(610.8)	(218.4)	(829.1)
▪ Changes in capital/ Merger premium								0.0		0.0
▪ Subordinated notes, net of tax						(49.6)		(49.6)		(49.6)
▪ Treasury shares, net of tax						2.3		2.3		2.3
▪ Changes in scope of consolidation						(0.8)		(0.8)	(94.1)	(94.8)
▪ Other movements*						50.0		50.0	(0.1)	49.9
EQUITY AT 31.12.2019	**686.6**	**1,736.3**	**3,866.2**	**8.1**	**1,881.3**	**11,795.3**	**(580.7)**	**19,393.2**	**1,794.8**	**21,188.0**

* Including IFRIC 23

5.1.5 Consolidated statement of cash flows

The consolidated 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 using 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 jointly by the French accounting standards setter (*Autorité des Normes Comptables* – ANC) and the French financial markets authority (*Autorité des Marchés Financiers* – AMF) for the application of Regulation (EU) 2017/1131. 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, owner-occupied 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 shares;
- dividends paid to owners of the parent and non-controlling shareholders of subsidiaries.

CONSOLIDATED STATEMENT OF CASH FLOWS

(In € millions)	31.12.2020	31.12.2019
Operating profit before tax	**2,506.6**	**2,749.2**
Gains and losses on disposal of investments	(397.9)	(1,602.6)
Depreciation and amortisation expense, net	101.6	137.3
Change in deferred acquisition costs	(45.6)	(91.8)
Impairment losses, net	24.9	(1,084.5)
Charges to technical reserves for insurance and financial liabilities	3,620.8	14,515.7
Charges to provisions, net	5.4	154.6
Change in fair value of financial instruments at fair value through profit or loss (other than cash and cash equivalents)	(1,587.5)	(5,553.6)
Other adjustments	295.7	209.4
Dividends received from equity-accounted companies	40.4	58.2
Total adjustments	**2,057.8**	**6,742.7**
Change in operating receivables and payables	787.9	(732.2)
Change in securities sold and purchased under repurchase and resale agreements	1,358.6	1,190.1
Change in other assets and liabilities	(54.6)	(30.8)
Income taxes paid, net of reimbursements	(880.8)	(1,000.0)
Net cash provided by (used by) operating activities	**5,775.5**	**8,919.1**
Acquisitions of subsidiaries and joint ventures, net of cash acquired	12.5	(97.5)
Divestments of subsidiaries and joint ventures, net of cash sold	0.0	393.0
Acquisitions of associates	(54.4)	0.0
Divestments of associates	0.0	0.0
Net cash provided by (used by) divestments and acquisitions	**(41.9)**	**295.5**
Proceeds from the sale of financial assets	75,763.9	111,224.3
Proceeds from the sale of investment properties	65.6	196.4
Proceeds from the sale of other investments	0.0	0.0
Net cash provided by (used by) sales and redemptions of investments	**75,829.5**	**111,420.7**
Acquisitions of financial assets	(79,716.6)	(119,402.1)
Acquisitions of investment properties	(187.8)	(227.1)
Acquisitions of other investments	0.0	0.0
Net cash provided by (used by) acquisitions of investments	**(79,904.4)**	**(119,629.3)**
Proceeds from the sale of property and equipment and intangible assets	12.7	308.0
Purchases of property and equipment and intangible assets	(1,256.9)	(108.7)
Net cash provided by (used by) sales and purchases of property and equipment and intangible assets	**(1,244.2)**	**199.3**
Net cash provided by (used by) investing activities	**(5,361.0)**	**(7,713.8)**
Issuance of equity instruments	0.0	0.0
Redemption of equity instruments	0.0	0.0
Purchases and sales of treasury shares	(0.3)	2.2
Dividends paid	(571.1)	(834.5)
Net cash provided by (used by) transactions with owners	**(571.4)**	**(832.2)**

(In € millions)	31.12.2020	31.12.2019
New borrowings	1,250.0	1,500.0
Repayments of borrowings	(754.8)	(428.2)
Interest paid on borrowings	(313.2)	(326.5)
Net cash provided by (used by) other financing activities	**182.0**	**745.3**
Net cash provided by (used by) financing activities	**(389.4)**	**(86.9)**
Cash and cash equivalents at beginning of period	**19,237.0**	**17,938.1**
Net cash provided by (used by) operating activities	5,775.5	8,919.1
Net cash provided by (used by) investing activities	(5,361.0)	(7,713.8)
Net cash provided by (used by) financing activities	(389.4)	(86.9)
Effect of changes in exchange rates	(24.8)	(5.1)
Effect of changes in accounting policies and other changes*	227.5	185.6
CASH AND CASH EQUIVALENTS AT THE REPORTING DATE	19,464.7	19,237.0

* The amount reported under "Effect of changes in accounting policies and other changes" corresponds to reclassifications of cash equivalents as "Ordinary money market funds"

Reconciliation of cash flows from financing activities to the amounts reported in the financial statements

This table reconciles cash flows from financing activities to the amounts reported in the other financial statements. Other movements correspond to changes in deferred taxes and fair value adjustments to the cash flow hedge reserve recognised directly in equity.

31 DECEMBER 2020

(In € millions)	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Subordinated debt	Other financing liabilities	Total
31.12.2019	**8.1**	**1,881.3**	**6,380.7**	**4.8**	**8,274.9**
Issue	0.0	0.0	1,250.0	0.0	**1,250.0**
Redemption	0.0	0.0	(750.0)	(4.8)	**(754.8)**
Total cash items	**0.0**	**0.0**	**500.0**	**(4.8)**	**495.2**
Translation adjustments	0.0	0.0	0.0	0.0	**0.0**
Fair value adjustments	5.8	0.0	(56.5)	0.0	**(50.8)**
Changes in scope of consolidation	0.0	0.0	0.0	0.0	**0.0**
Other movements	(29.7)	0.0	0.0	0.0	**(29.7)**
Total non-cash items	**(23.9)**	**0.0**	**(56.5)**	**0.0**	**(80.5)**
31.12.2020	(15.9)	1,881.3	6,824.2	0.0	8,689.6

31 DECEMBER 2019

(In € millions)	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Subordinated debt	Other financing liabilities	Total
31.12.2018	**(17.7)**	**1,881.3**	**5,336.7**	**4.8**	**7,205.2**
Issue	0.0	0.0	1,500.0	0.0	**1,500.0**
Redemption	0.0	0.0	(428.2)	0.0	**(428.2)**
Total cash items	**0.0**	**0.0**	**1,071.8**	**0.0**	**1,071.8**
Translation adjustments	0.0	0.0	0.0	0.0	**0.0**
Fair value adjustments	24.2	0.0	(27.9)	0.0	**(3.6)**
Changes in scope of consolidation	0.0	0.0	0.0	0.0	**0.0**
Other movements	1.6	0.0	0.0	0.0	**1.6**
Total non-cash items	**25.8**	**0.0**	**(27.9)**	**0.0**	**(2.1)**
31.12.2019	**8.1**	**1,881.3**	**6,380.7**	**4.8**	**8,274.9**

RECONCILIATION OF CASH AND CASH EQUIVALENTS REPORTED IN THE CONSOLIDATED BALANCE

(In € millions)	31.12.2020	31.12.2019
Cash and cash equivalents (reported in the consolidated balance sheet)	1,734.0	1,807.6
Cash and cash equivalents relating to assets held for sale	0.0	0.0
Operating liabilities due to banks	(117.3)	(192.4)
Securities held for trading	17,848.0	17,621.8
TOTAL (REPORTED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS)	**19,464.7**	**19,237.0**

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

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

5.1.6 Notes to the consolidated financial statements

DETAILED CONTENTS

Significant events of the period and subsequent events

NOTE 1
Significant events of the period

Changes in CNP Assurances' ownership structure

The Company's ownership structure changed significantly on 4 March 2020, as a result of various exchanges and transfers of CNP Assurances shares between the French State, Caisse des Dépôts, La Poste and La Banque Postale. These transactions represented a key phase of the project to create a large state-owned financial group announced by CNP Assurances' public sector shareholders on 30 August 2018.

CNP Assurances' post-4 March 2020 ownership structure is as follows:

- La Banque Postale [(1)]: 62.13%;
- BPCE [(2)]: 16.11%;
- Free float [(3)]: 21.76%.

€750 million Tier 2 subordinated notes issue

On 30 June 2020, the Group issued €750 million worth of subordinated notes due 30 June 2051 and paying interest at 2.5% until 30 June 2031. The issue qualifies as debt under IFRS and as Tier 2 capital under Solvency II.

The notes are rated BBB+ by Standard & Poor's and A3 by Moody's.

Financial impacts of the Covid-19 pandemic

The financial impacts of the Covid-19 pandemic are as follows:

- CNP Assurances made a €25.0 million exceptional contribution to the €400.0 million solidarity fund set up by the industry federation, Fédération Française de l'Assurance (FFA), in support of French government funding to help SMEs, micro-enterprises and self-employed workers. This contribution is reported in the consolidated income statement under "Other non-recurring operating income and expenses".
- The Group also increased its support for insureds covered by group death/disability/health insurance and reinsurance plans by setting aside a €30.0 million budget at the end of 2020 to expand coverage beyond its contractual obligations. This amount is reported under "Claims and benefits expenses". The final cost of the expanded coverage will depend on the proportion of insureds who cannot do their jobs from home or who have applied to be placed on sick leave in order to shield themselves from the risk of infection or to care for their children.
- Distribution activities were limited in the first half due to the temporary closure of bank branches and post offices during lockdown.
- The Group did not identify any material effect on its intangible assets or overall solvency, except for the indirect effect of persistently low interest rates.

The various home-working measures deployed in recent years ensured that the Group maintained a high level of operational efficiency during lockdown.

Partnership agreement reached in Brazil between CNP Assurances and Caixa Seguridade in the *consórcio* segment

CNP Assurances has concluded a framework agreement which will result in the signing of an exclusive twenty-year distribution agreement with Caixa Seguridade to use the Caixa Econômica Federal banking network in Brazil to distribute the *consórcio* product, in particular for real property and automobiles. This new agreement is in addition to that signed in August 2018 (and amended in September 2019) on personal risk, consumer loan insurance and pension products (*vida, prestamista, previdência*).

The new distribution agreement will be operated through a company formed for this purpose which will have shared management and governance between CNP Assurances and Caixa Seguridade. The former will hold 50.01% of the common shares with voting rights, the latter 49.99% of the common shares with voting rights and 100% of the preferred shares without voting rights, which will represent economic rights of 25% and 75% for each party respectively.

The agreement stipulates that CNP Assurances is to pay a fixed sum of R$ 250 million on completion of the deal.

(1) Wholly-owned by La Poste Group, which in turn is 66%-owned by the French State
(2) Following the exercise of La Banque Postale's call option on 13,833,334 CNP Assurances shares held by BPCE
(3) Including treasury shares (505,717 shares at 31 December 2019)

Completion of the deal still depends on various conditions being met first, including the obtaining of the necessary approvals from the relevant regulatory authorities for banking and competition. Subject to these approvals being obtained, it is expected the deal will be finalised no later than 30 March 2021.

Successful €500 million Tier 3 notes issue

On 8 December 2020, CNP Assurances announced that it had successfully placed €500 million worth of notes due 8 March 2028 and paying interest at 0.375%.

The issue qualifies as debt under IFRS and as Tier 3 capital under Solvency II.

Implementation of the agreement dated 29 August 2018 between CNP Assurances and Caixa Seguridade

The new exclusivity perimeter in the Caixa Econômica Federal (CEF) network includes life insurance, consumer credit life insurance and private pension plans.

In line with the contractual provisions, the new distribution agreement has been implemented through a newly formed insurance joint venture between CNP Assurances and Caixa Seguridade, the holding company for CEF's insurance operations.

CNP Assurances and Caixa Seguridade own respectively 51% and 49% of the voting rights in the joint venture and 40% and 60% of the economic rights.

In line with the contractual terms, on 30 December 2020 Caixa Seguros Holding (CSH) transferred to the new joint venture the In-Force insurance portfolios for the products included in the scope of the agreement.

The agreement's main provisions are as follows:

- the Group has an exclusive right to distribute life insurance, consumer credit life insurance and private pension plans in Brazil in the CEF network until 13 February 2046;
- in exchange for this right, on 30 December 2020, the Group paid an upfront fee of R$ 7 billion (€1.1 billion);
- the agreement also includes incentives to outperform the first five years' volume and margin objectives, in the form of additional payments capped at R$ 0.8 billion (Group share) based on 31 December 2020 values.

The transaction was closed on 30 December 2020.

The agreement's impacts on the Group's consolidated financial statements at 31 December 2020 are as follows:

- recognition of an intangible asset of €3.0 billion, to be amortised on a straight-line basis over the life of the agreement;
- recognition of non-controlling interests in liabilities for €1.8 billion;
- full consolidation of the new joint venture;
- no provision for contingent consideration was recorded at 31 December 2020.

Expiry of the current agreements had no impact on the goodwill previously recognised in respect of the Latin America cash-generating unit.

NOTE 2
Subsequent events

No significant changes occurred after the financial year-end.

Summary of significant accounting policies

NOTE 3
Summary of significant accounting policies

CNP Assurances SA, the parent company of the Group, is a French *société anonyme* (public limited company) with a Board of Directors, governed by the French Insurance Code (*Code des assurances*). 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 2020 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 16 February 2021.

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 IFRS standards adopted by the European Union on 31 December 2020.

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

3.1.1 New accounting standards adopted since 1 January 2020

The amendments to IFRS 9, IAS 39 and IFRS 7 resulting from Phase 1 of the IBOR reform, the amendments to IFRS 3, IAS 1 and IAS 8 applicable for annual reporting periods beginning on or after 1 January 2020 and the amendments to IFRS 16 applicable from 1 June 2020, have no material impact on the consolidated financial statements.

3.1.2 Deferred application of IFRS 9 (IFRS 4 amendment)

The final version of IFRS 9 – Financial Instruments was published on 24 July 2014 and was adopted by the European Union on 22 November 2016. It is effective for accounting periods beginning on or after 1 January 2018.

However, the Group has elected to apply the option of deferring application until 1 January 2023 (see below).

IFRS 9, which replaces IAS 39 – Financial Instruments, sets down accounting principles and disclosure requirements for financial assets and liabilities.

The final version consolidates the three core phases, i.e., classification and measurement, impairment and hedge accounting.

3.1.2.1 Main provisions of IFRS 9

3.1.2.1.1 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).

As far as debt instruments are concerned, 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 FVTPL. An entity may designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an inconsistency in valuation methods or accounting treatment (sometimes referred to as an accounting 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.

3.1.2.1.2 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 income 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.

3.1.2.1.3 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 other comprehensive income (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% to 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.

3.1.2.2 IFRS 9 transition arrangements under the deferral approach

IFRS 9 was adopted on 22 November 2016 for use in the European Union for accounting periods beginning on or after 1 January 2018. However, the Group has deferred application until 2023 as its activities are predominantly related to insurance.

The publication on 12 September 2016 by the IASB of an amendment to IFRS 4 – Insurance Contracts stipulates how insurance undertakings should apply IFRS 9 in conjunction with IFRS 4. This amendment, which was adopted by the European Commission on 3 November 2017, was issued in response to the need to align first-time adoption of IFRS 9 with that of the new insurance standard (IFRS 17), and provided an optional temporary exemption from applying IFRS 9 until 1 January 2021 (the "deferral approach"). An amendment to IFRS 4 published on 25 June 2020 extends the optional temporary exemption from applying IFRS 9 until 1 January 2023.

Deferral of application is granted to companies whose activities are predominantly related to insurance so that IFRS 9 be implemented concomitantly with the new IFRS Insurance Contracts standard.

CNP Assurances fulfils the eligibility criteria for adopting the deferral approach for IFRS 9. As of 31 December 2015, its insurance business represented more than the 90% threshold for applying this approach. Accordingly, the Group will continue accounting for financial assets in accordance with IAS 39 until 2023.

The amendment to IFRS 4 requires additional disclosures in the notes during the transition period, concerning the classification of assets and the reporting entity's exposure to credit risk on assets meeting the criteria in IFRS 9 (assets for which the contractual cash flows consist solely of payments of principal and interest). These disclosures are made on an annual basis.

3.1.3 Main accounting standards and interpretations approved by the European Union but not yet In Force

An amendment to IFRS 4 published on 25 June 2020 and applicable from 1 January 2021 extends the optional temporary exemption from applying IFRS 9 until 1 January 2023, so that IFRS 9 and IFRS 17 are applied from the same date.

The amendments to IFRS 9, IAS 39 and IFRS 7 resulting from Phase 2 of the IBOR reform are applicable from 1 January 2021.

3.1.4 Main standards and interpretations published but not yet approved by the European Union

3.1.4.1 IFRS 17 – Insurance contracts

IFRS 17 – Insurance Contracts was published on 18 May 2017, and an amended version was published on 25 June 2020. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. It replaces IFRS 4 for annual reporting periods beginning on or after 1 January 2023 (with comparative information for 2022 to be presented on the same basis).

IFRS 17 will apply to:

- written insurance and reinsurance contracts;
- all reinsurance contracts giving rise to a significant insurance risk;
- investment contracts with a discretionary participation feature.

The new standard requires the insurance component of each contract to be recognised separately from the other components, such as:

- certain embedded derivatives;
- separate investment components;
- other performance obligations, for example a promise to transfer non-insurance goods or services.

These components will be recognised and measured separately in accordance with the standard that would apply to them if they were separate contracts.

When an insurance or reinsurance contract is written, the liability will be measured according to the Building Block Approach (BBA), based on the following blocks:

- discounted present value of future cash flows that relate directly to the fulfilment of the contractual obligations (fulfilment cash flows);
- a risk margin reflecting the uncertainty about the amount and timing of these cash flows;
- a Contractual Service Margin (CSM).

The CSM represents the unearned profit of the group of insurance contracts that the entity will recognise as it provides services in the future. It is included in deferred revenue on the liabilities side of the balance sheet and recognised in income as the services are provided. If the group of insurance contracts is expected to generate a loss, rather than recording a negative CSM the expected loss is recognised immediately in profit or loss when the contracts are written.

A second model – the Variable Fee Approach (VFA) – is applicable to insurance contracts with direct participation features that contain the following conditions:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the entity expects to pay the policyholder an amount equal to a substantial share of the fair value of returns from the underlying items;
- a substantial proportion of the cash flows the entity expects to pay to the policyholder are expected to vary in line with changes in the fair value of the underlying items.

In addition to the General Model (BBA), IFRS 17 also includes an optional simplified measurement approach – the Premium Allocation Approach (PAA) – which may be applied to:

- all insurance contracts other than those with direct participation features, provided that the PAA produces a measurement of the liability that would not be materially different from that produced applying the BBA;
- contracts with a short duration (coverage period of one year or less).

For the purpose of applying the PPA, the initial liability corresponds to the premiums received at initial recognition and no CSM is calculated. Acquisition costs may be deferred in assets or recognised as an expense.

Under IFRS 17, insurance liabilities will be measured at a more granular level. Specifically, they will be divided into portfolios, as follows:

- each portfolio will comprise contracts subject to similar risks that are managed together. A portfolio will not contain contracts written more than one year apart;
- each portfolio will be divided into three accounting groups when the contracts are initially recognised, for the calculation and tracking of the contractual service margin (CSM). The groups are as follows:
  - contracts that are onerous at initial recognition,
  - contracts that at initial recognition have no significant possibility of becoming onerous,
  - other contracts.

Application of IFRS 17 will have a significant impact on the Group's consolidated financial statements:

- it will modify the presentation of the balance sheet and the notes;
- the consolidated income statement will be renamed the statement of financial performance and will comprise two key indicators:
  - insurance service result, corresponding to insurance revenue less amortisation of the CSM and the risk adjustment, the experience adjustment (difference between expected claims and expenses and paid claims and expenses) and expenses on onerous contracts,
  - investment income or expense;

- it will also lead to a major reorganisation of management processes, including statutory accounting, account closing, management accounting and internal and external reporting systems;
- actuarial modelling tools will also be affected;
- in addition, the internal organisation of accounting processes will need to be adjusted, with the introduction of new measurement, consolidation and reporting processes.

The effects of applying IFRS 17 are currently being analysed by the Group. IFRS 9 – Financial Assets replaces IAS 39 as from the same dates and the effects of applying these two new standards are being analysed jointly.

IFRS 17 is in the process of being adopted by the European Union. The Group is contributing actively to the review of its implications by the accounting and insurance authorities in France and the European Union.

3.1.4.2 Amendments to the following standards

The amendments published but not yet approved by the European Union are applicable from 1 January 2022 or 1 January 2023.

The Group is currently studying the potential impact of the amendments not applicable from 1 January 2020.

3.2 Basis of preparation of the consolidated financial statements

The following information is incorporated by reference in the Universal 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 2019 and the related Statutory Auditors' report, as presented on pages 120 to 233, and pages 234 to 238, respectively, of the Registration Document filed with the AMF on 16 March 2020;
- the consolidated financial statements of CNP Assurances for the year ended 31 December 2018 and the related Statutory Auditors' report, as presented on pages 126 to 238, and pages 239 to 244, respectively, of the Registration Document filed with the AMF on 28 March 2019.

Unless otherwise stated 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 (DPF) which are measured in accordance with Group accounting policies, and (ii) 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, which are measured using the fair value model.

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, 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 effects 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.

Scope of consolidation

NOTE 4
Scope of consolidation

4.1 Scope of consolidation and associated companies

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. If contractual arrangements have a bearing on the relevant activities, they need to be analysed to determine whether rights held are sufficient to confer 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.

Non-controlling interests represent the interests of minority shareholders 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 jointly-controlled entity 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 and in accordance with the applicable IFRSs;
- 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 party 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 using 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 using 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.

This exemption provided for in paragraph 18 of IAS 28 is used on a case-by-case basis when the value of an investment in a company over which the Group exercises significant influence is determined on the basis of participatory contracts (see Note 9.2).

4.2 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 IFRS 3. 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. Non-controlling interests may be measured at fair value (full goodwill method) on a case-by-case basis.

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, unless they concern errors whose correction leads to an adjustment of the purchase price allocation.

4.3 Intragroup transactions

All transactions and balances between fully consolidated companies and all intragroup income and expenses are eliminated in full. Losses resulting from the impairment of an asset transferred in an intragroup transaction are not eliminated.

4.4 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.

4.5 Consolidated companies and percentage of voting rights at 31 December

Company	Consolidation method	Country/City	Business	31.12.2020 % rights	31.12.2020 % interest	31.12.2019 % rights	31.12.2019 % interest
1. Strategic subsidiaries							
CNP Assurances	Full	France/Paris	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Caution	Full	France/Paris	Insurance	100.00%	100.00%	100.00%	100.00%
Arial CNP Assurances	Equity method	France/Mons-en-Baroeul	Insurance	40.00%	40.00%	40.00%	40.00%
MFPrévoyance SA	Full	France/Paris	Insurance	51.00%	65.00%	51.00%	65.00%
Assuristance	Equity method	France/Paris	Insurance	66.00%	66.00%	66.00%	66.00%
Filassistance International	Equity method	France/Paris	Insurance	66.00%	66.00%	66.00%	66.00%
CNP Assurances Compañia de Seguros	Full	Argentina/Buenos Aires	Insurance	76.47%	76.47%	76.47%	76.47%
CNP SA de Capitalización y Ahorro p/ fines determinados	Full	Argentina/Buenos Aires	Insurance	65.38%	50.00%	65.38%	50.00%
CNP Holding Brasil	Full	Brazil/Brasilia	Insurance	100.00%	100.00%	100.00%	100.00%
Caixa Seguros Holding SA	Full	Brazil/Brasilia	Insurance	51.75%	51.75%	51.75%	51.75%
Caixa Seguros Participações Securitarias Ltda	Full	Brazil/Brasilia	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Seguradora	Full	Brazil/Brasilia	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Capitalização	Full	Brazil/Brasilia	Insurance	51.00%	26.39%	51.00%	26.39%
Caixa Consórcios	Full	Brazil/Brasilia	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Assessoria e Consultoria	Full	Brazil/Brasilia	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Saúde	Full	Brazil/São Paulo	Insurance	100.00%	51.75%	100.00%	51.75%
Previsul	Full	Brazil/Porto Alegre	Insurance	100.00%	51.75%	100.00%	51.75%
Wiz Soluçoes e Corretagem de Seguros SA	Equity method	Brazil/Brasilia	Brokerage	25.00%	12.94%	25.00%	12.94%
Odonto Empresas Convênios Dentários Ltda	Full	Brazil/São Paulo	Insurance	100.00%	51.75%	100.00%	51.75%
Holding Caixa Seguros Participações em Saúde Ltda	Full	Brazil/Brasilia	Insurance	100.00%	51.75%	100.00%	51.75%
CNP UniCredit Vita	Full	Italy/Milan	Insurance	57.50%	57.50%	57.50%	57.50%
CNP Partners	Full	Spain/Madrid	Insurance	100.00%	100.00%	100.00%	100.00%
Montparvie V (1)	Full	France/Paris	Holding	100.00%	100.00%	-	-
CNP Cyprus Insurance Holdings	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Cyprus Properties	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Cyprus Tower Ltd	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Zois	Full	Greece/Athens	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Praktoriaki	Full	Greece/Athens	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Cyprialife	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Asfalistiki	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Luxembourg	Full	Luxembourg	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Santander Insurance Life Ltd	Full	Ireland/Dublin	Insurance	51.00%	51.00%	51.00%	51.00%
CNP Santander Insurance Europe Ltd	Full	Ireland/Dublin	Insurance	51.00%	51.00%	51.00%	51.00%
CNP Santander Insurance Services Ireland Ltd	Full	Ireland/Dublin	Insurance	51.00%	51.00%	51.00%	51.00%
CNP Europe Life	Full	Ireland/Dublin	Insurance	100.00%	100.00%	100.00%	100.00%
Sogestop K (1)	Full	France/Paris	Holding	100.00%	100.00%	-	-
HOLDING XS 1 SA (2)	Full	Brazil	Holding	51.00%	40.00%	-	-
XS2 VIDA E PREVIDENCIA SA (2)	Full	Brazil	Insurance	100.00%	40.00%	-	-

Company	Consolidation method	Country/City	Business	31.12.2020 % rights	31.12.2020 % interest	31.12.2019 % rights	31.12.2019 % interest
Caixa Vida e Previdência [(3)]	Full	Brazil/Brasilia	Insurance	100.00%	40.00%	100.00%	51.75%
CNP Assurances Participações Ltda	Full	Brazil/Brasilia	Insurance	100.00%	100.00%	100.00%	100.00%
2. Mutual fund units							
Univers CNP 1 FCP	Full	France/Paris	Mutual fund units	100.00%	100.00%	100.00%	100.00%
CNP OSTRUM ISR OBLI 12 MOIS [(4)]	Full	France/Paris	Mutual fund units	100.00%	100.00%	100.00%	100.00%
CNP Assur Trésorerie Plus	Full	France/Paris	Mutual fund units	98.13%	98.13%	98.82%	98.82%
Ecureuil Profil 90	Full	France/Paris	Mutual fund units	56.83%	56.83%	56.91%	56.91%
Vivaccio ISR actions [(4)]	Full	France/Paris	Mutual fund units	100.00%	100.00%	83.28%	83.28%
OPCVM Caixa Seguradora SA	Full	Brazil/Brasilia	Mutual fund units	100.00%	51.75%	100.00%	51.75%
OPCVM Caixa Capitalização SA	Full	Brazil/Brasilia	Mutual fund units	100.00%	26.39%	100.00%	26.39%
OPCVM Caixa Vida e Previdência [(3)]	Full	Brazil/Brasilia	Mutual fund units	100.00%	40.00%	100.00%	51.75%
OPCVM Caixa Consórcios	Full	Brazil/Brasilia	Mutual fund units	100.00%	51.75%	100.00%	51.75%
OPCVM Holding Caixa Seguros Holding SA	Full	Brazil/Brasilia	Mutual fund units	100.00%	51.75%	100.00%	51.75%
3. Property companies and others							
AEP3 SCI	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
CIMO	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
AEP4 SCI	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
SICAC	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
CNP Immobilier	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
Assurimmeuble	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI MTP Invest	Full	France/Paris	Real estate	100.00%	99.70%	100.00%	99.59%
OPCI AEW Imcom 1	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI AEP247	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
LBP Actifs Immo	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
SAS Alleray	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI Raspail	Full	France/Paris	Real estate	100.00%	99.85%	100.00%	99.81%
Outlet Invest	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI Renda Corporativa Angico [(3)]	Full	Brazil/São Paulo	Real estate	100.00%	42.47%	51.75%	51.75%
Assurbail Patrimoine	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
Ecureuil Vie Développement	Equity method	France/Paris	Brokerage	49.00%	49.00%	49.00%	49.00%
Coentreprise de Transport d'Electricité [(5)]	FV	France/Paris	Energy	20.00%	20.00%	20.00%	20.00%
Infra-Invest [(2)]	Full	Luxembourg	Infrastructure	100.00%	100.00%	-	-
Holding d'Infrastructures Gazières	Equity method	France/Paris	Energy	54.41%	54.41%	54.41%	54.41%

(1) Montparvie V and Sogestop K, owned by CNP Assurances, have been consolidated for the first time at 30 June 2020
(2) HOLDING XS1 SA, XS2 VIDA E PREVIDENCIA SA and Infra-Invest, owned by CNP Assurances, have been consolidated for the first time at 31 December 2020
(3) The decreases in the percentage interests in Caixa Vida e Previdência, the Caixa Vida e Previdência investment fund and the Renda Corporativa Angico property fund result from the new distribution agreement with Caixa Econômica Federal and Caixa Seguridade
(4) LBPAM COURT TERME is now named CNP OSTRUM ISR OBLI 12 MOIS and Vivaccio ACT 5DEC is now named Vivaccio ISR actions
(5) The investment in Coentreprise de Transport d'Electricité (CTE) is mainly in representation of participatory contracts. For this reason, the Group has chosen to use the exemption from applying the equity method provided for in paragraph 18 of IAS 28 and to measure the CTE shares at fair value through profit or loss

4.6 Non-consolidated companies

Company	Country/City	31.12.2020 % interest
1. Other subsidiaries		
23-25 Marignan SAS	France/Paris	100.00%
270 Investments	France/Paris	100.00%
36 MARBEUF SAS	France/Paris	100.00%
Age D'Or Expansion	France/Troyes	100.00%
Alpinvest Feeder (Euro) V C.V.	Netherlands/Amsterdam	99.98%
AVENIR SANTÉ	France/Paris	100.00%
AZIMUT	France/Paris	88.67%
Cartera Pbtamsi	Spain/Madrid	100.00%
CBPE CAPITAL VIII SPECIAL INVESTORS	United Kingdom/London	100.00%
CNP Formation	France/Paris	100.00%
CNP LOANS INFRA COMPARTMENT CLI 123 SOLEIL	France/Pantin	100.00%
CNP LOANS INFRA COMPARTMENT CLI N°7 SIROCO	France/Pantin	100.00%
CNP Private Equity for Personal Savings	France/Paris	100.00%
CNP SHORT TERM INFLATION	France/Paris	100.00%
Cnp Sviluppo Srl	Italy/Milan	100.00%
CNP TECHNOLOGIES DE L'INFORMATION	France/Paris	99.80%
CNP UC IMMO	France/Paris	99.94%
CŒUR MEDITERRANÉE	France/Paris	70.00%
DIWISE	France/Paris	100.00%
Ecureuil Vie Investment	France/Paris	100.00%
EIG Energy Transition fund S.C.S.p.	Luxembourg	55.56%
Filassistance Services	France/Paris	100.00%
Filassistance solutions	France/Saint-Cloud	100.00%
FONCIÈRE HID	France/Paris	100.00%
FSN CAPITAL IV (B) L.P.	Norway/Oslo	100.00%
GCK	Luxembourg	80.00%
Geosud	France/Rueil Malmaison	98.00%
GF DE LA FORÊT DE NAN	France/Paris	100.00%
Green Quartz	France/Paris	99.99%
Immaucom	France/Paris	80.00%
INFRA INVEST HOLDING	France/Paris	99.90%
INFRA-INVEST 2	France/Paris	100.00%
Infra-Invest France	France/Paris	100.00%
Infrastructure Partners (Morgan Stanley)	France/Paris	64.94%
KLEBER 46 HOLDING	France/Paris	100.00%
Laiki Brokers (Insurance & Consultancy Services) Ltd	Cyprus/Nicosia	100.00%
Laiki Insurance Agencies Ltd	Cyprus/Nicosia	100.00%
LBPAM EUROPEAN INFRASTRUCTURE DEBT FUND 2	France/Paris	55.19%
LBPAM EUROPEAN REAL ESTATE DEBT FUND 2	France/Paris	50.00%
LBPAM EUROPEAN REAL ESTATE DEBT FUND 3	France/Paris	76.13%

Company	Country/City	31.12.2020 % interest
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT MONTPARNASSE INFRASTRUCTURE DEBT	France/Paris	100.00%
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT MONTPARNASSE REAL ESTATE DEBT	France/Paris	100.00%
LBPAM PRIVATE DEBT SCS RAIF – LBPAM EUROPEAN RESPONSIBLE INFRASTRUCTURE DEBT FUND	France/Paris	54.35%
LCYL Dramas Properties Limited	Cyprus/Nicosia	100.00%
LCYL Properties Limited	Cyprus/Nicosia	100.00%
Lux Gare	France/Paris	100.00%
Lyfe	France/Paris	100.00%
MONTAGU IV (SCOTS FEEDER)	United Kingdom/London	100.00%
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT INFRASTRUCTURE	France/Paris	100.00%
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT REAL ESTATE	France/Paris	100.00%
MONTPARVIE IV	France/Paris	100.00%
MONTPER ENTERPRISES LIMITED	Cyprus/Nicosia	100.00%
NATIXIS FCT MONTPARNASSE DETTE PRIVEE COMPARTIMENT MONTPARNASSE PLACEMENT PRIVE	France/Paris	100.00%
Naturim	France/Levallois-Perret	100.00%
Neuilly Pilot	France/Paris	100.00%
New Side	France/Paris	100.00%
Open CNP	France/Paris	100.00%
Pantin Logistique	France/Paris	100.00%
Pays-Bas Retail 2013 BV	Netherlands/Amsterdam	100.00%
Pial 34	France/Paris	100.00%
SCHRODER COMPARTMENT IALA	France/Paris	100.00%
SCI HOLDIHEALTH EUROPE	France/Paris	100.00%
SILK HOLDING	France/Paris	100.00%
SMCA	France/Paris	50.00%
Sogestop L	France/Paris	50.00%
THEEMIM	France/Paris	100.00%
Woodland Invest	France/Paris	100.00%
Ybry Pont de Neuilly	France/Paris	100.00%
Yellowalto	France/Puteaux	100.00%
YOUSE HOME	France/Paris	100.00%
Youse Seguradora SA	Brazil/Brasilia	100.00%
2. Real estate business		
5/7 Rue Scribe	France/Paris	100.00%
83 Avenue Bosquet	France/Paris	100.00%
Assurécureuil Pierre	France/Paris	99.99%
Assurécureuil Pierre 2	France/Paris	100.00%
Assurécureuil Pierre 5	France/Paris	100.00%
Assurécureuil Pierre 7	France/Paris	99.99%
Axe France	France/Paris	50.00%

Company	Country/City	31.12.2020 % interest
Baudry Ponthieu	France/Paris	99.91%
Bercy Crystal	France/Paris	100.00%
CANOPEE	France/Paris	99.98%
Cicoge	France/Paris	100.00%
CL (Mesa Geitonia) Properties Ltd	Cyprus/Nicosia	100.00%
CL ARCHANGELOS PROPERTIES LTD	Cyprus/Nicosia	100.00%
Cottages du Bois aux Daims	France/Paris	100.00%
Domaine de Lancosme	France/Vendoeuvres	80.00%
ÉOLE RAMBOUILLET	France/Paris	100.00%
Equinox	France/Paris	99.99%
Europe Properties Investments	France/Neuilly-sur-Seine	100.00%
Farman	France/Paris	50.00%
Farmoric	France/Puteaux	100.00%
Foncière CNP	France/Paris	100.00%
Foncière ELBP	France/Paris	100.00%
FPIP	France/Paris	100.00%
GALAXIE 33	France/Paris	100.00%
Green Rueil	France/Paris	50.00%
Habimmo	France/Paris	99.99%
Holdipierre	France/Paris	100.00%
ICV	France/Paris	99.90%
Ireland Property Investment Fund	Ireland/Dublin	100.00%
ISSY ILOT 13	France/Paris	50.00%
Issy Vivaldi	France/Paris	100.00%
Jasmin	France/Paris	99.95%
Jesco	France/Paris	55.00%
Kureck	France/Paris	100.00%
LCYL KARPENISIOU PROPERTIES LIMITED	Cyprus/Nicosia	100.00%
LCYL KITI PROPERTIES LIMITED	Cyprus/Nicosia	100.00%
Lesly	France/Paris	100.00%
LIBERTE	France/Paris	50.00%
Ofelia	France/Paris	66.66%
ONE COLOGNE	France/Paris	100.00%
OREA	France/Paris	100.00%
Paris 08	France/Paris	100.00%
Passage du Faidherbe	France/Paris	100.00%
Pierre et Labruyère	France/Paris	100.00%
Pierre Quentin Bauchard	France/Paris	99.99%
Pyramides 1	France/Paris	100.00%
Residavout	France/Paris	100.00%
Residential	France/Paris	100.00%
RSS IMMO	France/Paris	99.99%
Rue du Bac	France/Paris	50.00%
Rueil Newton	France/Paris	50.00%

Company	Country/City	31.12.2020 % interest
SA Le Marquis	France/Paris	60.00%
Saphirimmo	France/Paris	100.00%
SAS Pyramides 2	France/Paris	100.00%
SAS Richelieu Vivienne	France/Paris	50.00%
SCI Assurécureuil Pierre 8	France/Paris	100.00%
SCI De La CNP	France/Paris	100.00%
SCI Lauriston	France/Paris	100.00%
SCI Les Chevrons	France/Paris	51.51%
SCI MAX	France/Paris	100.00%
Secrets et Boëtie	France/Paris	100.00%
Sonne	France/Neuilly sur Seine	99.95%
Taunus	France/Paris	100.00%
Terre Neuve 4 Immo	France/Paris	100.00%
US Real Estate 270 SAS	France/Paris	100.00%
US Real Estate EVJ SAS	France/Paris	100.00%
Vendôme Europe	France/La Défense	50.00%
Victor Hugo 147	France/Paris	99.98%
Wagram 92	France/Paris	100.00%

French standard ANC 2016-09 requires details of controlled companies that are excluded from the scope of consolidation to be disclosed in the notes to the consolidated financial statements. The table above presents companies that are over 50%-owned by the Group but whose key indicators do not exceed the materiality thresholds for inclusion in the scope of consolidation.

The materiality thresholds used by the Group are applied to companies that are over 50%-owned and to other companies that qualify as controlled entities based on the following criteria in IFRS 10: (i) power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the investor's returns. In addition, economic reality is taken into account when applying the thresholds, with the result that certain subsidiaries whose indicators are below the thresholds are nevertheless consolidated.

The list of non-consolidated companies and investments in which CNP Assurances holds a direct interest of more than 10% is presented in the Universal Registration Document (in Note 5.4.4 to the annual financial statements).

4.7 Average number of employees of consolidated companies

(Headcount)	31.12.2020	31.12.2019
Management-grade	2,313	2,320
Non-management-grade	2,805	2,878
Average headcount	**5,118**	**5,198**

The above headcount does not include the headcount of the companies consolidated by equity method.

4.8 Summary financial information: consolidated entities with material non-controlling interests

	New HoldCo Group*		Caixa Seguros Group*		CNP UniCredit Vita		CNP Santander Insurance		MFPrevoyance SA	
(In € millions)	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019
Earned premiums/Revenue	0.0	0.0	5,577.3	6,733.2	3,294.2	3,050.5	763.6	764.7	137.0	128.7
Net profit (100%)	**0.0**	**0.0**	**418.1**	**493.1**	**53.3**	**42.8**	**79.6**	**83.3**	**(10.6)**	**2.3**
Net profit – non-controlling interests	0.0	0.0	204.3	243.1	22.7	18.2	39.0	40.8	(3.7)	0.8
Other comprehensive income (100%)	17.3	0.0	34.5	57.9	43.4	33.3	8.3	11.8	13.7	12.2
Comprehensive income (100%)	**17.4**	**0.0**	**452.6**	**551.1**	**96.7**	**76.1**	**87.9**	**95.1**	**3.1**	**14.5**
Comprehensive income – non-controlling interests	10.4	0.0	222.9	273.0	41.1	32.3	43.1	46.6	1.1	5.1
Assets	19,127.6	0.0	2,581.1	22,802.1	18,089.2	16,360.5	2,400.4	2,428.8	721.9	685.3
Liabilities	15,662.5	0.0	1,837.2	20,759.8	17,115.4	15,450.2	1,925.2	2,029.8	504.4	458.7
Net assets (100%)	**3,465.1**	**0.0**	**743.9**	**2,042.3**	**973.8**	**910.4**	**475.2**	**399.0**	**217.5**	**226.6**
Net assets – non-controlling interests	2,079.1	0.0	375.2	1,009.5	413.9	386.9	232.8	195.5	76.1	79.3
Net cash provided by (used by) operating activities	0.0	0.0	2,934.2	3,579.1	1,291.1	911.4	89.4	196.5	22.9	6.6
Net cash provided by (used by) investing activities	0.0	0.0	(1,701.5)	(3,214.5)	(1,288.8)	(839.1)	(46.2)	(78.8)	(13.1)	18.7
Net cash provided by (used by) financing activities	0.0	0.0	(1,494.8)	(359.9)	0.0	(46.0)	0.0	(75.0)	0.4	0.3
Dividends paid to non-controlling interests	0.0	0.0	(19.1)	(15.5)	0.0	0.0	0.0	(36.8)	0.0	0.0

* Changes in assets and liabilities result from the transfer of Caixa Vida e Previdência and the Caixa Vida e Previdência investment fund to the NewHoldCo group

4.9 Summary financial information: material joint arrangements

4.9.1 Significant partnerships

At 31 December 2020, the Group has two material partnerships: Arial CNP Assurances and Holding d'Infrastructures Gazières.

CNP Assurances also holds 40% of the capital of Arial CNP Assurances (ACA) and controls this company jointly with AG2R-La Mondiale.

ACA's corporate purpose is the design, distribution and management of supplementary employee retirement savings plans and employee benefit plans.

It is accounted for using the equity method in CNP Assurances' consolidated financial statements.

The Group also holds 54.41% of the capital of Holding d'Infrastructures Gazières (HIG), which is controlled jointly with Caisse des Dépôts. Société d'Infrastructures Gazières (SIG), a wholly-owned subsidiary of HIG, in turn holds 25% of the capital of GRTgaz, a company specialised in transporting natural gas.

HIG is accounted for using the equity method in CNP Assurances' consolidated financial statements.

Financial information for ACA and HIG is provided in Note 4.11.1.

4.9.2 Significant associates

At 31 December 2020, the Group owns one significant associate: Coentreprise de Transport d'Electricité (CTE).

CNP Assurances holds a 20% interest in CTE, which has a 100% equity interest in Réseau de Transport d'Electricité (RTE). CNP Assurances exercises significant influence over RTE. However, as the investment's value is determined almost entirely on the basis of participatory contracts, the Group has chosen to use the exemption from applying the equity method provided for in IAS 28, paragraph 18, and to measure the CTE shares at fair value through profit or loss.

The fair value of the CTE shares at 31 December 2020 was determined by an independent expert, and the value of the shares held by CNP Assurances amounts to €1,232 million.

	31.12.2019			
(In € millions)	Total assets	Equity	Premium income	Profit/(Loss)
Coentreprise de Transport d'Electricité (CTE)	8,275.7	5,297.9	0.0	312.6

The above data are extracted from the French GAAP accounts and concern 2019 as the 2020 financial statements were not yet available when these consolidated financial statements were drawn up. The amounts are presented before allocating profits and losses.

4.10 Summary financial information: non-material joint arrangements

	Partnerships		Associates	
(In € millions)	**2020**	2019	**2020**	2019
Carrying amount of investments accounted for using the equity method in CNP Assurances' balance sheet	51.8	50.9	0.0	0.0
Contribution to CNP Assurances' net profit	9.6	9.9	0.0	0.0
Contribution to CNP Assurances' other comprehensive income	0.9	1.7	0.0	0.0
Contribution to CNP Assurances' comprehensive income	**10.5**	**11.6**	**0.0**	**0.0**

The Group's non-material joint arrangements are Assuristance, Ecureuil Vie Développement , Filassistance International and Wiz Soluções e Corretagem de Seguros SA.

4.11 Information relating to entities accounted for using the equity method

4.11.1 Summary financial information on a 100% basis

(In € millions)	31.12.2020			
	Total assets	Equity	Premium income	Profit/(Loss)
Arial CNP Assurances	25,611.0	118.5	840.0	0.9
Assuristance	23.3	22.9	0.0	1.5
Ecureuil Vie Développement	20.7	0.4	0.0	0.0
Filassistance International	76.0	38.4	49.2	6.7
Holding d'Infrastructures Gazières	1,465.4	785.6	0.0	77.0
Wiz Soluçoes e Corretagem de Seguros SA	147.5	67.2	113.6	40.3

(In € millions)	31.12.2019			
	Total assets	Equity	Premium income	Profit/(Loss)
Arial CNP Assurances	23,952.8	117.4	2,149.0	2.0
Assuristance	21.8	21.4	0.0	(0.1)
Ecureuil Vie Développement	19.7	0.4	0.0	0.0
Filassistance International	67.4	32.8	47.7	5.2
Holding d'Infrastructures Gazières	1,310.6	716.7	0.0	61.2
Wiz Soluçoes e Corretagem de Seguros SA	145.9	65.8	125.6	50.2

4.11.2 Investments accounted for using the equity method

(In € millions)	31.12.2020	31.12.2019
At 1 January	**487.8**	**516.9**
Increase in investment	0.0	0.0
Newly-consolidated companies	0.0	0.0
Increase in capital	54.4	0.0
Share of profit of equity-accounted companies	51.8	44.5
Share in identifiable net assets	(14.6)	(15.4)
Other movements	(12.4)	0.0
Dividends received	(40.4)	(58.2)
At 31 December	**526.6**	**487.8**

Analysis of the main components of the balance sheet

NOTE 5
Equity

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 5.5).

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 the consolidated level.

At 31 December 2020, the insurance subsidiaries and the Group as a whole complied with these minimum Solvency Capital Requirements.

Compliance with these requirements is regularly monitored, primarily through the Own Risk and Solvency Assessments (ORSA) conducted at Group level and at the level of the insurance subsidiaries in accordance with Solvency II. This information and the solvency capital calculations are reported to France's insurance supervisor (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR).

Treasury shares

The Group may acquire treasury shares via the liquidity contract set up for the purpose of stabilising the CNP Assurances share price or shares under employee share grant plans (see Note 13.3.2). Treasury shares are recorded as a deduction from equity in the IFRS accounts.

5.1 Ownership structure

Shareholder	Number of shares	% interest
La Banque Postale [1]	431,489,340	62.84%
BPCE	110,590,585	16.11%
Total shares held in concert	**542,079,925**	**78.95%**
Private investors	144,538,552	21.05%
of which: CNP Assurances (treasury shares)*	497,753	0.07%
TOTAL	**686,618,477**	**100.00%**

(1) 42.70%-owned directly and 20.15%-owned indirectly *through* the SF2 holding company
* 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 Universal Registration Document for the prior year

5.2 Number of shares

	Ordinary shares	
Issued capital	**31.12.2020**	31.12.2019
Number of shares outstanding at the beginning of the period	686,618,477	686,618,477
Shares issued during the period	0	0
Number of shares outstanding at the end of the period	**686,618,477**	**686,618,477**

5.3 2020 dividends

The recommended 2020 dividend amounts to €1.57 per share, representing a total payout of €1,078.0 million.

In accordance with French government guidelines on the matter, at its meeting on 30 March 2020, the Board of Directors decided to modify the agenda of the Annual General Meeting on 17 April 2020 in order to propose appropriating the total profit for 2019 to retained earnings and to waive the payment of a dividend.

The appropriation of the total profit for 2019 to retained earnings was approved by the Annual General Meeting on 17 April 2020.

5.4 Basic and diluted earnings per share

(In € millions)	31.12.2020	31.12.2019
Profit attributable to owners of the parent	1,350.0	1,411.7
Charge on deeply-subordinated notes, net of tax	(41.8)	(49.6)
Profit attributable to ordinary shares	**1,308.2**	**1,362.1**
Number of ordinary shares at 1 January	686,618,477.0	686,618,477.0
New shares (weighted number)	0.0	0.0
Weighted average number of shares at end of reporting period	**686,618,477.0**	**686,618,477.0**
Treasury shares	(667,390.4)	(453,391.2)
Weighted average number of shares at end of reporting period	**685,951,086.6**	**686,165,085.8**
Impact of instruments with a potential dilution impact	0.0	0.0
Diluted profit attributable to ordinary shares *(in euros per share)*	**1.91**	**1.99**

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.

5.5 Undated subordinated notes reclassified in equity

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.

		31.12.2020		
(In € millions)	Issuance date	Interest rate	Currency	Amount
Subordinated notes (attributable to owners of the parent)				**1,881.3**
CNP Assurances	June 2004	Tec 10 +10 bp, *capped* at 9%	€	300.0
	March 2005	6.50% until March 2008, then 3% +22.5% times 10-year EUR CMS	€	225.0
	March 2005	6.25% until 2009, then 4 times (10-year EUR CMS – 2-year EUR CMS), 9% cap and 2.75% floor	€	23.8
	June 2005	7% until June 2010, then 10-year CMS +30 bp	€	75.0
	May 2006	5.25% until 16 May 2036, then 3-month Euribor +185 bp (including 100 bp step-up at call date)	€	160.0
	December 2006	3-month Euribor +95 bp until 20 December 2026, then 3-month Euribor +195 bp	€	108.0
	November 2014	4% until November 2024, then reset at the 5-year fixed swap rate +410 bp	€	493.6
	June 2018	4.75% until 2028 then reset at the 5-year fixed swap rate +391.4 bp	€	496.0
TOTAL				**1,881.3**

(In € millions)	Issuance date	31.12.2019 Interest rate	Currency	Amount
Subordinated notes (attributable to owners of the parent)				**1,881.3**
CNP Assurances	June 2004	Tec 10 +10 bp, *capped* at 9%	€	300.0
	March 2005	6.50% until March 2008, then 3% +22.5% times 10-year EUR CMS	€	225.0
	March 2005	6.25% until 2009, then 4 times (10-year EUR CMS – 2-year EUR CMS), 9% cap and 2.75% floor	€	23.8
	June 2005	7% until June 2010, then 10-year CMS +30 bp	€	75.0
	May 2006	5.25% until 16 May 2036, then 3-month Euribor +185 bp (including 100 bp step-up at call date)	€	160.0
	December 2006	3-month Euribor +95 bp until 20 December 2026, then 3-month Euribor +195 bp	€	108.0
	November 2014	4% until November 2024, then reset at the 5-year fixed swap rate +410 bp	€	493.6
	June 2018	4.75% until 2028 then reset at the 5-year fixed swap rate +391.4 bp	€	496.0
TOTAL				**1,881.3**

NOTE 6

Intangible assets

6.1 Intangible assets by category

(In € millions)	31.12.2020 Cost	Amortisation	Impairment	Reversals	Carrying amount
Goodwill	597.1	0.0	(408.2)	0.0	188.9
Value of In-Force business	325.6	(154.6)	(158.8)	0.0	12.2
Distribution agreements	3,434.2	(118.1)	0.0	0.0	3,316.1
Software	379.1	(267.7)	0.0	0.0	111.4
Internally-developed software	155.6	(95.0)	0.0	0.0	60.6
Other software	223.6	(172.7)	0.0	0.0	50.8
Other	22.1	(13.2)	(0.1)	0.0	8.8
TOTAL	**4,758.2**	**(553.6)**	**(567.1)**	**0.0**	**3,637.5**

(In € millions)	31.12.2019 Cost	Amortisation	Impairment	Reversals	Carrying amount
Goodwill	644.3	0.0	(414.4)	0.0	229.9
Value of In-Force business	345.3	(170.1)	(158.8)	0.0	16.4
Distribution agreements	389.8	(99.2)	0.0	0.0	290.6
Software	430.5	(300.9)	0.0	0.0	129.6
Internally-developed software	176.8	(124.8)	0.0	0.0	52.0
Other software	253.8	(176.1)	0.0	0.0	77.7
Other	19.1	(12.6)	(0.1)	0.0	6.4
TOTAL	**1,829.0**	**(582.8)**	**(573.3)**	**0.0**	**672.9**

6.2 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 method;
- included in investments accounted for using the equity method when it arises on the acquisition of an entity accounted for using 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. Projected future revenues are estimated by taking the embedded Value of In-Force insurance policies and financial instruments, and the Value of 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 weighted average cost of capital. The terminal values of subsidiaries do not assume growth to infinity.

6.2.1 Goodwill by company

(In € millions)	Original goodwill	**Net goodwill at 31.12.2020**	Net goodwill at 31.12.2019
Groupe Caixa Seguros	389.9	99.7	140.7
CNP UniCredit Vita	366.5	0.0	0.0
CNP Partners	7.2	0.0	0.0
CNP Cyprus Insurance holdings	81.6	34.8	34.8
CNP Santander Insurance	54.4	54.4	54.4
TOTAL	**899.6**	**188.9**	**229.9**

Caixa Seguros Group

Expected future cash flows have been calculated at 31 December 2020 based on projections in the 2021-2030 business plan, restated at zero for the period post-31 December 2020 for the life and consumer credit life insurance and private pension plan business lines (vida, prestamista, previdência) that are covered by a specific new distribution agreement for which the upfront payment was not taken into account in the calculation presented here.

CNP Cyprus Insurance Holdings

Expected future cash flows from the life business have been calculated at 31 December 2020 based on projections in the 2021-2025 business plan, extrapolated over the period to 2030 using a 5% growth rate for individual life insurance premiums, 3% for group life insurance, 4.3% for accident/health insurance and 0% for term creditor insurance.

For the non-life business, projections have been extrapolated using a stable annual growth rate of 4%.

CNP Santander Insurance

Expected future cash flows have been calculated at 31 December 2020 based on projections in the 2021-2025 business plan, extrapolated over the period to the end of the shareholder agreement (2034) using a constant growth rate. The CNP Santander Insurance acquisition agreement includes an earn-out/earn-in clause based on the performance of the three entities included in the deal. The potential effect of applying this clause was not taken into account during the initial purchase price allocation.

For the above three entities, growth assumptions cover a period of 10 years or the duration of the partnership agreement, whichever is longer. The discount rate is calculated based on the local 10-year government bond rate net of tax plus a risk premium of 5%. The 2020 discount rate is below that applied in 2019 (6.5%). Sensitivity tests have been performed to assess the effect of a 10% decline in business volume and increases of 2% and 4% in the risk premium.

At 31 December 2020, the recoverable amount of goodwill, as determined using the above assumptions, was greater than its carrying amount and no impairment loss was recognised.

6.2.2 Changes in goodwill for the period

(In € millions)	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**229.9**	**253.7**
Goodwill recognised during the period	0.0	0.0
Adjustments to provisional accounting	0.0	0.0
Translation adjustment on gross goodwill*	(41.0)	(2.1)
Other movements	0.0	0.0
Impairment losses recognised during the period	0.0	(21.7)
Translation adjustment on movements during the period	0.0	0.0
Carrying amount at the end of the period	**188.9**	**229.9**

* Translation adjustments on gross goodwill concern the Brazilian companies Caixa Seguradora and Previsul

6.3 Value of In-Force business and distribution agreements

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.

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.

6.3.1 Value of In-Force business

(In € millions)	Original value	Carrying amount at 31.12.2020	Carrying amount at 31.12.2019
Groupe Caixa Seguros	123.5	1.2	2.1
CNP UniCredit Vita	175.3	0.0	0.0
CNP Partners	24.0	2.3	4.0
CNP Assurances Compañia de Seguros	0.9	0.0	0.0
CNP Cyprus Insurance holdings	44.4	8.0	8.8
MFPrevoyance SA	8.3	0.0	0.0
CNP Santander Insurance	14.7	0.8	1.5
TOTAL	**391.0**	**12.2**	**16.4**

6.3.2 Changes in the Value of In-Force business

(In € millions)	31.12.2020	31.12.2019
Gross amount at the beginning of the period	**345.3**	**344.6**
Newly-consolidated companies	0.0	0.0
Translation adjustments	(19.6)	(1.1)
Acquisitions for the period	0.0	0.0
Disposals for the period	0.0	0.0
Other movements	0.0	1.8
Gross amount at the end of the period	**325.6**	**345.3**
Accumulated amortisation and impairment at the beginning of the period	(328.9)	(325.8)
Translation adjustments	19.1	1.1
Amortisation for the period	(3.6)	(4.2)
Impairment losses recognised during the period	0.0	0.0
Impairment losses reversed during the period	0.0	0.0
Disposals for the period	0.0	0.0
Other movements	0.0	0.0
Accumulated amortisation and impairment at the end of the period	**(313.4)**	**(328.9)**
CARRYING AMOUNT AT THE END OF THE PERIOD	**12.2**	**16.4**

6.3.3 Carrying amount of distribution agreements

(In € millions)	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**290.6**	**310.3**
Acquisitions for the period	3,045.2	0.0
Amortisation for the period	(19.6)	(19.7)
Impairment losses recognised during the period	0.0	0.0
Translation adjustments	(0.1)	0.0
Other movements	0.0	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**3,316.1**	**290.6**

The acquisition for the period corresponds to the new agreement with Caixa Econômica Federal (CEF) for the distribution in Brazil of life insurance, consumer credit life insurance and private pension plans (see Note 1).

For recognition purposes, the distribution agreements have been valued at €3,045 million, of which €1,218 million is attributable to the Group. The intangible asset is being amortised by the straight-line method over the life of the agreement, i.e., 25 years.

In accordance with IFRS, at the end of each reporting period, the Group will assess whether there is any indication that the asset may be impaired. If any such indication exists, the asset's estimated recoverable amount will be calculated.

6.4 Software and other intangible assets

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 evolutive 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 periods of between five and eight years.

6.4.1 Internally-developed software

(In € millions)	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**52.0**	**59.9**
Acquisitions for the period	25.2	24.7
Amortisation for the period	(11.8)	(14.4)
Disposals for the period*	(4.8)	(18.2)
Translation adjustments	0.0	0.0
Other movements	0.0	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**60.6**	**52.0**

* Disposals also include assets scrapped during the year

6.4.2 Other software and other intangible assets

(In € millions)	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**84.0**	**89.5**
Newly-consolidated companies	16.5	30.1
Amortisation for the period	(20.6)	(40.9)
Disposals for the period*	(7.3)	9.0
Translation adjustments	(17.1)	(1.3)
Other movements	4.2	(2.4)
CARRYING AMOUNT AT THE END OF THE PERIOD	**59.7**	**84.0**

* Disposals also include assets scrapped during the year

NOTE 7
Owner-occupied property and other property and equipment

The Group has elected to measure owner-occupied property using the cost model, as allowed by IAS 16.

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

Borrowing costs are included in the cost of the asset when they are directly attributable to acquisition or construction and are 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 owner-occupied 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

In accordance with IAS 36, owner-occupied properties are tested for impairment at the level of the cash-generating unit to which they belong and are therefore excluded from the scope of impairment tests on investment property.

Equipment

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.

Owner-occupied property *(In € millions)*	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**118.6**	**263.4**
Acquisitions	0.5	4.7
Post-acquisition costs included in the carrying amount of property	0.0	0.0
Properties acquired through business combinations	0.0	0.0
Disposals*	0.0	(149.0)
Depreciation for the period	(3.4)	(4.5)
Impairment losses recognised during the period	0.0	(0.4)
Impairment losses reversed during the period	0.2	0.2
Translation adjustments	(12.8)	(0.8)
Other movements	0.3	5.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**103.5**	**118.6**

* In 2019 disposals included the sale of the headquarters building

Other property and equipment *(In € millions)*	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**56.8**	**47.6**
Acquisitions for the period	26.6	49.1
Depreciation for the period	(20.4)	(26.5)
Disposals for the period	(6.0)	(13.7)
Translation adjustments	(3.2)	(0.2)
Other movements	(4.9)	0.5
CARRYING AMOUNT AT THE END OF THE PERIOD	**48.9**	**56.8**

NOTE 8
Insurance investments

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 the Group's Brazilian subsidiary;
- 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 9.2) 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 9.2) 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.

Mutual funds and non-trading property companies are fully consolidated (in accordance with IFRS 10) or accounted for by the equity method (in accordance with IAS 28). The level of control of mutual funds is assessed separately for each fund based on the following criteria:

- the relationship between the principal and the agent;
- the Group's power over the fund manager;
- the Group's exposure to variable returns, as assessed by applying a specific threshold.

Non-controlling interests in fully consolidated mutual funds are reported on a separate line of the consolidated balance sheet, "Liabilities towards holders of units in controlled mutual funds". Units in mutual funds are measured using the fund's most recently published net asset value. The underlying financial assets are reported in the consolidated balance sheet under "Insurance investments" based on their contribution to the fund's net asset value.

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 International Swaps and Derivatives Association (ISDA), 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 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 impairment loss is reversed in profit or loss.

Structured entities

CNP Assurances' business involves investing in different types of financial assets both in policyholder and own-fund 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 non-consolidated structured entities are disclosed in Note 8.2.4 of the annual financial statements, in compliance with paragraph 26 of IFRS 12 ("An entity shall disclose qualitative and quantitative information about its interests in unconsolidated structured entities, including, but not limited to, the nature, purpose, size and activities of the structured entity and how the structured entity is financed.")

8.1 Investment 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 property using the cost model (see Note 7 for details), as allowed by IAS 40, 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 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.

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.

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 amounts 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 transaction 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.

Carrying amount of investment property *(In € millions)*	**31.12.2020**	31.12.2019
Investment property measured by the cost model		
Gross value	961.2	982.2
Accumulated depreciation	(251.4)	(243.2)
Accumulated impairment losses	(4.0)	(4.6)
Carrying amount	**705.7**	**734.4**
Investment property measured by the fair value model		
Gross value	1,705.2	1,580.8
TOTAL INVESTMENT PROPERTY	**2,411.0**	**2,315.3**

Investment property at amortised cost *(In € millions)*	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**734.4**	**1,029.8**
Acquisitions	16.5	38.6
Post-acquisition costs included in the carrying amount of property	0.0	0.0
Properties acquired through business combinations	0.0	0.0
Disposals	(16.3)	(27.2)
Depreciation for the period	(21.8)	(26.7)
Impairment losses recognised during the period	(0.2)	(1.2)
Impairment losses reversed during the period	0.8	0.8
Translation adjustments	(8.1)	(0.6)
Other movements	0.4	(279.0)
CARRYING AMOUNT AT THE END OF THE PERIOD	**705.7**	**734.4**

Investment property measured by the fair value model *(In € millions)*	31.12.2020	31.12.2019
Carrying amount at the beginning of the period	**1,580.8**	**1,510.2**
Acquisitions	171.4	188.5
Post-acquisition costs included in the carrying amount of property	0.0	0.0
Properties acquired through business combinations	0.0	0.0
Disposals	(12.8)	(56.6)
Net gains arising from remeasurement at fair value	(29.7)	(21.7)
Translation adjustments	0.0	0.2
Other movements	(4.5)	(39.8)
CARRYING AMOUNT AT THE END OF THE PERIOD	**1,705.2**	**1,580.8**

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 Investments by category

The following tables show the fair value of securities held by the Group, by category and intended holding period.

8.2.1 Investments at 31 December 2020

(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					11,405.5	
	Variable-rate bonds					21,433.0	
	TCNs (money market securities)					1,007.6	
	Equities					5,616.5	
	Investment funds					46,624.2	
	Shares in non-trading property companies					1,725.5	
	Other (including lent securities and repos)					3,120.9	
	Total					**90,933.2**	
Derivative instruments	Derivative instruments (positive fair value)					530.6	
	Derivative instruments (negative fair value)					(912.3)	
	Total					**(381.7)**	
Available-for-sale financial assets	Fixed-rate bonds	158,525.5	2,404.4	(5.9)	15,397.9	176,321.9	
	Variable-rate bonds	16,480.8	644.9	(16.1)	1,907.9	19,017.4	
	TCNs (money market securities)	4,155.5	0.0	0.0	(5.4)	4,150.1	
	Equities	12,911.1	0.0	(1,940.8)	6,987.7	17,958.0	
	Investment funds	48,079.5	0.0	(422.2)	4,392.8	52,050.2	
	Shares in non-trading property companies	8,369.5	0.0	(456.7)	3,200.2	11,113.0	
	Non-voting loan stock	369.1	0.0	(5.8)	39.2	402.5	
	Other (including lent securities and repos)	23,054.5	(706.5)	0.0	2,343.8	24,691.7	
	Total	**271,945.5**	**2,342.7**	**(2,847.4)**	**34,264.1**	**305,704.9**	
Held-to-maturity investments	Fixed-rate bonds	21.4				21.4	0.0
	Variable-rate bonds	123.2				123.2	19.6
	Other (including lent securities and repos)	0.0				0.0	0.0
	Total	**144.6**				**144.6**	**19.6**
Loans and receivables	Loans and receivables	5,140.2		(17.1)		5,123.1	0.0
	Total	**5,140.2**		**(17.1)**		**5,123.1**	**0.0**
Investment property	Investment property at amortised cost	961.2	(251.4)	(4.0)	0.0	705.7	1,027.5
	Investment property measured by the fair value model	1,705.2	0.0			1,705.2	0.0
	Total	**2,666.4**	**(251.4)**	**(4.0)**	**0.0**	**2,411.0**	**1,027.5**
TOTAL				**(2,868.5)**	**34,264.1**	**403,935.0**	**1,047.1**

TRADITIONAL SAVINGS AND UNIT-LINKED PORTFOLIOS AT FAIR VALUE THROUGH PROFIT OR LOSS AT 31 DECEMBER 2020

(In € millions)	Carrying amount		
	Unit-Linked	Traditional Savings	Total
Fixed-rate bonds	6,426.1	4,979.4	11,405.5
Variable-rate bonds	14,995.5	6,437.4	21,433.0
TCNs (money market securities)	0.0	1,007.6	1,007.6
Equities	1,052.8	4,563.7	5,616.5
Investment funds	38,122.6	8,501.6	46,624.2
Shares in non-trading property companies and investment property*	3,389.6	41.1	3,430.7
Other	3,018.4	102.5	3,120.9
TOTAL	**67,005.0**	**25,633.4**	**92,638.4**

* Investment properties and shares in non-trading property companies are reported together in an amount of €1,705.2 million.

Derivative instruments with a positive fair value are recorded as assets and those with a negative fair value are recorded as liabilities.

8.2.2 Investments at 31 December 2019

(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					14,853.9	
	Variable-rate bonds					23,278.7	
	TCNs (money market securities)					667.7	
	Equities					5,432.7	
	Investment funds					43,653.9	
	Shares in non-trading property companies					1,515.2	
	Other (including lent securities and repos)					3,367.7	
	Total					**92,769.8**	
Derivative instruments	Derivative instruments (positive fair value)					525.9	
	Derivative instruments (negative fair value)					(1,132.0)	
	Total					**(606.1)**	
Available-for-sale financial assets	Fixed-rate bonds	162,306.9	2,214.5	(5.4)	13,536.3	178,052.2	
	Variable-rate bonds	16,988.3	733.9	(17.0)	1,940.4	19,645.5	
	TCNs (money market securities)	3,680.8	0.0	0.0	(3.1)	3,677.7	
	Equities	12,692.7	0.0	(2,105.7)	7,803.2	18,390.2	
	Investment funds	45,154.9	0.0	(331.6)	3,650.3	48,473.6	
	Shares in non-trading property companies	7,496.2	0.0	(358.7)	3,191.8	10,329.4	
	Non-voting loan stock	42.3	0.0	(5.1)	23.3	60.5	
	Other (including lent securities and repos)	23,099.1	(572.2)	(23.3)	2,121.8	24,625.3	
	Total	**271,461.2**	**2,376.1**	**(2,846.7)**	**32,263.9**	**303,254.4**	

(In € millions)		Cost	Amor-tisation	Impairment	Fair value adjustments	Carrying amount	Unrealised gains and losses
Held-to-maturity investments	Fixed-rate bonds	29.4				29.4	2.3
	Variable-rate bonds	183.5				183.5	34.8
	Other (including lent securities and repos)	23.6				23.6	0.6
	Total	**236.5**				**236.5**	**37.7**
Loans and receivables	Loans and receivables	4,715.7		(17.1)		4,698.5	0.0
	Total	**4,715.7**		**(17.1)**		**4,698.5**	**0.0**
Investment property	Investment property at amortised cost	982.2	(243.2)	(4.6)	0.0	734.4	1,034.2
	Investment property measured by the fair value model	1,580.8	0.0			1,580.8	0.0
	Total	**2,563.0**	**(243.2)**	**(4.6)**	**0.0**	**2,315.3**	**1,034.2**
TOTAL				**(2,868.4)**	**32,263.9**	**402,668.4**	**1,071.9**

TRADITIONAL SAVINGS AND UNIT-LINKED PORTFOLIOS AT FAIR VALUE THROUGH PROFIT OR LOSS AT 31 DECEMBER 2019

	Carrying amount		
(In € millions)	Unit-linked	Traditional savings	Total
Fixed-rate bonds	9,050.7	5,803.2	14,853.9
Variable-rate bonds	14,897.0	8,381.7	23,278.7
TCNs (money market securities)	30.6	637.1	667.7
Equities	842.6	4,590.0	5,432.7
Investment funds	35,010.4	8,643.5	43,653.9
Shares in non-trading property companies and investment property*	3,054.6	41.4	3,096.1
Other	3,048.9	318.8	3,367.7
TOTAL	**65,934.8**	**28,415.8**	**94,350.6**

* Investment properties and shares in non-trading property companies are reported together in an amount of €1,580.8 million

Derivative instruments with a positive fair value are recorded as assets and those with a negative fair value are recorded as liabilities.

8.2.3 Reconciliation of insurance investments in the balance sheet to investments analysed in Notes 8.2.1 and 8.2.2

(In € millions)	**31.12.2020**	31.12.2019
Analysis of investments	403,935.0	402,668.4
Balance sheet – Liabilities – Derivative instruments (negative fair value)	(912.3)	(1,132.0)
Balance sheet – Assets – Insurance investments	404,847.3	403,800.4
VARIANCE	**0.0**	**0.0**

8.2.4 Non-consolidated structured entities

8.2.4.1 Non-consolidated structured entities at 31 December 2020

	Investment funds (excluding unit-linked)		Securitisation vehicles and asset-backed financings (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	10,806.3	71.2	190.3	3.7	0.0	0.0
Financial assets designated on initial recognition as being at fair value through profit or loss	3.6	(5.1)	1.0	(0.3)	35,835.2	545.6
Available-for-sale financial assets	47,365.2	74.3	4,890.6	60.2	2.6	0.0
TOTAL ASSETS	**58,175.2**	**140.4**	**5,081.8**	**63.7**	**35,837.8**	**545.6**

8.2.4.2 Non-consolidated structured entities at 31 December 2019

	Investment funds (excluding unit-linked)		Securitisation vehicles and asset-backed financings (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	11,081.3	187.7	340.3	1.0	0.0	0.0
Financial assets designated on initial recognition as being at fair value through profit or loss	9.9	(0.5)	2.2	(0.1)	32,575.8	3,550.1
Available-for-sale financial assets	44,580.9	913.0	4,047.2	80.5	0.0	0.0
TOTAL ASSETS	**55,672.1**	**1,100.1**	**4,389.7**	**81.4**	**32,575.8**	**3,550.1**

8.3 Measurement of assets recognised 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 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.

The prices established by the counterparties are obtained in principle every month, in particular following the signature of a liquidity letter. The valuations communicated by the counterparties correspond to an economic value of the securities.

The CNP Assurances Group verifies the reliability of these data from an evaluation whenever possible (estimated future cash flows for example) or questions counterparties as to the methodologies used if necessary. The values of the counterparties examined so far have been confirmed by the CNP Assurances Group, which ensures both the quality of the counterparty valuation methods and the quality of the ratings of the issues and the absence of a credit incident.

Fair value hierarchies

Financial instruments are classified in three categories based on the fair value hierarchy, as follows:

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 listed on an organised market.

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

These include:

- certain structured products measured using an internal model and mainly market parameters;
- derivative instruments purchased over-the-counter that are measured using an internal model and mainly market parameters;
- TCN money-market securities other than BTANs that are no longer listed and are 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 over-the-counter financial instruments.

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 uses valuations of its complex products prepared internally, or by an external valuer, acting as a delegate. They include structured products and derivative instruments used for hedging purposes. Due to their complexity, the valuation process involves using sophisticated models and methods, generally based on a probabilistic approach.

Overall, these two product categories are valued using market models and the market data required for each model at the calculation date (see table below).

Structured products	Models/Methods
Interest-rate linked structured notes	4-Factor Libor Market Model (LMM)
	Hybrid Equity Black-FX Model
	Hull-White 1-Factor Model
Equity linked structured notes	Dupire model
	Heston model
	Dupire hybrid equation – Hull-White 1-Factor Model
Inflation-indexed complex structured products	Jarrow-Yildirim model

Asset class	Financial instruments	Models/Methods
Inflation derivatives	**Inflation swaps**	Future cash flows discounted using bi-curve model
	Swaps with an embedded option	Black model
	Caps/floors	SABR smile model
		Hull-White One-Factor Model (stochastic volatility)
		CMS replication
Inflation derivatives	**Swap inflation**	Black model
		SABR smile model
Credit derivatives	**CDS options**	Black-Scholes formula (Markit volatilities)
Equity derivatives	**Floors**	Heston model calibrated across the SX5E's entire implicit volatility surface and Black-Scholes using historical volatility for the EMTXGC and QW1M funds
	CAC and SX5E puts	Black-Scholes model with volatility surface developed based on option prices quoted on Bloomberg
JPY swaps (with currency option at each swaplet)	**JPY swaps (with currency option at each swaplet)**	FX Basket (FXBA) model with Black-Scholes (Reuters volatilities)
Funds	**Fund options (Quattro)**	Black Basket model with historical volatility

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.

This category includes CNP Assurances' investments in unlisted companies and certain asset-backed securities. Unlisted securities are measured using information not available on an active market. The main valuation techniques are the market multiples method, comparisons with recent market transactions and the discounted dividends method, corresponding to the techniques commonly used to manage these instruments.

In addition, some complex structured securities and for which valuation is obtained through the counterparty are classified in this category.

8.3.1 Valuation methods at 31 December 2020

(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*	81,123.1	8,236.9	2,103.7	91,463.8
Available-for-sale financial assets	276,752.5	17,946.5	11,005.9	305,704.9
TOTAL FINANCIAL ASSETS	**357,875.6**	**26,183.4**	**13,109.6**	**397,168.6**
Investment property at amortised cost	0.0	1,733.3	0.0	1,733.3
Investment property measured by the fair value model	0.0	1,705.2	0.0	1,705.2
TOTAL INVESTMENT PROPERTY	**0.0**	**3,438.5**	**0.0**	**3,438.5**
Financial liabilities at fair value through profit or loss				0.0
Financial liabilities – financial instruments without DPF (excluding unit-linked)	494.1	0.0	0.0	494.1
Financial liabilities (linked liabilities) – financial instruments without DPF	3,439.0	0.0	0.0	3,439.0
Derivative financial instruments (liabilities)	0.0	912.3	0.0	912.3
TOTAL FINANCIAL LIABILITIES	**3,933.1**	**912.3**	**0.0**	**4,845.4**

* Includes derivative financial instruments (assets)

Financial assets classified as level 2 in the fair value hierarchy can be analysed as follows by type:

(In € millions)	31.12.2020
Debt securities	9,319.5
O/w Structured bonds	*61.0*
Shares in non-trading property companies	10,683.0
Investment funds	714.7
Unit-linked portfolios	4,902.9
Other (including derivative instruments)	563.3
TOTAL "LEVEL 2" FINANCIAL ASSETS	**26,183.4**

Financial assets classified as level 3 in the fair value hierarchy can be analysed as follows by type:

(In € millions)	31.12.2020
Debt securities	3,168.5
O/w Structured bonds	*208.9*
Shares in non-trading property companies	0.2
Investment funds	8,518.2
Unit-linked portfolios	39.9
Other (including derivative instruments)	1,382.8
TOTAL "LEVEL 3" FINANCIAL ASSETS	**13,109.6**

8.3.2 Valuation methods at 31 December 2019

(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*	80,705.6	10,274.7	2,315.4	93,295.7
Available-for-sale financial assets	276,742.3	17,129.4	9,382.6	303,254.4
TOTAL FINANCIAL ASSETS	**357,447.9**	**27,404.1**	**11,698.0**	**396,550.1**
Investment property at amortised cost	0.0	1,768.6	0.0	1,768.6
Investment property measured by the fair value model	0.0	1,580.8	0.0	1,580.8
TOTAL INVESTMENT PROPERTY	**0.0**	**3,349.4**	**0.0**	**3,349.4**
Financial liabilities at fair value through profit or loss				0.0
Financial liabilities – financial instruments without DPF (excluding unit-linked)	635.8	0.0	0.0	635.8
Financial liabilities (linked liabilities) – financial instruments without DPF	3,643.7	0.0	0.0	3,643.7
Derivative financial instruments (liabilities)	0.0	1,132.0	0.0	1,132.0
TOTAL FINANCIAL LIABILITIES	**4,279.4**	**1,132.0**	**0.0**	**5,411.4**

* Includes derivative financial instruments (assets).

Financial assets classified as level 2 in the fair value hierarchy can be analysed as follows by type:

(In € millions)	31.12.2019
Debt securities	10,857.8
O/w Structured bonds	*80.1*
Shares in non-trading property companies	9,697.9
Investment funds	468.6
Unit-linked portfolios	5,792.5
Other (including derivative instruments)	587.4
TOTAL "LEVEL 2" FINANCIAL ASSETS	**27,404.1**

Financial assets classified as level 3 in the fair value hierarchy can be analysed as follows by type:

(In € millions)	31.12.2019
Debt securities	2,369.6
O/w Structured bonds	*312.6*
Shares in non-trading property companies	0.0
Investment funds	7,705.4
Unit-linked portfolios	92.9
Other (including derivative instruments)	1,530.1
TOTAL "LEVEL 3" FINANCIAL ASSETS	**11,698.0**

The Group's derivative instruments are collateralised and the counterparty risk is therefore limited. In addition, the credit value adjustment ("CVA") is not material, due to the nature of the Group's forward financial instruments and the calculation base.

8.3.3 Reconciliation of movements for the period in securities measured using a valuation model not based solely on observable market inputs

	31.12.2020												
(In € millions)	Opening carrying amount	Scope entry	Acquisition	Maturity	Transfers to category 3 (additions)	Transfers from category 3 (disposals)	Impact of sales of securities at fair value through profit or loss	Impact of sales of available-for-sale financial assets	Remeasurement at fair value through equity	Remeasurement at fair value through profit or loss	Impairment	Translation adjustments	Closing carrying amount
Financial assets at fair value through profit or loss	2,315.4		64.7	(16.5)	0.0	(249.4)	(14.4)	0.0	0.0	3.9	0.0	0.0	2,103.7
Available-for-sale financial assets	9,382.6	600.6	2,996.4	(366.1)	150.8	(547.5)	0.0	(932.7)	(263.3)	0.0	(11.5)	(3.4)	11,005.9
TOTAL FINANCIAL ASSETS	**11,698.0**	**600.6**	**3,061.1**	**(382.6)**	**150.8**	**(796.9)**	**(14.4)**	**(932.7)**	**(263.3)**	**3.9**	**(11.5)**	**(3.4)**	**13,109.6**
Investment property at fair value	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investment property at amortised cost	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL INVESTMENT PROPERTY	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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**	**0.0**

	31.12.2019											
(In € millions)	Opening carrying amount	Acquisition	Maturity	Transfers to category 3 (additions)	Transfers from category 3 (disposals)	Impact of sales of securities at fair value through profit or loss	Impact of sales of available-for-sale financial assets	Remeasurement at fair value through equity	Remeasurement at fair value through profit or loss	Impairment	Translation adjustments	Closing carrying amount
Financial assets at fair value through profit or loss	1,698.5	176.2	(56.8)	467.4	(0.2)	(129.1)	0.0	0.0	159.3	0.0	0.0	2,315.4
Available-for-sale financial assets	7,620.5	1,603.6	(376.4)	1,255.2	(87.7)	0.0	(793.8)	118.7	0.0	42.7	(0.3)	9,382.6
TOTAL FINANCIAL ASSETS	**9,319.0**	**1,779.9**	**(433.2)**	**1,722.6**	**(87.9)**	**(129.1)**	**(793.8)**	**118.7**	**159.3**	**42.7**	**(0.3)**	**11,698.0**
Investment property at fair value	27.1	0.0	0.0	0.0	(27.2)	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Investment property at amortised cost	13.4	0.0	0.0	0.0	(13.5)	0.0	0.0	0.0	0.0	0.0	0.1	0.0
TOTAL INVESTMENT PROPERTY	**40.5**	**0.0**	**0.0**	**0.0**	**(40.8)**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.3**	**0.0**
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**

8.4 Repurchase agreements/Lent securities

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.

The following table analyses the carrying amount of securities sold under repurchase agreements, by asset category and intended holding period:

		Carrying amount	
(In € millions)		**31.12.2020**	31.12.2019
Available-for-sale financial assets	Fixed-rate bonds	13,861.2	12,695.9
	Equities	0.0	0.0
TOTAL		**13,861.2**	**12,695.9**

The following table analyses the carrying amount of lent securities, by asset category and intended holding period:

		Carrying amount	
(In € millions)		**31.12.2020**	31.12.2019
Available-for-sale financial assets	Fixed-rate bonds	10,815.1	11,675.0
	Equities (quoted)	0.0	0.0
TOTAL		**10,815.1**	**11,675.0**

8.5 Movements for the period

8.5.1 2020

(In € millions)	Opening carrying amount	Additions	Disposals	Fair value adjust-ments	Additions to provi-sions for impair-ment*	Reversals of provi-sions for impair-ment*	Changes in scope of conso-lidation	Other	Closing carrying amount
Securities held for trading	92,769.8	37,504.1	(34,417.1)	923.2	0.0	0.0	0.0	(5,846.8)	90,933.2
Derivative instruments	(606.1)	(4.4)	(290.7)	519.4	0.0	0.0	0.0	0.0	(381.7)
Available-for-sale financial assets	303,254.4	119,038.3	(117,531.7)	2,038.8	(385.2)	379.0	501.0	(1,589.7)	305,704.9
Held-to-maturity investments	236.5	35.6	(75.7)	0.0	0.0	0.0	0.0	(51.8)	144.6
Loans and receivables	4,698.5	782.7	(549.1)	0.0	0.0	0.0	0.0	191.0	5,123.1
Investment property	2,315.3	165.8	(29.0)	(29.7)	0.0	0.8	0.0	(12.2)	2,411.0
TOTAL	**402,668.4**	**157,522.1**	**(152,893.3)**	**3,451.6**	**(385.2)**	**379.8**	**501.0**	**(7,309.4)**	**403,935.0**

* See Note 18.3

8.5.2 2019

(In € millions)	Opening carrying amount	Additions	Disposals	Fair value adjust-ments	Additions to provisions for impairment*	Reversals of provisions for impairment*	Changes in scope of conso-lidation	Other	Closing carrying amount
Securities held for trading	81,602.9	51,215.2	(47,452.8)	6,401.8	0.0	0.0	188.9	813.7	92,769.8
Derivative instruments	94.4	11.0	(170.4)	(541.0)	0.0	0.0	0.0	0.0	(606.1)
Available-for-sale financial assets	289,342.7	140,714.2	(133,274.8)	7,558.6	(463.6)	1,518.6	0.0	(2,141.2)	303,254.4
Held-to-maturity investments	396.3	26.8	(184.3)	0.0	0.0	0.0	0.0	(2.4)	236.5
Loans and receivables	4,891.3	1,533.0	(1,179.1)	0.0	0.0	0.0	0.0	(546.7)	4,698.5
Investment property	2,540.0	200.2	(99.5)	(17.8)	(1.0)	0.0	(307.4)	0.8	2,315.3
TOTAL	**378,867.7**	**193,700.3**	**(182,360.9)**	**13,401.6**	**(464.7)**	**1,518.6**	**(118.5)**	**(1,875.8)**	**402,668.4**

* See Note 18.3

8.6 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.

The following table analyses derivative instruments recorded in assets (positive fair value) and in liabilities (negative fair value) by maturity:

	31.12.2020											
	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)	JV +	JV -	JV +	JV -	JV +	JV -	JV +	JV -	JV +	JV -	JV +	JV -
Swap	2.7	(46.0)	12.0	(269.0)	12.3	(267.8)	0.0	(82.8)	67.7	(170.1)	94.7	(835.7)
Cap/floor	0.0	0.0	9.7	0.0	24.0	0.0	2.7	0.0	0.0	0.0	36.4	0.0
Equity	89.5	(13.9)	302.1	(62.7)	7.9	0.0	0.0	0.0	0.0	0.0	399.5	(76.6)
TOTAL	**92.1**	**(59.8)**	**323.9**	**(331.7)**	**44.2**	**(267.8)**	**2.7**	**(82.8)**	**67.7**	**(170.1)**	**530.6**	**(912.3)**

	31.12.2019											
	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	7.1	(206.3)	18.5	(365.6)	5.9	(286.8)	0.0	(85.9)	45.9	(138.3)	77.4	(1,082.9)
Cap/floor	0.0	0.0	14.4	0.0	74.6	0.0	3.7	0.0	0.0	0.0	92.7	0.0
Equity	11.1	(12.2)	336.9	(36.9)	7.8	0.0	0.0	0.0	0.0	0.0	355.8	(49.1)
TOTAL	**18.2**	**(218.5)**	**369.8**	**(402.5)**	**88.3**	**(286.8)**	**3.7**	**(85.9)**	**45.9**	**(138.3)**	**525.9**	**(1,132.0)**

8.7 Derivative instruments qualifying for 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.

For all hedging instruments, the Group (i) documents the hedging relationship and the risk management objective and strategy for undertaking the hedge, and (ii) assesses 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 as follows:

	Currency derivatives	
(In € millions)	**31.12.2020**	31.12.2019
Notional amount*	**741.2**	**1,452.7**
Cash flow hedge reserve	**(23.9)**	**25.8**
Change in cash flow hedge reserve during the period	(76.3)	(10.3)
Cash flow hedge reserve recycled through profit or loss during the period	56.5	27.9
Deferred taxes	(4.2)	8.2

* At 31 December 2019, the notional amount includes currency hedges covering the payment due upon renewal of the agreements in Brazil

Two types of derivatives used by the Group are designated as part of a hedging relationship and qualify for hedge accounting.

a) Currency swaps

Derivative instruments correspond to two currency swaps used to hedge against fluctuations in the exchange rate that could impact annual interest payments and principal repayments on two issues denominated in foreign currencies:

- the first concerns sterling-denominated subordinated notes issued in 2011 and hedges payments on the notes through to 30 September 2021 against fluctuations in the sterling-euro exchange rate,
- the second concerns subordinated notes issued in US dollars in January 2016 and hedges payments on the notes through to 22 January 2029.

These instruments qualify for hedge accounting as cash flow hedges (see above);

b) Currency options

In 2019, the Group purchased currency options to hedge the impact of a possible increase in the exchange rate for the Brazilian real against the euro on cash flows related to the renewal of the agreements with Caixa Econômica Federal in Brazil. These options qualified for hedge accounting as cash flow hedges. The hedges covered part of the payment to be made on the closing date for the distribution agreements with the Group's local partner, Caixa Seguridade.

During 2020, the options' notional amount, expiry date and exchange rate were adjusted to take account of ongoing negotiations. All the options were cancelled in December 2020, when the hedged payments were made.

The accounting impact of the adjustments was recognised:

- in the cash flow hedge reserve for the amount corresponding to the payment made to cancel the options that were replaced by new ones; the reserve was subsequently reclassified to the income statement to offset part of the hedged payment,
- in the income statement, for the premiums paid during the year and the unamortised balance of the premiums paid in prior years.

8.8 Credit risk

8.8.1 Analysis of the bond portfolio at 31 December 2020 by issuer rating

Rating *(In € millions)*	Bond portfolio at fair value	%
AAA	15,576.7	6.0%
AA	121,848.6	47.2%
A	51,565.2	20.0%
BBB	49,281.6	19.1%
< BBB	17,319.3	6.7%
NR	2,686.1	1.0%
TOTAL	**258,277.5**	**100.0%**

8.8.2 Analysis of the bond portfolio at 31 December 2019 by issuer rating

Rating *(In € millions)*	Bond portfolio at fair value	%
AAA	17,707.1	6.7%
AA	124,372.9	46.9%
A	49,894.4	18.8%
BBB	48,739.0	18.4%
< BBB	21,911.5	8.3%
NR	2,489.5	0.9%
TOTAL	**265,114.4**	**100.0%**

8.9 Classification of investments by category and by geographic region

8.9.1 Classification of investments by category and by geographic region at 31 December 2020

(In € millions)		France	Germany	Italy	Rest of Europe	United States	Brazil	Other	Total
Available-for-sale financial assets	Debt securities	96,507.2	10,527.0	12,020.7	41,655.2	18,919.7	2,122.9	17,736.8	199,489.5
	Investment funds	41,095.8	345.4	18.7	9,987.1	597.9	0.0	5.2	52,050.2
	Equities	11,249.2	3,366.6	310.8	2,307.3	0.0	0.0	724.1	17,958.0
	Other	31,949.3	111.7	0.0	3,897.2	210.5	8.0	30.5	36,207.2
Held-for-trading and FVO	Debt securities	11,653.8	810.6	1,464.4	3,120.3	1,188.9	14,172.9	1,435.2	33,846.1
	Investment funds	33,845.1	68.9	50.4	12,027.6	164.0	390.8	77.4	46,624.2
	Equities	2,187.6	524.8	445.6	955.4	783.0	348.5	371.6	5,616.5
	Other	4,576.8	0.0	113.6	54.6	0.0	101.3	0.0	4,846.4
Held-to-maturity investments	Debt securities	0.0	0.0	0.0	0.0	0.0	144.6	0.0	144.6
Loans and receivables		5,006.4	0.0	0.0	112.8	0.0	0.0	4.0	5,123.1
Derivative instruments		(372.2)	0.0	0.0	(9.5)	0.0	0.0	0.0	(381.7)
Investment property		2,334.6	0.0	0.0	57.7	0.0	18.6	0.0	2,411.0
TOTAL		**240,033.5**	**15,755.1**	**14,424.2**	**74,165.7**	**21,864.0**	**17,307.6**	**20,384.8**	**403,935.0**

SOVEREIGN DEBT EXPOSURE BY GEOGRAPHIC REGION

List of countries *(In € millions)*	31.12.2020			31.12.2019		
	Gross exposure – carrying amount*	Gross exposure – fair value	Net exposure – fair value	Gross exposure – carrying amount*	Gross exposure – fair value	Net exposure – fair value
France	78,073.1	89,384.4	8,189.2	79,165.8	89,245.0	6,490.3
Brazil	14,231.8	14,343.5	1,386.0	16,918.5	17,097.6	2,023.4
Spain	9,697.1	10,964.3	1,261.2	10,089.5	11,162.1	1,041.2
Belgium	8,087.4	8,936.6	772.8	8,052.9	8,818.2	517.2
Italy	7,729.3	8,771.6	597.1	8,861.8	9,851.4	669.8
Germany	4,035.2	4,519.3	276.8	3,889.6	4,264.9	214.1
Austria	1,993.5	2,093.5	80.9	3,713.0	3,948.1	139.0
Canada	468.1	501.2	59.1	707.7	741.9	88.9
Portugal	457.9	499.2	64.6	415.5	455.6	50.2
Poland	347.4	375.4	79.9	358.5	387.4	78.1
Ireland	295.6	303.0	35.1	887.4	915.7	49.7
Netherlands	170.3	188.3	14.5	365.2	398.0	26.4
Finland	82.4	91.8	7.3	131.6	137.1	5.9
Cyprus	66.6	74.0	51.8	82.4	96.3	43.8
Slovenia	52.8	53.0	2.4	78.6	81.5	2.6
Greece	6.8	11.3	0.0	6.6	10.3	0.0
Luxembourg	5.6	6.4	2.0	36.7	37.7	16.7
United Kingdom	1.5	2.5	0.0	0.9	1.5	0.0
Sweden	1.2	1.9	0.3	1.2	2.0	0.4
Other	6,868.3	7,534.6	914.4	7,857.7	8,458.7	846.8
TOTAL	**132,671.7**	**148,656.0**	**13,795.6**	**141,621.1**	**156,111.0**	**12,304.4**

* Carrying amount, including accrued coupon

At 31 December 2020, the Group's gross sovereign debt risk exposure calculated on a fair value basis totalled €148.7 billion, representing an estimated exposure net of deferred participation and deferred taxes of €13.8 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 Note 9.2). The relatively low weighting of contracts with a guaranteed yield 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 9.3% ratio of "net exposure" to "gross exposure" therefore reflects the deferred tax impact (factor of approximately 70.5% corresponding to the impact of the weighted average tax rate on the Group's entities) and a deferred participation impact (13.2% factor, supplementing the effective participation rate taking into account the exclusion of assets held in unit-linked funds, which corresponds to shareholders' entitlements to unrealised gains or losses).

The combination of these two impacts (taxes and deferred participation) results in a net exposure to gross exposure ratio of 9.3% (70.5% multiplied by 13.2%).

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 Group's ability to lower the discretionary participation it pays to policyholders. In France, the estimated minimum guaranteed interest rate is approximately 0.18% for a projected DPF rate of around 0.94% at end-2020;
- unrealised gains, especially on property (€4.6 billion) and on equities (€12.1 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.

8.9.2 Classification of investments by category at 31 December 2019

(In € millions)		France	Germany	Italy	Rest of Europe	United States	Brazil	Other	Total
Available-for-sale financial assets	Debt securities	94,794.1	10,510.7	13,812.9	44,723.3	15,990.5	3,017.1	18,525.8	201,374.4
	Investment funds	39,203.2	348.3	51.6	8,137.3	667.4	0.0	65.7	48,473.6
	Equities	11,293.9	3,440.5	438.6	2,576.2	0.0	0.0	641.0	18,390.2
	Other	31,386.1	54.4	51.3	3,237.1	10.7	10.9	265.7	35,016.2
Held-for-trading and FVO	Debt securities	13,208.4	782.2	1,435.4	3,476.0	1,289.3	17,090.6	1,518.5	38,800.3
	Investment funds	32,625.6	54.5	64.2	9,805.9	192.8	846.0	65.0	43,653.9
	Equities	2,292.0	428.5	426.9	904.9	778.5	218.2	383.6	5,432.7
	Other	1,366.5	152.0	158.4	54.1	0.2	311.8	2,840.0	4,882.9
Held-to-maturity investments	Debt securities	23.6	0.0	41.8	0.0	0.0	171.1	0.0	236.5
Loans and receivables		4,400.7	0.0	0.0	106.9	0.0	178.2	12.8	4,698.5
Derivative instruments		(598.4)	0.0	0.0	(7.7)	0.0	0.0	0.0	(606.1)
Investment property		2,225.6	0.0	0.0	61.4	0.0	28.2	0.0	2,315.3
TOTAL		**232,221.2**	**15,771.1**	**16,481.1**	**73,075.3**	**18,929.3**	**21,872.1**	**24,318.2**	**402,668.4**

8.10 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, the last available exchange rate for the month preceding the transaction date 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 8.7 above.

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.

Monetary assets and liabilities denominated in foreign currency (i.e., denominated in currencies other than the functional currencies of Group entities) and which are not covered by foreign exchange derivatives represented less than 0.5% of consolidated assets and liabilities in 2018, 2019 and 2020.

With the United Kingdom's exit from the European Union, the Group identified all of its exposures to sterling-denominated assets held directly or through funds. The review showed that less than 1% of total assets (€403.9 billion) were exposed to a risk of changes in the euro/sterling exchange rate.

8.11 Temporary exemption from applying IFRS 9

IFRS 9 was adopted on 22 November 2016 for use in the European Union for accounting periods beginning on or after 1 January 2019. On 3 November 2017, the European Commission also adopted an amendment to IFRS 4 – Insurance Contracts that was published by the IASB on 12 September 2016 and describes how insurance undertakings should apply IFRS 9 in conjunction with IFRS 4. The amendment provides for two approaches to applying IFRS 9:

- an "overlay approach", to be applied by insurance companies that choose to apply IFRS 9 as from 1 January 2019;
- a "deferral approach" whereby adoption of IFRS 9 is deferred.

The Group qualifies to apply the deferral approach and has elected to defer application of IFRS 9.

It will be required to publish certain additional information during the transition period, concerning the classification of assets and the Group's exposure to credit risk on the assets that fulfil the criteria set out in IFRS 9 (financial assets that give rise to cash flows which are solely payments of principal and interest on the principal amount outstanding).

8.11.1 Fair value of financial assets by class of asset

(In € millions)		Fair value 31.12.2020	Fair value 31.12.2019
Financial assets that give rise to cash flows which are solely payments of principal and interest on the principal amount outstanding	Fixed-rate bonds	177,311.5	179,301.4
	Variable-rate bonds	18,668.3	19,633.7
	TCNs (money market securities)	4,150.1	3,677.7
	Other	24,778.8	24,684.5
	Total	**224,908.7**	**227,297.2**
Other financial assets	Equities	23,574.6	23,822.9
	Shares in non-trading property companies	12,838.5	11,844.6
	Investment funds	98,674.4	92,127.5
	Fixed-rate bonds	10,437.3	13,635.4
	Variable-rate bonds	21,924.9	23,508.8
	TCNs (money market securities)	1,007.6	667.7
	Other	3,436.3	3,394.3
	Derivative financial instruments (assets)	530.6	525.9
	Derivative financial instruments (liabilities)	(912.3)	(1,132.0)
	Total	**171,511.9**	**168,395.1**
Loans and receivables	Loans and receivables	5,123.1	4,698.5
Investment property*	Investment property at amortised cost	1,733.3	1,768.6
	Investment property measured by the fair value model	1,705.2	1,580.8
	Total	**8,561.6**	**8,048.0**
TOTAL		**404,982.1**	**403,740.3**

* IFRS 9/IAS 39 do not apply to investment property which is accounted for in accordance with different standards.

8.11.2 Breakdown by credit risk of debt instruments that give rise to cash flows which are solely payments of principal and interest on the principal amount outstanding

		31.12.2020		31.12.2019	
(In € millions)		Carrying amount	Fair value	Carrying amount	Fair value
Assets for which the credit risk is low	AAA	13,798.5	15,090.9	15,678.8	17,026.2
	AA	106,094.4	119,630.5	109,573.1	121,974.5
	A	40,195.9	42,401.8	37,801.1	39,603.1
	BBB	32,914.1	34,887.7	33,686.7	35,659.3
	Total	**193,003.0**	**212,010.8**	**196,739.7**	**214,263.1**
Assets for which the credit risk is not low	<BBB	10,994.5	11,929.8	11,265.6	11,934.5
	NR	644.2	968.0	1,049.7	1,099.6
	Total	**11,638.7**	**12,897.9**	**12,315.4**	**13,034.2**
TOTAL		**204,641.7**	**224,908.7**	**209,055.1**	**227,297.2**

None of the Group entities applied IFRS 9 as of the date of publication of the consolidated financial statements.

NOTE 9
Insurance and financial liabilities

9.1 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:

- IFRS 15, 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.

9.2 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 expenses 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 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. In the case of group policies that include death insurance, the recognised amount is adjusted to include the estimated earned portion of premiums not yet written.

Technical and mathematical reserves

Reserves for contracts with death 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.

The general contract administration expense reserve mentioned in Article R.343-3.4 of the French Insurance Code is designed to cover the insurer's commitment to administer its policies for as long as they remain In Force. It is determined by the method and using the assumptions specified in Article 142-6 of ANC Regulation 2015-11.

The reserve corresponds to a prospective estimate of contract administration expenses that will not be covered by the premium and investment income loading. It is calculated by group of contracts with similar characteristics, based mainly on policyholder profiles, contract terms and experience-based assumptions concerning, for example, costs, surrenders and investment income. The estimation process includes a financial assessment of the options affecting administration expenses for certain contracts.

At 31 December 2020, the general administration expense reserve for savings and pensions contracts amounted to €281.5 million.

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 reserves.

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

An outstanding claims 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.

The escalating risks reserve for term creditor insurance business amounted to €276.5 million at 31 December 2020. This reserve is calculated prospectively and covers the difference between the present values of the respective future commitments of the insurer and the insured. The calculation uses regulatory valuation rates of interest and takes into account experience-based biometric risk assumptions (incidence of death and disability risk, and/or disability persistency risk) and behavioural assumptions (surrenders) based on historical data for the portfolio concerned.

The escalating risk reserve for lifetime long-term care contracts totalled €434.8 million at 31 December 2020. This reserve also covers the difference between the present values of the respective future commitments of the insurer and the insured. The calculation takes into account experience-based biometric risk assumptions (incidence of long-term care risk and persistency risk) based on historical data for the portfolio concerned, regulatory mortality tables and a discount rate determined by reference to the structure of the asset portfolio held to cover these commitments.

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

In drawing up its annual and interim financial statements, 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.), administrative costs and decisions made by management in response to economic and financial conditions. 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 at the level of 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.

9.3 Financial instruments without DPF (IAS 39)

Financial instruments without DPF are initially recorded at fair value. Loading on premiums is 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.

9.4 Deferred participation asset/reserve

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

There are two types of deferred participation.

9.4.1 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.

9.4.2 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 9.2.

9.5 Analysis of insurance and financial liabilities

The following tables show the sub-classifications of insurance liabilities that require separate disclosure under IFRS:

9.5.1 Analysis of insurance and financial liabilities at 31 December 2020

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**7,999.0**	**7,516.3**	**482.6**
Unearned premium reserves	953.8	935.0	18.8
Outstanding claims reserves	5,303.3	4,908.8	394.5
Bonuses and rebates (including claims equalisation reserve on Group business maintained in liabilities)	37.0	32.5	4.6
Other technical reserves	1,704.8	1,640.0	64.8
Liability adequacy test reserves	0.0	0.0	0.0
Life technical reserves	**221,197.4**	**203,985.7**	**17,211.6**
Unearned premium reserves	1,899.4	1,896.7	2.7
Life premium reserves	209,015.0	192,169.4	16,845.7
Outstanding claims reserves	3,117.2	2,945.2	172.0
Policyholder surplus reserves	6,823.2	6,640.4	182.8
Other technical reserves	342.5	334.0	8.5
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments with DPF	**112,381.3**	**109,237.6**	**3,143.7**
Life premium reserves	103,141.2	100,236.0	2,905.1
Outstanding claims reserves	2,367.7	2,275.3	92.3
Policyholder surplus reserves	6,872.4	6,726.2	146.2
Other technical reserves	0.0	0.0	0.0
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments without DPF	**3,933.1**	**3,688.5**	**244.6**
Derivative financial instruments separated from the host contract	**0.0**	**0.0**	**0.0**
Deferred participation reserve	**31,587.0**	**31,587.0**	**0.0**
TOTAL INSURANCE AND FINANCIAL LIABILITIES	**377,097.7**	**356,015.1**	**21,082.6**
Deferred participation asset	**0.0**	**0.0**	**0.0**

9.5.2 Analysis of insurance and financial liabilities at 31 December 2019

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**8,014.7**	**7,568.0**	**446.7**
Unearned premium reserves	1,004.5	975.7	28.8
Outstanding claims reserves	5,236.8	4,881.4	355.4
Bonuses and rebates (including claims equalisation reserve on Group business maintained in liabilities)	32.1	25.5	6.7
Other technical reserves	1,741.3	1,685.5	55.8
Liability adequacy test reserves	0.0	0.0	0.0
Life technical reserves	**218,824.9**	**201,615.8**	**17,209.1**
Unearned premium reserves	1,998.8	1,986.0	12.8
Life premium reserves	207,072.1	190,174.7	16,897.4
Outstanding claims reserves	2,893.6	2,712.7	180.9
Policyholder surplus reserves	6,746.5	6,638.0	108.5
Other technical reserves	113.8	104.4	9.4
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments with DPF	**117,939.1**	**114,441.6**	**3,497.5**
Life premium reserves	109,069.9	105,887.2	3,182.8
Outstanding claims reserves	2,061.2	1,973.0	88.2
Policyholder surplus reserves	6,808.0	6,581.4	226.6
Other technical reserves	0.0	0.0	0.0
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments without DPF	**4,279.4**	**4,023.0**	**256.4**
Derivative financial instruments separated from the host contract	**0.0**	**0.0**	**0.0**
Deferred participation reserve	**29,254.7**	**29,254.7**	**0.0**
TOTAL INSURANCE AND FINANCIAL LIABILITIES	**378,312.8**	**356,903.1**	**21,409.7**
Deferred participation asset	**0.0**	**0.0**	**0.0**

9.6 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.

9.6.1 Changes in mathematical reserves – life insurance

9.6.1.1 Changes in mathematical reserves – life insurance – at 31 December 2020

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**315,918.1**	**295,837.9**	**20,080.2**
Premiums	22,888.9	22,216.3	672.7
Extinguished liabilities (benefit payments)	(23,918.4)	(22,744.9)	(1,173.5)
Locked-in gains	4,589.0	4,197.8	391.2
Change in value of linked liabilities	650.0	652.0	(2.0)
Changes in scope (acquisitions/divestments)	72.8	97.3	(24.5)
Outstanding fees	(1,907.6)	(1,835.8)	(71.8)
Surpluses/deficits	(2.3)	(2.3)	0.0
Currency effect	(5,176.3)	(5,176.3)	0.0
Changes in assumptions	2.3	1.6	0.7
Newly-consolidated companies	0.0	0.0	0.0
Deconsolidated companies	0.0	0.0	0.0
Non-current liabilities related to assets held for sale and discontinued operations	0.0	0.0	0.0
Other	(968.0)	(845.8)	(122.2)
Mathematical reserves at the end of the period	**312,148.5**	**292,397.7**	**19,750.8**

9.6.1.2 Changes in mathematical reserves – life insurance – at 31 December 2019

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**304,559.7**	**284,489.6**	**20,070.0**
Premiums	29,008.6	28,338.7	669.8
Extinguished liabilities (benefit payments)	(25,516.3)	(24,350.8)	(1,165.5)
Locked-in gains	5,967.9	5,541.5	426.5
Change in value of linked liabilities	4,335.8	4,336.1	(0.3)
Changes in scope (acquisitions/divestments)	18.9	19.9	(1.0)
Outstanding fees	(1,974.4)	(1,895.5)	(78.9)
Surpluses/deficits	(4.1)	(4.1)	0.0
Currency effect	(309.6)	(309.6)	0.0
Changes in assumptions	9.6	1.7	7.9
Newly-consolidated companies	0.0	0.0	0.0
Deconsolidated companies	0.0	0.0	0.0
Non-current liabilities related to assets held for sale and discontinued operations	0.0	0.0	0.0
Other	(178.0)	(329.6)	151.7
Mathematical reserves at the end of the period	**315,918.1**	**295,837.9**	**20,080.2**

9.6.2 Changes in technical reserves – non-life insurance

9.6.2.1 Changes in technical reserves – non-life insurance – at 31 December 2020

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Outstanding claims reserves at the beginning of the period	**5,228.7**	**4,873.3**	**355.4**
Claims expenses for the period	1,556.2	1,449.0	107.1
Prior period surpluses/deficits	(0.1)	0.0	0.0
Total claims expenses	**1,556.1**	**1,449.0**	**107.1**
Current period claims settled during the period	(1,432.0)	(1,375.0)	(56.9)
Prior period claims settled during the period	(15.9)	(13.3)	(2.6)
Total paid claims	**(1,447.8)**	**(1,388.4)**	**(59.5)**
Changes in scope (acquisitions/divestments)	0.0	0.0	0.0
Currency effect	(41.7)	(33.7)	(8.0)
Newly-consolidated companies	0.0	0.0	0.0
Non-current liabilities related to assets held for sale and discontinued operations	0.0	0.0	0.0
Other	(0.5)	0.0	(0.6)
Outstanding claims reserves at the end of the period	**5,294.8**	**4,900.4**	**394.5**

9.6.2.2 Changes in technical reserves – non-life insurance – at 31 December 2019

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Outstanding claims reserves at the beginning of the period	**5,165.1**	**4,731.2**	**433.9**
Claims expenses for the period	1,526.8	1,511.0	15.8
Prior period surpluses/deficits	0.0	0.0	0.0
Total claims expenses	**1,526.8**	**1,511.0**	**15.8**
Current period claims settled during the period	(1,445.4)	(1,354.2)	(91.2)
Prior period claims settled during the period	(15.6)	(13.0)	(2.6)
Total paid claims	**(1,461.0)**	**(1,367.2)**	**(93.8)**
Changes in scope (acquisitions/divestments)	0.0	0.0	0.0
Currency effect	(2.3)	(1.7)	(0.5)
Newly-consolidated companies	0.0	0.0	0.0
Non-current liabilities related to 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	**5,228.7**	**4,873.3**	**355.4**

9.6.3 Changes in mathematical reserves – financial instruments with DPF

(In € millions)	31.12.2020		
	Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**4,279.4**	**4,023.0**	**256.4**
Premiums	252.3	251.9	0.5
Extinguished liabilities (benefit payments)	(512.1)	(507.4)	(4.6)
Locked-in gains	11.2	11.2	0.0
Change in value of linked liabilities	130.3	127.6	2.7
Changes in scope (acquisitions/divestments)	(35.3)	(35.3)	0.0
Currency effect	(188.2)	(188.2)	0.0
Newly-consolidated companies	0.0	0.0	0.0
Deconsolidated companies	0.0	0.0	0.0
Non-current liabilities related to assets held for sale and discontinued operations	0.0	0.0	0.0
Other	(4.6)	5.7	(10.3)
Mathematical reserves at the end of the period	**3,933.1**	**3,688.5**	**244.6**

(In € millions)	31.12.2019		
	Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**4,173.4**	**3,859.6**	**313.9**
Premiums	348.0	347.1	0.9
Extinguished liabilities (benefit payments)	(503.7)	(501.4)	(2.4)
Locked-in gains	11.0	11.0	0.0
Change in value of linked liabilities	540.2	616.0	(75.8)
Changes in scope (acquisitions/divestments)	(250.0)	(250.0)	0.0
Currency effect	(10.6)	(10.6)	0.0
Newly-consolidated companies	0.0	0.0	0.0
Deconsolidated companies	0.0	0.0	0.0
Non-current liabilities related to assets held for sale and discontinued operations	0.0	0.0	0.0
Other	(29.1)	(48.8)	19.8
Mathematical reserves at the end of the period	**4,279.4**	**4,023.0**	**256.4**

9.7 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 9.2).

Deferred participation asset/reserve *(In € millions)*	31.12.2020			31.12.2019		
	DPA	DPR	TOTAL	DPA	DPR	TOTAL
Deferred participation on remeasurement of assets at fair value through profit or loss	0.0	3,016.7	(3,016.7)	0.0	2,077.5	(2,077.5)
Deferred participation on remeasurement of assets at fair value through equity	0.0	28,570.3	(28,570.3)	0.0	27,177.2	(27,177.2)
Deferred participation on adjustment of claims equalisation reserves	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**0.0**	**31,587.0**	**(31,587.0)**	**0.0**	**29,254.7**	**(29,254.7)**

The following table analyses year-on-year changes:

(In € millions)	31.12.2020		31.12.2019	
	DPA	DPR	DPA	DPR
Deferred participation at the beginning of the period	**0.0**	**29,254.7**	**0.0**	**22,107.3**
Deferred participation on remeasurement of securities at fair value through profit or loss	0.0	939.2	0.0	802.5
Deferred participation on remeasurement of securities at fair value through equity	0.0	1,393.1	0.0	6,345.0
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**	**31,587.0**	**0.0**	**29,254.7**

9.8 Changes in financial liabilities – linked liabilities

9.8.1 Changes in 2020

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Linked liabilities at the beginning of the period	**61,811.9**	**59,752.0**	**2,059.8**
Entries (new contracts, transfers between contracts, replacements)	10,630.1	10,570.9	59.2
Revaluation (fair value adjustments, incorporation of policyholder surplus)	1,014.1	1,013.4	0.7
Exits (paid benefits and expenses)	(4,725.1)	(4,656.3)	(68.8)
Entries/exits related to portfolio transfers	(211.4)	(177.0)	(34.4)
Outstanding fees deducted	(436.5)	(425.1)	(11.5)
Surpluses/deficits	0.0	0.0	0.0
Effect of changes in assumptions	0.0	0.0	0.0
Translation adjustment	(5,103.5)	(5,103.5)	0.0
Newly-consolidated companies	0.0	0.0	0.0
Non-current assets held for sale and discontinued operations	0.0	0.0	0.0
Other	434.1	441.4	(7.3)
Linked liabilities at the end of the period*	**63,413.7**	**61,415.9**	**1,997.8**

* Refer to reconciliation table in Note 9.8.3

9.8.2 Changes in 2019

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Linked liabilities at the beginning of the period	**52,589.7**	**50,564.7**	**2,025.0**
Entries (new contracts, transfers between contracts, replacements)	11,235.3	11,147.6	87.7
Revaluation (fair value adjustments, incorporation of policyholder surplus)	5,436.6	5,511.6	(75.0)
Exits (paid benefits and expenses)	(4,936.2)	(4,859.2)	(77.0)
Entries/exits related to portfolio transfers	(2,037.9)	(1,940.8)	(97.1)
Outstanding fees deducted	(415.1)	(402.4)	(12.6)
Surpluses/deficits	0.0	0.0	0.0
Effect of changes in assumptions	0.0	0.0	0.0
Translation adjustment	(298.3)	(298.3)	0.0
Newly-consolidated companies	0.0	0.0	0.0
Non-current assets held for sale and discontinued operations	0.0	0.0	0.0
Other	237.7	28.8	208.8
Linked liabilities at the end of the period*	**61,811.9**	**59,752.0**	**2,059.8**

* Refer to reconciliation table in Note 9.8.3

9.8.3 Balance sheet reconciliation

(In € millions)	31.12.2020	31.12.2019
Financial liabilities – linked liabilities – balance sheet	**66,852.7**	**65,455.5**
Changes in financial liabilities – linked liabilities other than IAS 39	63,413.7	61,811.9
Changes in financial liabilities – linked liabilities – IAS 39	3,439.0	3,643.7
VARIANCE	**0.0**	**0.0**

9.9 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:

- excess-of-loss contracts have been placed with reinsurers who are rated between BBB+ and AA+;
- for quota-share treaties where the asset is not held by CNP Assurances, the breakdown of ceded insurance liabilities by reinsurer is as follows:

9.9.1 Credit risk on reinsured business at 31 December 2020

CEDED TECHNICAL RESERVES

Credit rating	Amount *(in € millions)*	%
AAA	-	0.00%
AA+	4.5	0.02%
AA	-	0.00%
AA-	22.1	0.10%
A++	-	0.00%
A+	11,542.9	54.75%
A	9,331.2	44.26%
A-	11.2	0.05%
BBB+	0.0	0.00%
BBB	-	0.00%
-	170.6	0.81%
Total ceded technical reserves	**21,082.6**	**100.00%**

9.9.2 Credit risk on reinsured business at 31 December 2019

CEDED TECHNICAL RESERVES

Credit rating	Amount *(in € millions)*	%
AAA	2.6	0.01%
AA+	2.1	0.01%
AA	1.0	0.00%
AA-	1,499.0	7.00%
A++	0.0	0.00%
A+	39.5	0.18%
A	19,748.8	92.24%
A-	2.8	0.01%
BBB+	0.0	0.00%
BBB	0.4	0.00%
-	113.4	0.53%
Total ceded technical reserves	**21,409.7**	**100.00%**

NOTE 10
Subordinated debt

10.1 Subordinated debt at 31 December 2020

(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 debt					**6,641.2**	**0.0**	**1,200.0**	**1,250.0**	**0.0**	**4,191.2**	**0.0**	**7,220.5**
CNP Assurances	Apr. 2011	6.875% until Sept. 2021, then 12-month Euribor +440 bp		EUR	700.0					700.0		736.4
CNP Assurances	Apr. 2011	7.375% until Sept. 2021, then 12-month Libor +448.2 bp	300.0	GBP	333.7					333.7		350.0
CNP Assurances	June 2003	4.7825% until 2013, then 3-month Euribor +200 bp from 24 June 2013		EUR	200.0		200.0					207.2
CNP Assurances	June 2014	4.25% until June 2025 then reset at the 5-year fixed swap rate +360 bp		EUR	500.0					500.0		575.2
CNP Assurances	Dec. 2015	4.5% until June 2027, then 3-month Euribor +460 bp		EUR	750.0					750.0		904.7
CNP Assurances	Jan. 2016	6% throughout the life of the notes	500.0	USD	407.5					407.5		465.3
CNP Assurances	Oct. 2016	1.875% throughout the life of the notes		EUR	1,000.0		1,000.0					1,034.6
CNP Assurances	Feb. 2019	2.75% until 2029		EUR	500.0			500.0				576.7
CNP Assurances	Nov. 2019	2.00% until June 2030 then 3-month Euribor +300 bp		EUR	750.0					750.0		798.8
CNP Assurances	Dec. 2019	0.80% until 2027		EUR	250.0			250.0				256.1
CNP Assurances	June 2020	2.50% until June 2031 then 3-month Euribor +365 bp		EUR	750.0					750.0		815.9
CNP Assurances	Dec. 2020	0.375% until March 2028		EUR	500.0			500.0				499.7
Undated (perpetual) subordinated debt					**183.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**183.0**	**181.2**
CNP Assurances	Nov. 2004	4.93% until 2016, then 3-month Euribor +160 bp from 15 Nov. 2016		EUR	90.0						90.0	89.1
CNP Assurances	Nov. 2004	3-month Euribor +70 bp until 2016, then 3-month Euribor +160 bp		EUR	93.0						93.0	92.1
TOTAL					**6,824.2**	**0.0**	**1,200.0**	**1,250.0**	**0.0**	**4,191.2**	**183.0**	**7,401.7**

* 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 or loss instead of at amortised cost, the impact would have been €1.5 million before tax at 31 December 2020

The fair values of linked liabilities are presented in Note 9.8. The fair values of financial instruments without DPF (Note 9.5) 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 17 regarding the fair value of these instruments

None of the Group's subordinated debt issues are subject to financial covenants.

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 2016.

10.2 Subordinated debt at 31 December 2019

(In € millions)	Issuance date	Interest rate	Amount in currency	Cur-rency	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 debt					**6,197.7**	**0.0**	**1,200.0**	**750.0**	**0.0**	**4,247.7**	**0.0**	**6,775.1**
CNP Assurances	Apr. 2011	6.875% until Sept. 2021, then 12-month Euribor +440 bp		EUR	700.0					700.0		783.3
CNP Assurances	Apr. 2011	7.375% until Sept. 2021, then 12-month Libor +448.2 bp	300.0	GBP	352.6					352.6		389.2
CNP Assurances	Sept. 2010	6% until Sept. 2020, then 3-month Euribor +447.2 bp		EUR	750.0					750.0		783.0
CNP Assurances	June 2003	4.7825% until 2013, then 3-month Euribor +200 bp from 24 June 2013		EUR	200.0		200.0					210.3
CNP Assurances	June 2014	4.25% until June 2025 then reset at the 5-year fixed swap rate +360 bp		EUR	500.0					500.0		584.3
CNP Assurances	Dec. 2015	4.5% until June 2027, then 3-month Euribor +460 bp		EUR	750.0					750.0		909.8
CNP Assurances	Jan. 2016	6% throughout the life of the notes	500.0	USD	445.1					445.1		495.0
CNP Assurances	Oct. 2016	1.875% throughout the life of the notes		EUR	1,000.0		1,000.0					1,047.0
CNP Assurances	Feb. 2019	2.75% until 2029		EUR	500.0			500.0				562.3
CNP Assurances	Nov. 2019	2.00% until June 2030 then 3-month Euribor +300 bp		EUR	750.0					750.0		759.1
CNP Assurances	Dec. 2019	0.80% until 2027		EUR	250.0			250.0				251.9
Undated (perpetual) subordinated debt					**183.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**183.0**	**184.6**
CNP Assurances	Nov. 2004	4.93% until 2016, then 3-month Euribor +160 bp from 15 Nov. 2016		EUR	90.0						90.0	90.8
CNP Assurances	Nov. 2004	3-month Euribor +70 bp until 2016, then 3-month Euribor +160 bp		EUR	93.0						93.0	93.8
TOTAL					**6,380.7**	**0.0**	**1,200.0**	**750.0**	**0.0**	**4,247.7**	**183.0**	**6,959.7**

* 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 or loss instead of at amortised cost, the impact would have been €(301.0) million before tax at 31 December 2019

The fair values of linked liabilities are presented in Note 9.8. The fair values of financial instruments without DPF (Note 9.5) 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 17 regarding the fair value of these instruments

None of the Group's subordinated debt issues are subject to financial covenants.

At 31 December 2019, the Group had contracted two cash flow hedges on sterling-denominated subordinated notes issued in 2011 and on US dollar-denominated subordinated notes issued in 2016.

NOTE 11
Insurance and reinsurance receivables

11.1 Insurance and reinsurance receivables

This note discloses details of insurance and reinsurance receivables at 31 December 2020 and 31 December 2019.

(In € millions)	**31.12.2020**	31.12.2019
Earned premiums not yet written	1,770.9	1,992.7
Other insurance receivables	692.1	958.4
Reinsurance receivables	161.4	172.1
TOTAL	**2,624.5**	**3,123.2**
Of which, doubtful receivables	5.7	5.4

ANALYSIS BY MATURITY

	31.12.2020		
(In € millions)	**Due within 1 year**	**Due in 1 to 5 years**	**Due beyond 5 years**
Earned premiums not yet written	1,770.9	0.0	0.0
Other insurance receivables	633.3	55.4	3.3
Reinsurance receivables	161.4	0.0	0.0
TOTAL	**2,565.7**	**55.4**	**3.3**

	31.12.2019		
(In € millions)	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Earned premiums not yet written	1,992.7	0.0	0.0
Other insurance receivables	945.5	12.3	0.6
Reinsurance receivables	172.1	0.0	0.0
TOTAL	**3,110.4**	**12.3**	**0.6**

11.2 Other receivables

(In € millions)	**31.12.2020**	31.12.2019
Receivables from employees	1.0	1.5
Prepaid payroll charges and other taxes	399.9	562.9
Sundry receivables	4,480.8	5,266.8
TOTAL	**4,881.7**	**5,831.2**

NOTE 12
Provisions for liabilities and charges

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.

12.1 Provisions for liabilities and charges – 2020

(In € millions)	Provisions for claims and litigation	Other	Total
Carrying amount at 1 January 2020	**161.6**	**163.2**	**324.8**
New provisions set up during the period and increases in existing provisions	126.9	19.8	146.8
Amounts utilised during the year	(3.8)	(25.8)	(29.5)
Surplus provisions released during the period	(109.1)	(2.7)	(111.8)
Change due to the passage of time and/or a change in the discount rate	0.0	0.0	0.0
Translation adjustments	(43.0)	(1.0)	(44.0)
Changes in scope of consolidation	0.0	0.0	0.0
Reclassifications	0.3	0.2	0.5
CARRYING AMOUNT AT 31 DECEMBER 2020	**132.9**	**153.8**	**286.6**

12.2 Provisions for liabilities and charges – 2019

(In € millions)	Provisions for claims and litigation	Other	Total
Carrying amount at 1 January 2019	**100.5**	**73.4**	**173.9**
New provisions set up during the period and increases in existing provisions	147.6	100.2	247.8
Amounts utilised during the year	(1.1)	(6.8)	(7.9)
Surplus provisions released during the period	(82.6)	(2.7)	(85.2)
Change due to the passage of time and/or a change in the discount rate	0.0	0.0	0.0
Translation adjustments	(2.9)	(0.1)	(3.0)
Changes in scope of consolidation	0.0	(0.7)	(0.7)
Reclassifications	0.0	0.0	0.0
Non-current assets held for sale and discontinued operations	0.0	0.0	0.0
CARRYING AMOUNT AT 31 DECEMBER 2019	**161.6**	**163.2**	**324.8**

NOTE 13
Liabilities arising from insurance and reinsurance transactions

13.1 Liabilities arising from insurance and reinsurance transactions

This note discloses details of insurance and reinsurance liabilities at 31 December 2020 and at 31 December 2019.

(In € millions)	31.12.2020	31.12.2019
Cash deposits received from reinsurers	11,369.1	11,770.4
Liabilities arising from insurance transactions	1,361.2	1,483.0
Liabilities arising from reinsurance transactions	531.7	569.3
Deferred acquisition costs	8.2	20.2
TOTAL	**13,270.1**	**13,842.9**

ANALYSIS BY MATURITY

	31.12.2020			31.12.2019		
(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	11,367.7	1.4	0.0	11,743.2	27.3	0.0
Liabilities arising from insurance transactions	1,361.2	0.0	0.0	1,483.0	0.0	0.0
Liabilities arising from reinsurance transactions	531.7	0.0	0.0	569.3	0.0	0.0
Deferred acquisition costs	3.0	4.9	0.4	4.2	14.7	1.3
TOTAL	**13,263.5**	**6.3**	**0.4**	**13,799.6**	**42.0**	**1.3**

13.2 Miscellaneous payables

(In € millions)	31.12.2020	31.12.2019
Wages, salaries and bonuses payable	402.3	414.1
Accrued payroll charges and other taxes	975.7	1,147.4
Sundry payables	3,048.4	3,027.9
TOTAL	**4,426.4**	**4,589.3**

13.3 Employee benefits – IAS 19

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.

Short-term benefits are benefits that are expected to be settled in full within 12 months of the end of the annual reporting period in which the employees render the related services. They therefore consist mainly of wages, social security contributions, profit-sharing and bonuses, paid annual leave and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services).

13.3.1 Employee benefit plans

Time-savings accounts and employee retirement savings plans

A time-savings account system has been set up for CNP Assurances' employees, entitling them to save up their rights to paid leave or to monetise these rights immediately or at a future date.

Internal agreements stipulate that rights accumulated in the time-savings account may be credited to a PERCO employee retirement savings plan and qualify for a matching employer contribution.

In addition, employees whose working time is calculated based on a number of hours worked per week, month or year may have built up a "time credit". This credit is used in the form of paid time off.

Post-employment benefits

Post-employment benefits include:

(a) pension plans;

(b) other post-employment benefits.

They are classified as defined contribution or defined benefit plans based on their main terms.

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.

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 long-term 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.

13.3.2 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.

13.3.3 Main assumptions

Discount rate

The discount rate is determined at each reporting date based on the interest rate for investment grade (AA) corporate bonds and the plan's duration, in accordance with IAS 19.

Plan	Duration (years)	Discount rate	Expected future salary increases	Inflation	Expected return on plan assets
Retirement benefits	11.79	0.19%	1.70%	Included in salary increases	n/a
Jubilees	8.50	-0.01%	1.70%	Included in salary increases	n/a
Article 39 of the French Tax Code	4.85	-0.25%	1.70%	Included in salary increases	0.02%
Time-savings account plan	5.76	-0.20%	1.70%	Included in salary increases	n/a
Time credits	3.26	-0.34%	1.70%	Included in salary increases	n/a
Other plans : Italy	24	0.30%	1.50%	0.80%	n/a

Mortality tables

The Group based its calculations on prospective mortality tables by generation, particularly table TGH05-TGF05 for obligations in France.

13.3.4 Recognised benefi t obligations

	Post-employment benefit plans	
(In € millions)	**31.12.2020**	31.12.2019
Projected benefit obligation	195.8	198.7
Fair value of plan assets	0.1	0.3
Projected benefit obligation net of plan assets	**195.7**	**199.0**
Unrecognised past service cost		0.0
Liability recognised in the balance sheet – defined benefit plans	**195.7**	**199.0**
Liability recognised in the balance sheet – defined contribution plans	48.5	50.9
Total liability recognised in the balance sheet for post-employment benefit plans	**244.3**	**249.9**
Other long-term benefit obligations	54.2	55.4
Of which length-of-service and jubilee awards	*23.9*	*23.9*
Total liability recognised in the balance sheet for long-term benefit obligations*	**298.5**	**305.3**

* Benefit obligations are mainly carried in the books of the French and Italian entities (€295.0 million and €1.4 million, respectively)

13.3.5 Analysis of long-term benefit costs

	Post-employment benefit plans	
(In € millions)	**31.12.2020**	31.12.2019
Current service cost (net of employee contributions)	**9.1**	**8.0**
Interest cost	0.6	1.7
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
Post-employment benefit expense – defined benefit plans	**9.7**	**9.7**
Post-employment benefit expense – defined contribution plans	14.4	12.9
TOTAL POST-EMPLOYMENT BENEFIT EXPENSE	**24.2**	**22.6**

13.3.6 Reconciliation of the amounts recorded in the balance sheet for defined benefit plans

(In € millions)	Post-employment benefit plans	
	31.12.2020	31.12.2019
At 1 January [(1)]	**199.0**	**209.1**
Effect of changes in exchange rates	0.0	0.0
Post-employment benefit expense [(2)]	9.7	9.7
Employer's contributions [(3)]	7.0	(2.7)
Benefits paid [(4)]	(21.8)	(8.3)
Actuarial gains and losses recognised directly in equity	1.9	17.2
Changes in scope of consolidation	0.0	0.0
Reclassifications	0.0	(26.0)
AT 31 DECEMBER	**195.7**	**199.0**

(1) Net plan assets/(liabilities) carried in the balance sheet at 1 January for defined benefit plans
(2) Defined benefit plan (costs)/income
(3) Management fees paid on plan assets
(4) Fees paid by the Group (or rebilled by Caisse des Dépôts)

13.3.7 Change in actuarial losses and gains

(In € millions)	Post-employment benefit plans	
	31.12.2020	31.12.2019
Actuarial gains and losses recognised in equity at the beginning of the period	**195.3**	**157.1**
Actuarial gains and losses related to changes in discount rates	11.0	34.1
Actuarial gains and losses related to changes in retirement age assumptions	0.0	(1.0)
Actuarial gains and losses related to changes in technical rates	0.0	2.2
Actuarial gains and losses related to annuity contributions	0.0	0.0
Actuarial gains and losses related to changes in staff turnover rate assumptions	0.3	(1.1)
Actuarial gains and losses related to changes in payroll tax assumptions	2.9	0.0
Actuarial gains and losses related to historical loss adjustments	0.4	3.8
Actuarial gains and losses recognised in equity at the end of the period	**209.9**	**195.3**

13.3.8 Sensitivity analysis

In accordance with IAS 19, the Group analyses the sensitivity of its employee benefit obligations in relation to changes in discount rates, employee turnover rates, rate of salary increases, valuation rates of interest and mortality tables. Employee benefit obligations are most sensitive to a change in the discount rate: A 25-bp change in this rate, for the French entities, would result in a 2% increase or decrease in employee benefit obligations.

Analysis of the main components of the income statement

NOTE 14
Premium income

Premium income comprises:

- earned premiums;
- loading on premiums on financial instruments without DPF (IAS 39), reported under "Revenue from other activities".

The definition of premium income was revised in 2020 to exclude Fourgous and Eurocroissance transfers effective from 1 January of that year.

This change of method was decided to improve the comparability of the Group's financial information with that presented by most other market players and thereby make it more relevant.

These transfers represented €913.9 million in 2019 and €3,358.6 million in 2020.

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 IFRS 15, 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.

14.1 Earned premiums and revenue from other activities

Business segment and contract type *(In € millions)*	31.12.2020	31.12.2019
Insurance contracts	**23,101.1**	**28,563.8**
▪ Life	20,510.7	25,858.6
Pure premiums	18,904.4	23,965.0
Loading	1,606.4	1,893.6
▪ Non-life	2,590.3	2,705.2
Pure premiums	1,792.8	1,816.9
Loading	797.5	888.3
Financial instruments with DPF	**3,821.3**	**4,872.6**
Pure premiums	3,794.9	4,838.3
Loading	26.3	34.3
Earned premiums	**26,922.4**	**33,436.4**

Revenue from other activities *(In € millions)*	31.12.2020	31.12.2019
Financial instruments without DPF	**40.8**	**69.0**
Premium loading on financial instruments without DPF (IAS 39)	33.3	60.0
Loading on technical reserves for financial instruments without DPF	7.6	9.0
IFRS 15	**74.3**	**76.9**
Other activities	**6.7**	**1.9**
TOTAL	**121.8**	**147.8**

14.2 Reconciliation to reported premium income

(In € millions)	31.12.2020	31.12.2019
Earned premiums	26,922.4	33,436.4
Premium loading on financial instruments without DPF (IAS 39)	33.3	60.0
TOTAL	**26,955.6**	**33,496.4**

In the interests of comparability with the market, Fourgous and Eurocroissance transfers have not been included in premium income since 1 January 2020. Premium income excluding Fourgous and Eurocroissance transfers amounted to €32,582.5 million in 2019.

14.3 Premium income by partner

(In € millions)	31.12.2020	31.12.2019
La Banque Postale	6,320.0	8,542.9
BPCE	4,709.5	6,444.0
CNP Patrimoine	1,871.3	3,059.5
Companies and local authorities	1,262.0	1,280.9
Provident institute	301.3	320.4
Financial institutions	1,130.5	1,197.4
Mutual insurers	458.8	493.1
Amétis	185.3	250.9
International subsidiaries	10,677.9	11,866.3
Other	39.1	40.9
TOTAL PREMIUM INCOME	**26,955.6**	**33,496.4**

In the interests of comparability with the market, Fourgous and Eurocroissance transfers have not been included in premium income since 1 January 2020. Premium income excluding Fourgous and Eurocroissance transfers with La Banque Postale and BPCE amounted to €8,049.8 million and €6,023.3 million in 2019, respectively.

14.4 Premium income by business segment

(In € millions)	31.12.2020	31.12.2019
Savings	**15,300.5**	**20,487.9**
Pensions	**5,379.3**	**6,272.7**
Personal Risk	1,490.4	1,617.6
Term creditor insurance	4,057.3	4,304.7
Health insurance	408.4	420.4
Property & Casualty	319.8	392.9
Sub-total Personal Risk and other	**6,275.8**	**6,735.7**
Other business segments	**0.0**	**0.0**
TOTAL PREMIUM INCOME	**26,955.6**	**33,496.4**

In the interests of comparability with the market, Fourgous and Eurocroissance transfers have not been included in premium income since 1 January 2020. Premium income excluding Fourgous and Eurocroissance transfers for the Savings segment amounted to €19,574.0 million in 2019.

14.5 Premium income by company

(In € millions)	31.12.2020	31.12.2019
CNP Assurances	16,097.0	21,478.2
Groupe Caixa Seguros	5,577.3	6,733.2
CNP UniCredit Vita	3,294.2	3,050.5
Groupe CNP Santander Insurance	763.6	764.7
CNP Luxembourg	653.0	792.9
CNP Partners	149.4	272.4
Groupe CNP Cyprus Insurance	178.5	167.1
MFPrévoyance SA	137.0	128.7
CNP Caution	87.5	87.4
CNP Assurances Compañía de Seguros	18.2	21.2
TOTAL PREMIUM INCOME	**26,955.6**	**33,496.4**

In the interests of comparability with the market, Fourgous and Eurocroissance transfers have not been included in premium income since 1 January 2020. Premium income excluding Fourgous and Eurocroissance transfers for CNP Assurances amounted to €20,564.3 million in 2019.

14.6 Premium income by country

	Under IFRS		Under French GAAP	
(In € millions)	31.12.2020	31.12.2019	31.12.2020	31.12.2019
France	16,277.7	21,630.2	16,305.4	22,927.9
Brazil	5,577.3	6,733.2	5,774.1	7,031.5
Italy	3,468.9	3,260.7	3,485.9	3,284.9
Luxembourg	653.0	792.9	653.0	792.9
Germany	465.8	472.4	465.8	472.4
Spain	135.7	241.7	135.7	241.7
Cyprus	175.0	163.4	178.0	167.8
Poland	89.6	92.4	89.6	92.4
Argentina	18.2	21.2	18.2	21.2
Denmark	20.8	20.2	20.8	20.2
Norway	22.0	21.1	22.0	21.1
Austria	23.7	21.1	23.7	21.1
Portugal	4.0	5.3	4.0	5.3
Other	23.7	20.5	24.3	21.3
TOTAL PREMIUM INCOME	**26,955.6**	**33,496.4**	**27,200.8**	**35,121.8**

In the interests of comparability with the market, Fourgous and Eurocroissance transfers have not been included in premium income since 1 January 2020. Premium income excluding Fourgous and Eurocroissance transfers for France amounted to €20,716.3 million under IFRS and €22,014.0 million under French GAAP in 2019. The impact of restating Fourgous and Eurocroissance transfers is the same under both IFRS and French GAAP.

14.7 Direct and inward reinsurance premiums

(In € millions)	31.12.2020	31.12.2019
Direct business premiums	24,874.6	30,917.9
Inward reinsurance premiums	2,081.1	2,578.4
TOTAL PREMIUM INCOME	**26,955.6**	**33,496.4**

In the interests of comparability with the market, Fourgous and Eurocroissance transfers have not been included in premium income since 1 January 2020. Premium income excluding Fourgous and Eurocroissance transfers for Direct business amounted to €30,004.0 million in 2019.

14.8 Reconciliation of net new money (French GAAP) to premium income (IFRS)

(In € millions)	31.12.2020	31.12.2019
Net new money (French GAAP)	**27,200.8**	**35,121.8**
Restatement of net new money (French GAAP) from financial instruments without DPF (IAS 39)	(278.4)	(1,685.4)
IFRS premium loading on financial instruments without DPF (IAS 39)	33.3	60.0
IFRS PREMIUM INCOME	**26,955.6**	**33,496.4**

In the interests of comparability with the market, Fourgous and Eurocroissance transfers have not been included in premium income since 1 January 2020. Premium income excluding Fourgous and Eurocroissance transfers amounted to €32,582.5 million under IFRS and €34,207.9 million under French GAAP in 2019. The impact of restating Fourgous and Eurocroissance transfers is the same under both IFRS and French GAAP.

French GAAP net new money includes the total deposit component of financial instruments without DPF (IAS 39) while IFRS premium income includes only the premium loading on these instruments. The Group's performance and new business for the period is measured using a French GAAP indicator that does not make any distinction between the different types of contract and their respective measurement methods under IFRS based on their separate components.

NOTE 15
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)*	31.12.2020	31.12.2019
Incurred claims	11,801.4	11,269.4
Endowments due	77.9	118.2
Benefits due	1,089.5	1,042.9
Surrenders	12,355.5	13,941.3
Credited interest and policyholder dividends included in paid benefits	(113.3)	(158.1)
Benefit and claim handling expenses	138.2	151.7
Claims and benefits	**25,349.2**	**26,365.3**
Change in technical reserves – insurance contracts	2,115.2	11,254.6
Change in technical reserves – financial instruments with DPF	(5,219.0)	(4,675.4)
Change in other technical reserves	(30.1)	(106.2)
Change in technical reserves	**(3,133.9)**	**6,473.0**
Credited interest	566.6	806.5
Policyholder dividends	4,904.1	7,209.0
Credited interest and policyholder dividends	**5,470.8**	**8,015.5**
Claims and benefits expenses	**27,686.0**	**40,853.8**

In the interests of comparability with most other market players, Fourgous and Eurocroissance transfers have not been included in surrenders since 1 January 2020. Claims and benefits and claims and benefits expenses excluding Fourgous and Eurocroissance transfers amounted respectively to €25,462.8 million and €39,951.3 million in 2019.

NOTE 16
Administrative expenses and business acquisition costs

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 expenses 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.

16.1 Expenses analysed by function

(In € millions)	31.12.2020	31.12.2019
Commissions	(3,759.6)	(3,911.6)
Expenses analysed by function	(146.1)	(106.0)
Acquisition costs	**(3,905.7)**	**(4,017.6)**
Contract administration expenses	**(227.7)**	**(239.6)**
Other underwriting income and expenses	(345.4)	(398.1)
Other income and expenses	(138.6)	(319.6)
Employee profit-sharing	(31.5)	(35.2)
Other recurring operating income and expense, net	**(515.4)**	**(752.8)**
TOTAL	**(4,648.9)**	**(5,010.0)**

16.2 Expenses analysed by nature

(In € millions)	31.12.2020	31.12.2019
Depreciation and amortisation expense and impairment losses	(55.3)	(58.8)
Employee benefits expense	(461.0)	(474.6)
Taxes other than on income	(45.3)	(56.2)
Other*	(313.1)	(359.1)
TOTAL	**(874.7)**	**(948.7)**

* Details of fees paid to the Statutory Auditors are presented in Note 16.5

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.

16.3 Administrative expenses, net

(In € millions)	31.12.2020	31.12.2019
Administrative expenses*		
▪ Excluding international subsidiaries and other businesses	578.2	611.1
▪ Including international subsidiaries and other businesses	845.1	925.9

* Excluding Amétis network expenses

16.4 Analysis of commission expense

(In € millions)	31.12.2020	31.12.2019
BPCE	934.1	1,100.2
La Banque Postale	616.8	658.1
Other	2,208.7	2,153.3
TOTAL	**3,759.6**	**3,911.6**

16.5 Fees paid to the Statutory Auditors

31 DECEMBER 2020

	MAZARS		PWC	
(In € thousands)	Amount [2]	%	Amount [2]	%
Audit				
Audit of the financial statements of the Company and the Group	1,972	83%	2,765	83%
Issuer	*1,312*	*55%*	*1,321*	*40%*
Fully consolidated companies	*660*	*28%*	*1,444*	*43%*
Other audit and special engagements [1]	404	17%	576	17%
Issuer	*328*	*14%*	*368*	*11%*
Fully consolidated companies	*76*	*3%*	*208*	*6%*
TOTAL	**2,376**	**100%**	**3,341**	**100%**

(1) "Other duties and services directly related to the assignment carried out by the Statutory Auditors" include services relating to the issue of debt securities, review of MCEV© calculations, review of Solvency II disclosures, review of the English translation of the Universal Registration Document and other reports, and review of the Non-Financial Performance Statement

(2) Excluding taxes

31 DECEMBER 2019

	MAZARS		PWC	
(In € thousands)	Amount [2]	%	Amount [2]	%
Audit				
Audit of the financial statements of the Company and the Group	1,911	77%	2,626	82%
Issuer	*1,244*	*50%*	*1,251*	*39%*
Fully consolidated companies	*667*	*27%*	*1,375*	*43%*
Other audit and special engagements [1]	557	23%	583	18%
Issuer	*452*	*18%*	*512*	*16%*
Fully consolidated companies	*105*	*4%*	*71*	*2%*
TOTAL	**2,467**	**100%**	**3,209**	**100%**

(1) "Other audit and special engagements" mainly concern the issue of subordinated notes, the review of MCEV©, the review of the English translation of the Registration Document, the review of sustainable development indicators and the review of internal control processes linked to the processing of unclaimed life insurance settlements

(2) Excluding taxes

NOTE 17
Reinsurance result

(In € millions)	**31.12.2020**	31.12.2019
Ceded premiums	(749.3)	(1,074.8)
Change in ceded technical reserves	904.9	1,430.9
Reinsurance commissions received	154.5	167.7
Investment income	(168.6)	(428.1)
TOTAL	**141.5**	**95.7**

NOTE 18
Investment income

18.1 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 2020 and 2019.

(In € millions)		31.12.2020	31.12.2019
Available-for-sale financial assets	Income from debt securities	(24.5)	(484.5)
	Interest income	4,499.9	4,874.1
	Income from other financial assets	1,475.0	1,743.8
	Capital gains and losses on disposals	258.6	1,368.7
	Impairment	(6.2)	1,055.0
	Net income from available-for-sale financial assets	**6,202.8**	**8,557.1**
Held-to-maturity investments	Income from debt securities	0.0	0.0
	Interest income	36.2	32.4
	Other income & charges	0.0	0.0
	Impairment	0.0	0.0
	Net income from held-to-maturity investments	**36.2**	**32.4**
Loans and receivables	Interest income	49.0	96.0
	Other income	(0.5)	(0.3)
	Impairment	0.0	0.0
	Net income from loans and receivables	**48.5**	**95.7**
Financial assets at fair value through profit or loss	Profit (loss) on securities held for trading	1,666.3	6,979.9
	Profit (loss) on derivative instruments held for trading and hedging	12.7	(952.8)
	Capital gains and losses on disposals	(24.2)	207.0
	Net income (expense) from financial assets at fair value through profit or loss	**1,654.7**	**6,234.1**
Investment property	Rent and other revenue	50.1	85.2
	Fair value adjustments	22.8	16.9
	Capital gains and losses on disposals	155.8	221.4
	Net income from investment property	**228.8**	**323.5**
Other investment expenses		**(463.1)**	**(253.1)**
Dilution gain		**0.0**	**0.0**
TOTAL INVESTMENT INCOME		**7,707.8**	**14,989.7**
Interest on subordinated debt at amortised cost		(256.1)	(263.6)
Interest on subordinated debt at fair value		0.0	0.0
Finance costs – Cash flow hedges		4.3	12.7
Total finance costs		**(251.7)**	**(250.9)**
TOTAL INVESTMENT INCOME NET OF FINANCE COSTS		**7,456.1**	**14,738.8**

RECONCILIATION OF INVESTMENT INCOME AND EXPENSES TO THE AMOUNTS REPORTED IN THE INCOME STATEMENT

(In € millions)	31.12.2020	31.12.2019
Investment income before finance costs	7,708.2	14,989.7
Finance costs	(251.7)	(250.9)
TOTAL	**7,456.5**	**14,738.8**

18.2 Fair value adjustments to assets

The following tables show fair value adjustments to assets in 2019 and 2018.

18.2.1 Fair value adjustments to assets – 2020

(In € millions)		Investments held at 31.12.2020	Investments held at 31.12.2019	Movements in 2020
Assets at fair value through profit or loss	Fixed-rate bonds	11,405.5	14,853.9	(3,448.4)
	Variable-rate bonds	21,433.0	23,278.7	(1,845.7)
	TCNs (money market securities)	1,007.6	667.7	339.9
	Equities	5,616.5	5,432.7	183.9
	Investment funds	46,624.2	43,653.9	2,970.3
	Shares in non-trading property companies	1,725.5	1,515.2	210.2
	Other (including lent securities and repos)	3,120.9	3,367.7	(246.8)
	Total	**90,933.2**	**92,769.8**	**(1,836.6)**
Derivative instruments	Derivative instruments (positive fair value)	530.6	525.9	4.7
	Derivative instruments (negative fair value)	(912.3)	(1,132.0)	219.7
	Total	**(381.7)**	**(606.1)**	**224.4**
Available-for-sale financial assets	Fixed-rate bonds	176,321.9	178,052.2	(1,730.3)
	Variable-rate bonds	19,017.4	19,645.5	(628.1)
	TCNs (money market securities)	4,150.1	3,677.7	472.5
	Equities	17,958.0	18,390.2	(432.2)
	Investment funds	52,050.2	48,473.6	3,576.5
	Shares in non-trading property companies	11,113.0	10,329.4	783.6
	Non-voting loan stock	402.5	60.5	342.0
	Other (including lent securities and repos)	24,691.7	24,625.3	66.4
	Total	**305,704.9**	**303,254.4**	**2,450.5**
Held-to-maturity investments	Fixed-rate bonds	21.4	31.7	(10.3)
	Variable-rate bonds	142.8	218.3	(75.6)
	Other (including lent securities and repos)	0.0	24.2	(24.2)
	Total	**164.2**	**274.2**	**(110.1)**
Loans and receivables	Loans and receivables	5,123.1	4,698.5	424.6
	Total	**5,123.1**	**4,698.5**	**424.6**
Investment property	Investment property at amortised cost	1,733.3	1,768.6	(35.4)
	Investment property measured by the fair value model	1,705.2	1,580.8	124.4
	Total	**3,438.5**	**3,349.4**	**89.0**
TOTAL		**404,982.1**	**403,740.3**	**1,241.8**

18.2.2 Fair value adjustments to assets – 2019

(In € millions)		Investments held at 31.12.2019	Investments held at 31.12.2018	Movements in 2019
Assets at fair value through profit or loss	Fixed-rate bonds	14,853.9	11,951.4	2,902.5
	Variable-rate bonds	23,278.7	20,824.4	2,454.3
	TCNs (money market securities)	667.7	443.7	224.0
	Equities	5,432.7	4,492.0	940.6
	Investment funds	43,653.9	39,920.0	3,733.9
	Shares in non-trading property companies	1,515.2	1,206.2	309.0
	Other (including lent securities and repos)	3,367.7	2,765.2	602.5
	Total	**92,769.8**	**81,602.9**	**11,166.8**
Derivative instruments	Derivative instruments (positive fair value)	525.9	1,287.7	(761.8)
	Derivative instruments (negative fair value)	(1,132.0)	(1,193.3)	61.3
	Total	**(606.1)**	**94.4**	**(700.4)**
Available-for-sale financial assets	Fixed-rate bonds	178,052.2	171,685.9	6,366.3
	Variable-rate bonds	19,645.5	23,186.4	(3,540.9)
	TCNs (money market securities)	3,677.7	2,808.4	869.2
	Equities	18,390.2	15,400.9	2,989.3
	Investment funds	48,473.6	47,154.8	1,318.8
	Shares in non-trading property companies	10,329.4	9,494.1	835.3
	Non-voting loan stock	60.5	61.3	(0.8)
	Other (including lent securities and repos)	24,625.3	19,550.9	5,074.5
	Total	**303,254.4**	**289,342.7**	**13,911.7**
Held-to-maturity investments	Fixed-rate bonds	31.7	98.6	(67.0)
	Variable-rate bonds	218.3	204.1	14.2
	Other (including lent securities and repos)	24.2	130.6	(106.4)
	Total	**274.2**	**433.2**	**(159.0)**
Loans and receivables	Loans and receivables	4,698.5	4,891.3	(192.8)
	Total	**4,698.5**	**4,891.3**	**(192.8)**
Investment property	Investment property at amortised cost	1,768.6	1,937.5	(168.9)
	Investment property measured by the fair value model	1,580.8	1,510.2	70.6
	Total	**3,349.4**	**3,447.8**	**(98.4)**
TOTAL		**403,740.3**	**379,812.3**	**23,928.0**

18.2.3 Reconciliation of fair value adjustments to the amounts reported in the "Investments" note

(In € millions)	31.12.2020	31.12.2019
Fair value of investments	404,982.1	403,740.3
Unrealised gains and losses, net	(1,047.1)	(1,071.9)
Carrying amount of investments	**403,935.0**	**402,668.4**

18.3 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)	31.12.2020	31.12.2019
Available-for-sale financial assets	**(385.2)**	**(463.6)**
Fixed-rate bonds	(0.3)	0.0
Variable-rate bonds	0.0	(1.2)
TCNs (money market securities)	0.0	0.0
Equities	(135.6)	(24.0)
Equity investment funds	(63.9)	(64.8)
Non-voting loan stock	(0.7)	0.0
Other (including mutual fund units)	(184.7)	(373.6)
Held-to-maturity investments	**0.0**	**0.0**
Loans and receivables	**0.0**	**0.0**
Total impairment expense	**(385.2)**	**(463.6)**
Available-for-sale financial assets	**379.0**	**1,518.6**
Fixed-rate bonds	0.7	0.0
Variable-rate bonds	0.0	4.8
TCNs (money market securities)	0.0	0.0
Equities	300.6	1,151.0
Equity investment funds	4.2	50.0
Non-voting loan stock	0.0	0.0
Other (including mutual fund units)	73.6	312.9
Held-to-maturity investments	**0.0**	**0.0**
Loans and receivables	**0.0**	**0.0**
Total impairment reversals	**379.0**	**1,518.6**
NET CHANGE IN IMPAIRMENT PROVISIONS	**(6.2)**	**1,055.0**

NOTE 19
Income tax expense

French tax group

CNP Assurances and its main French subsidiaries have elected to file a consolidated tax return under French group relief rules. The main companies in the tax group are CNP Assurances and its subsidiaries CNP Caution, CICOGE SA (a property investment company), Âge d'Or Expansion, SAS THEEMIM, AEP 3, AEP 4, Assur-immeuble, Pyramides 2, Ecureuil Vie Investment, 270 Investment, US Real Estate EVJ, US Real Estate 270, Pial 34, Passage du Faidherbe, Alleray, Yellowalto, FPIP, Lyfe, Sogestop K, Foncière HID, Pierre et Surene, 23-25 Marignan, 36 Marbeuf, 46 Kleber, 46 Kleber Holding, Infra Invest France, Neuilly Pilot, Ybry Pont Neuilly, Geosud, Friedensallee, Montparvie IV, Montparvie V, QIS Group, QIS France and Youse Home.

The companies in the tax group have signed agreements with CNP Assurances, which is liable towards the French Treasury for the payment of the tax due by the tax group. These agreements specify how the total tax liability is allocated among the tax group members, and stipulate that any unallocated balance will be borne by CNP Assurances.

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. In accordance with IAS 12, a deferred tax liability is recognised for all taxable temporary differences between the carrying amount and tax base of investments in subsidiaries, associates and branches and interests in joint arrangements, except where the following conditions are met:

(a) CNP Assurances, as the parent, investor, joint operator is able to control the timing of the reversal of the temporary difference; and

(b) it is probable that the temporary difference 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 within five years. 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.

The following table discloses the main components of income tax expense.

(In € millions)	**31.12.2020**	31.12.2019
Current tax	620.5	859.9
Deferred tax	68.4	(75.6)
INCOME TAX EXPENSE	**688.9**	**784.2**
Profit for the period	1,617.9	1,735.7
Tax rate	29.86%	31.12%
INCOME TAX EXPENSE	**688.9**	**784.2**

Tax proof *(In € millions)*	31.12.2020		31.12.2019	
	Rate	Amount	Rate	Amount
Profit before tax		2,306.8		2,519.9
Income tax at the standard French tax rate [(1)]	32.02%	(738.6)	34.43%	(867.6)
Permanent differences	-2.49%	57.5	-3.77%	94.9
Effects of changeover to the equity method [(2)]	-0.47%	10.8	-0.61%	15.3
Capital gains and losses taxed at reduced rate	-1.08%	24.8	-0.81%	20.4
Effects of changes in tax rates [(3)]	1.59%	(36.6)	1.91%	(48.1)
Tax credits and tax loss carryforwards used	-0.91%	20.9	-1.07%	27.0
Other	1.20%	(27.7)	1.04%	(26.2)
TOTAL	**29.86%**	**(688.9)**	**31.12%**	**(784.2)**

(1) In France, the corporate income tax rate was 32.02% in 2020. Going forward, under the 2020 Finance Act, the cuts in the corporate tax rate payable by companies with revenues in excess of €250 million is being implemented more slowly than originally planned, to 27.5% in 2021 (28.41% including the 3.3% contribution) and 25% in 2022 (25.82% including the 3.3% contribution)

(2) Inclusion of companies accounted for by the equity method had a positive effect on income tax expense, with:
- i) on the one hand, revenue that had already been taxed and was therefore recognised on a net-of-tax basis; and
- ii) on the other hand, tax-deductible policyholder rights generated by this revenue, recorded on a before-tax basis

(3) This item is affected by:
- i) differences between the statutory tax rate in France and the tax rates applicable to foreign subsidiaries. As an example, the tax rate in Brazil was 40% for 2019 and 2020;
- ii) changes in statutory tax rates. The effects of the changes in the French tax rate introduced in successive Finance Acts are taken into account in the consolidated financial statements and are therefore also included under this caption

Deferred taxes on: *(In € millions)*	31.12.2020	31.12.2019
Fair value adjustments to financial assets held for trading	193.1	121.6
Deferred participation asset/reserve	(171.2)	(144.1)
Fair value adjustments to other financial assets	3.1	(22.3)
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	43.4	(30.9)
TOTAL	**68.4**	**(75.6)**

This table presents total deferred tax assets and liabilities by type of temporary difference.

Sources of temporary differences *(In € millions)*	31.12.2020		
	Assets	Liabilities	Net
Goodwill	0.0	(40.5)	(40.5)
Value of In-Force business	0.0	0.0	0.0
Distribution agreements	0.0	(30.1)	(30.1)
Other intangible assets	0.1	(1.7)	(1.6)
Investment property	12.9	(76.4)	(63.5)
Financial assets	0.0	(9,276.3)	(9,276.3)
Investments in equity-accounted companies	0.0	0.0	0.0
Reinsurers' share of insurance and financial liabilities	0.0	0.0	0.0
Owner-occupied property and other property and equipment	0.0	(0.5)	(0.5)
Deferred acquisition costs	35.4	(52.4)	(17.0)
Other assets	127.5	(4.5)	123.1
Capitalisation reserve	0.0	0.0	0.0
Subordinated debt	1.5	0.0	1.5
Provisions for liabilities and charges	193.3	0.0	193.3
Financing liabilities	0.0	0.0	0.0
Insurance and financial liabilities	51.9	(7.4)	44.5
Deferred participation asset/reserve	7,988.0	152.9	8,140.9
Other liabilities	154.2	47.1	201.3
Credit from tax loss carryforwards	(78.0)	0.0	(78.0)
Asset-liability netting	(8,306.7)	8,306.7	0.0
NET DEFERRED TAX ASSET OR LIABILITY	**180.2**	**(983.0)**	**(802.8)**

Sources of temporary differences *(In € millions)*	31.12.2019		
	Assets	Liabilities	Net
Goodwill	0.0	(40.3)	(40.3)
Value of In-Force business	0.0	0.0	0.0
Distribution agreements	0.0	(32.6)	(32.6)
Other intangible assets	0.0	(1.1)	(1.1)
Investment property	(2.7)	(50.2)	(52.9)
Financial assets	0.0	(8,541.2)	(8,541.2)
Investments in equity-accounted companies	0.0	(151.7)	(151.7)
Reinsurers' share of insurance and financial liabilities	0.0	0.0	0.0
Owner-occupied property and other property and equipment	0.0	(0.6)	(0.6)
Deferred acquisition costs	46.7	(55.3)	(8.5)
Other assets	114.5	(4.3)	110.2
Capitalisation reserve	0.0	0.0	0.0
Subordinated debt	6.7	0.0	6.7
Provisions for liabilities and charges	256.8	0.0	256.8
Financing liabilities	0.0	0.0	0.0
Insurance and financial liabilities	44.3	(7.1)	37.2
Deferred participation asset/reserve	7,572.3	163.7	7,735.9
Other liabilities	170.7	(21.6)	149.1
Credit from tax loss carryforwards	(44.9)	0.0	(44.9)
Asset-liability netting	(7,994.5)	7,994.5	0.0
NET DEFERRED TAX ASSET OR LIABILITY	**200.9**	**(753.1)**	**(552.2)**

NOTE 20
Segment information

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.

The choice of geographical segmentation is based on a multi-criteria organisation linked to the Group's strategic priorities (geography, activities, networks) and the allocation of goodwill to mainly geographical cash-generating units. It has been adopted in order to present geographic segments as the Group's operating segments based on the definitions in IFRS 8 paragraphs 8 and 10.

The three geographic segments are:

- France;
- Latin America;
- Europe excluding France.

The Group's internal reporting system is based on the following indicators:

- premium income and revenue from other activities: earned premiums and revenue from other activities, including non-controlling interests and ceded premiums. Premium income and revenue from other activities is an indicator of underwriting volume;
- total revenue: net insurance revenue plus revenue from own fund portfolios, including non-controlling interests but net of ceded premiums. It is the margin before deducting administrative expenses;
- net insurance revenue: sum of insurance loading, underwriting results and reinsurance results, net of commission paid to distribution partners, including non-controlling interests but net of ceded premiums. It is the margin generated by the insurance business before deducting administrative costs;
- administrative costs: costs of administering and managing insurance contracts, excluding commissions paid to the distribution networks. This indicator includes non-controlling interests;
- earnings before interest and taxes (EBIT): attributable net profit before finance costs, income tax expense, non-controlling and equity-accounted interests, fair value adjustments and net gains (losses), non-recurring items. This indicator includes non-controlling interests and is gross of income tax expense. It is the margin generated by the insurance business after deducting administrative expenses;
- underlying attributable profit: attributable net profit before income tax expense, non-recurring items, fair value adjustments and net gains (losses). This indicator is calculated net of non-controlling interests and is gross of income tax expense. It is the margin after finance costs and non-controlling and equity-accounted interests.

20.1 Income statement by business segment at 31 December 2020

(In € millions)	France	Latin America	Europe excl. France	Total IFRS
Premium income*	16,277.7	5,595.5	5,082.4	26,955.6
Total revenue	**2,271.8**	**888.7**	**298.5**	**3,459.0**
Administrative expenses	(578.2)	(138.5)	(128.4)	(845.1)
EBIT	**1,693.5**	**750.2**	**170.1**	**2,613.9**
Finance costs				(251.7)
Share of profits and losses of equity-accounted companies				12.4
Non-controlling interests				(433.0)
Recurring profit attributable to owners of the parent				**1,941.6**
Income tax expense				(593.8)
Fair value adjustments and net gains				246.8
Non-recurring items				(244.7)
Profit attributable to owners of the parent				**1,350.0**

* A reconciliation of earned premiums to premium income is presented in Note 14. The top line contribution of Fourgous and Eurocroissance transfers to premium income in France was €913.9 million in 2019

RECONCILIATION OF EBIT TO OPERATING PROFIT

(In € millions)	31.12.2020
EBIT	**2,613.9**
Net fair value adjustments	94.5
Net gains/(losses) on equities and property	198.1
Non-recurring items	(360.4)
Transactions with equity-accounted entities	(39.4)
Operating profit	**2,506.6**

RECONCILIATION OF DESENSITISED INCOME TAX EXPENSE TO REPORTED INCOME TAX EXPENSE

(In € millions)	31.12.2020
Income tax expense (desensitised income statement)	**(593.8)**
Tax on the following items:	
Net fair value adjustments	(22.4)
Net gains/(losses) on equities and property	(15.5)
Non-recurring items	99.2
Associates	(156.4)
Income tax expense (reported)	**(688.9)**

RECONCILIATION OF DESENSITISED NON-CONTROLLING INTERESTS TO REPORTED NON-CONTROLLING INTERESTS

(In € millions)	31.12.2020
Non-controlling interests (desensitised income statement)	**(433.0)**
Impact of non-controlling interests on the following items:	
Net fair value adjustments	(1.0)
Net gains/(losses) on equities and property	(7.0)
Non-recurring items	16.6
Income tax expense	156.4
Non-controlling interests (reported)	**(267.9)**

20.2 Income statement by business segment at 31 December 2019

(In € millions)	France	Latin America	Europe excl. France	Total IFRS
Premium income*	21,630.2	6,754.4	5,111.8	33,496.4
Total revenue	**2,518.9**	**1,168.7**	**279.3**	**3,966.9**
Administrative expenses	(611.1)	(185.9)	(128.8)	(925.9)
EBIT	**1,907.8**	**982.8**	**150.5**	**3,041.1**
Finance costs				(250.8)
Share of profits and losses of equity-accounted companies				12.8
Non-controlling interests				(559.1)
Recurring profit attributable to owners of the parent				**2,244.1**
Income tax expense				(693.8)
Fair value adjustments and net gains (losses)				481.8
Non-recurring items				(620.4)
Profit attributable to owners of the parent				**1,411.7**

* A reconciliation of earned premiums to premium income is presented in Note 14. The top line contribution of Fourgous and Eurocroissance transfers to premium income in France was €913.9 million in 2019

RECONCILIATION OF EBIT TO OPERATING PROFIT

(In € millions)	31.12.2019
EBIT	**3,041.1**
Net fair value adjustments	(19.3)
Net gains/(losses) on equities and property	729.9
Non-recurring items	(970.7)
Transactions with equity-accounted entities	(31.7)
Operating profit	**2,749.2**

RECONCILIATION OF DESENSITISED INCOME TAX EXPENSE TO REPORTED INCOME TAX EXPENSE

(In € millions)	31.12.2019
Income tax expense (desensitised income statement)	**(693.8)**
Tax on the following items:	
Net fair value adjustments	21.6
Net gains/(losses) on equities and property	(236.0)
Non-recurring items	327.9
Associates	(203.9)
Income tax expense (reported)	**(784.2)**

RECONCILIATION OF DESENSITISED NON-CONTROLLING INTERESTS TO REPORTED NON-CONTROLLING INTERESTS

(In € millions)	31.12.2019
Non-controlling interests (desensitised income statement)	**(559.1)**
Impact of non-controlling interests on the following items:	
Net fair value adjustments	(2.3)
Net gains/(losses) on equities and property	11.0
Non-recurring items	22.6
Income tax expense	203.9
Non-controlling interests (reported)	**(324.0)**

Other analyses

NOTE 21
Application of IAS 29

Argentina has been qualified as a hyperinflationary economy since 1 July 2018.

As a result, IAS 29 – Financial Reporting in Hyperinflationary Economies, requires the financial statements of entities whose functional currency is the Argentine peso to be restated.

CNP Assurances has two subsidiaries in Argentina, CNP Assurances Compañía de Seguros and CNP SA de Capitalización, whose functional currency is the Argentine peso.

The analysis of the impacts related to the application of this standard enables the Group to ensure that its accounting policies do not need to be modified.

NOTE 22
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 23
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 the entities accounted for using the equity method) and members of senior management (see Note 23.5).

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 €600.5 million in dividends from subsidiaries during the period, comprising €178.2 million from its French subsidiaries, €406.3 million from its Brazilian subsidiaries and €15.9 million from its Spanish subsidiary.

The list of subsidiaries, associates and joint ventures is provided in Note 4.

23.1 Transactions with shareholders and their subsidiaries

(In € millions)	Income	Expenses	Assets	Liabilities
Inward reinsurance – Claims and benefits, technical reserves	0.0	1,325.8	0.0	6,028.3
Outward reinsurance – Claims and benefits, technical reserves	372.9	0.0	11,517.5	0.0
Commissions	0.0	1,551.0	0.0	461.2
Service fees	13.4	2.9	5.2	1.3
Employee benefits expense	0.0	4.9	0.0	0.9
Rent	0.0	2.2	0.0	0.0
Provision expense	0.0	0.0	0.0	0.0
Financial income and loans	132.1	1.0	68.9	0.0
Financial expenses and borrowings	0.0	366.4	0.0	11.9
Dividends	73.4	0.0	0.0	0.0

Based on the IAS 24 definition, the Group's direct or indirect shareholders who have control or exercise significant influence, their subsidiaries and joint ventures and the companies over which they exercise significant influence are all related parties.

Commissions correspond to revenue received by BPCE and La Banque Postale on the sale of products managed by CNP Assurances.

Claims and employee benefits mainly concern various expenses rebilled by Caisse des Dépôts to CNP Assurances and the costs of managing service contracts reinvoiced to La Banque Postale Prévoyance in accordance with IFRS 15.

23.2 Transactions with equity-accounted entities

The insurance undertakings accounted for using the equity method are Arial CNP Assurances, Assuristance, Filassistance International and Wiz Soluções e Corretagem de Seguros SA.

(In € millions)	Income	Expenses	Assets	Liabilities
Inward reinsurance – Claims and benefits, technical reserves	0.0	436.1	0.0	6,420.9
Outward reinsurance – Claims and benefits, technical reserves	0.0	0.0	0.0	0.0
Commissions	0.0	18.8	0.0	18.8
Service fees	8.2	0.0	14.1	0.0
Employee benefits expense	6.7	0.3	1.6	2.8
Rent	0.0	0.0	0.0	0.0
Provision expense	0.0	0.0	0.0	0.0
Financial income and loans	0.0	0.0	0.0	0.0
Financial expenses and borrowings	0.0	0.0	0.0	0.0
Dividends	37.3	0.0	0.0	0.0

23.3 Transactions with associates

The Group received €73.4 million in dividends from the Coentreprise de Transport d'Electricité (CTE) joint venture, which is accounted for as an associate.

23.4 Terms and conditions of guarantees given and received

Guarantees given to related and equity-accounted companies mainly concern reinsurance transactions (cash deposits) and pledges:

- Arial CNP Assurances
  - Cash deposits received: €2,795.0 million
  - Pledges given: €4,295.3 million
- BPCE
  - Cash deposits paid: €11,202.4 million
  - Cash deposits received: €160.4 million
  - Pledges given: €5,519.8 million
- LBP
  - Pledges received: €130.0 million
  - Pledges given: €6.6 million

23.5 Management remuneration

The total remuneration paid to the Chairman, the 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 2020

- 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 Officer and the members of the Board of Directors amounted to €2,399,921.97.
- Long-term benefits: the cumulative amounts provided for or recognised in respect of pension or other retirement benefits for the Chief Executive Officer (corresponding to the vested rights of the current Chief Executive Officer during his period as an employee prior to his appointment as Chief Executive Officer) and the Deputy Chief Executive Officer totalled €8,842,196. No amounts were provided for or recognised in respect of pension or other retirement benefits for the Chairman or the Chief Executive Officer because the Group had no payment obligations towards them in this regard.
- Termination benefits: the termination benefits payable to the members of senior management are provided for in their employment contracts or in the collective agreement. The cumulative amounts provided for or recognised in respect of termination benefits for the Chief Executive Officer (corresponding to the vested rights of the current Chief Executive Officer during his period as an employee prior to his appointment as Chief Executive Officer) and the Deputy Chief Executive Officer totalled €966,166. No amounts were provided for or recognised in respect of termination benefits for the Chairman or the Chief Executive Officer because the Group had no payment obligations towards them in this regard.
- Share-based payments: no share-based payments were made in 2020 to the Chief Executive Officer, the Deputy Chief Executive Officer or the members of the Board of Directors.

In 2019

- 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 two Deputy Chief Executive Officers and the members of the Board of Directors amounted to €2,380,095.69.
- Long-term benefits: the cumulative amounts provided for or recognised in respect of pension or other retirement benefits for the Chief Executive Officer (corresponding to the vested rights of the current Chief Executive Officer during his period as an employee prior to his appointment as Chief Executive Officer) and the two Deputy Chief Executive Officers totalled €10,924,548. No amounts were provided for or recognised in respect of pension or other retirement benefits for the Chairman or the Chief Executive Officer because the Group had no payment obligations towards them in this regard.
- Termination benefits: the termination benefits payable to the members of senior management are provided for in their employment contracts or in the collective agreement. The cumulative amounts provided for or recognised in respect of termination benefits for the Chief Executive Officer (corresponding to the vested rights of the current Chief Executive Officer during his period as an employee prior to his appointment as Chief Executive Officer) and the two Deputy Chief Executive Officers totalled €1,377,171. No amounts were provided for or recognised in respect of termination benefits for the Chairman or the Chief Executive Officer because the Group had no payment obligations towards them in this regard.
- Share-based payment: no share-based payments were made in 2019 to the Chief Executive Officer, the Deputy Chief Executive Officers or the members of the Board of Directors.

NOTE 24
Financial risks

24.1 Credit risk

The Group's credit risk policies are presented in section 3 of the Universal Registration Document on Corporate Governance.

Note 8.8 to the consolidated financial statements analyses the Group's bond portfolio by issuer rating.

24.2 Currency risk

Most portfolios covering insured liabilities are invested in assets denominated in the insurance company's functional currency. As a result, portfolio exposure to currency risks is limited (e.g., net-of-hedging exposure to a currency other than the euro represents less than 5% of the investments of French companies of the CNP Assurances Group).

In addition, the Group performs currency stress-tests to assess the impact on profit and equity of a 10% increase in the euro-dollar and euro-sterling exchange rates as it is marginally exposed 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 2% of recurring operating profit.

The impact of the euro's appreciation against the dollar and sterling is analysed at half-yearly intervals and commented on when the amounts involved are material.

The Group is also exposed to currency risk on its operations in Brazil and on the translation of the financial statements of its local subsidiaries.

Simulations are performed of the impact of a 20% decline in the Real exchange rate. In the absence of hedging, this scenario would have a negative impact of less than 5% on profit attributable to owners of the parent. The hedging policy consists of purchasing currency options as protection against the risk of a fall in the Brazilian currency. The impact of a 20% decline in the Real exchange rate after hedging would be less than 2% of profit attributable to owners of the parent.

Lastly, exchange differences on translating the financial statements of the Brazilian subsidiaries may have an impact on equity.

24.3 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.

24.3.1 Caps and floors

The following tables show the nominal amount of caps and floors by strike price and remaining term at 31 December 2020 and 31 December 2019.

24.3.1.1 Caps and floors at 31 December 2020

(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
≥ 0% and < 1%	1,138.5	21.5	44.0	35.1	53.5	26.0	75.6	16.8	34.6	12.2	1,457.9
≥ 1% and < 2%	2.9	0.0	0.0	3,600.0	0.0	0.0	4.8	3.0	2.2	0.0	3,612.8
≥ 2% and < 3%	8,770.5	6,850.0	6,000.0	2,454.0	5,081.5	10,326.5	152.7	0.0	0.0	19.5	39,654.7
≥ 3% and < 4%	4,900.1	0.0	1,596.9	10,176.0	23,069.0	2,375.0	0.0	59.0	151.0	729.3	43,056.2
≥ 4% and < 5%	2,360.0	3,821.0	0.0	5,724.0	5,565.0	0.0	0.0	81.0	77.0	727.0	18,355.0
≥ 5% and < 6%	300.0	1,850.0	1,910.0	0.0	0.0	0.0	0.0	0.0	19.3	0.0	4,079.3
≥ 6% and < 7%	0.0	0.0	0.0	0.0	1.6	0.0	0.0	0.0	0.0	0.0	1.7
TOTAL	**17,472.0**	**12,542.5**	**9,550.9**	**21,989.1**	**33,770.7**	**12,727.5**	**233.1**	**159.8**	**284.0**	**1,488.0**	**110,217.6**

24.3.1.2 Caps and floors at 31 December 2019

(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
≥ 0% and < 1%	1,560.9	406.7	8.9	14.3	19.3	33.2	2.7	2.3	5.8	9.8	2,063.9
≥ 1% and < 2%	1.2	0.0	0.0	1.0	2.0	9.1	3.0	1.2	0.0	18.6	36.1
≥ 2% and < 3%	0.7	8,770.0	6,851.0	6,000.0	54.0	1,271.0	10,326.5	124.0	0.0	0.0	33,397.2
≥ 3% and < 4%	4,900.1	0.0	0.0	1,594.0	10,176.0	23,069.0	2,375.8	0.0	59.0	808.0	42,982.0
≥ 4% and < 5%	600.0	2,260.0	3,820.0	0.0	5,724.0	5,565.9	0.0	0.0	81.0	804.0	18,854.9
≥ 5% and < 6%	602.5	0.0	1,850.0	1,910.0	0.0	0.0	0.0	0.0	0.0	19.5	4,382.1
≥ 6% and < 7%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**7,665.5**	**11,436.7**	**12,530.0**	**9,519.3**	**15,975.3**	**29,948.2**	**12,708.1**	**127.5**	**145.8**	**1,659.9**	**101,716.2**

24.3.2 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.

24.3.2.1 Effective interest rates at purchase

	31.12.2020		31.12.2019	
	Fixed-rate debt securities	Fixed-rate bonds	Fixed-rate debt securities	Fixed-rate bonds
France	EUR	2.13%	EUR	2.35%
Italy	EUR	1.98%	EUR	2.50%
Brazil	BRL	7.53%	BRL	7.87%
Spain	EUR	2.11%	EUR	2.18%

24.3.2.2 Effective interest rates at balance sheet date

	31.12.2020		31.12.2019	
	Fixed-rate debt securities	Fixed-rate bonds	Fixed-rate debt securities	Fixed-rate bonds
France	EUR	-0.25%	EUR	-0.03%
Italy	EUR	2.00%	EUR	2.45%
Brazil	BRL	3.60%	BRL	5.30%
Spain	EUR	0.00%	EUR	0.31%

24.3.3 Carrying amounts by maturity

24.3.3.1 Carrying amounts by maturity at 31 December 2020

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	Due beyond 5 years	Total
Fixed-rate bonds	30,932.6	20,600.3	24,383.8	10,407.3	13,606.4	86,676.9	186,607.3
Zero coupon bonds	806.9	778.4	2,256.8	723.7	1,522.8	12,959.3	19,047.9
Adjustable-rate bonds	0.0	1.5	3.0	2.0	1.0	4.7	12.3
Variable-rate bonds	1,670.4	1,277.1	1,496.1	1,570.5	1,342.3	4,173.7	11,530.0
Fixed-rate inflation-indexed bonds	911.2	203.0	3,037.1	675.3	0.0	4,623.5	9,450.2
Other bonds	1,285.8	1,686.3	950.8	1,051.1	794.3	14,875.4	20,643.8
TOTAL	**35,606.9**	**24,546.7**	**32,127.6**	**14,430.0**	**17,266.8**	**123,313.5**	**247,291.5**

24.3.3.2 Carrying amounts by maturity at 31 December 2019

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	Due beyond 5 years	Total
Fixed-rate bonds	29,812.9	23,879.2	21,497.9	24,389.0	9,692.9	83,137.4	192,409.4
Zero coupon bonds	685.2	720.2	746.0	2,242.3	759.4	13,333.5	18,486.5
Adjustable-rate bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variable-rate bonds	1,796.0	2,534.6	1,499.9	1,613.2	1,631.7	3,642.1	12,717.6
Fixed-rate inflation-indexed bonds	1,446.9	939.6	208.4	3,140.6	690.8	4,639.1	11,065.4
Other bonds	2,645.2	1,092.9	1,702.7	1,003.7	1,075.6	11,011.4	18,531.4
TOTAL	**36,386.1**	**29,166.5**	**25,654.9**	**32,388.8**	**13,850.4**	**115,763.5**	**253,210.3**

24.3.4 Carrying amounts by maturity – held-to-maturity investments

24.3.4.1 Carrying amount at 31 December 2020

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	Due beyond 5 years	Total
Held-to-maturity investments	81.2	0.0	0.0	0.0	0.0	63.3	144.6
Loans and receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**81.2**	**0.0**	**0.0**	**0.0**	**0.0**	**63.3**	**144.6**

24.3.4.2 Carrying amount at 31 December 2019

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	Due beyond 5 years	Total
Held-to-maturity investments	41.8	96.7	0.0	0.0	0.0	74.5	212.9
Loans and receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**41.8**	**96.7**	**0.0**	**0.0**	**0.0**	**74.5**	**212.9**

24.3.5 Average life of securities

The following tables show the average remaining life of securities, weighted by carrying amount, in years.

24.3.5.1 Average life of securities – 31 December 2020

Average life of securities (Period N)			
France	**Italy**	**Brazil**	**Spain**
6.53	5.13	1.43	4.40

24.3.5.2 Average life of securities – 31 December 2019

Average life of securities (Period N-1)			
France	**Italy**	**Brazil**	**Spain**
6.26	4.04	2.05	4.38

24.4 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 European Insurance CFO Forum Market Consistent Embedded Value© Principles (MCEV© Principles) introduced in June 2008, as amended in October 2009 and updated in April 2016.

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. The valuation techniques used to measure financial options are based on market consistent financial assumptions at 31 December 2020.

The calculation of embedded value necessarily relies on numerous assumptions with respect to economic conditions, operating conditions, policyholders' behaviour, taxes and other factors, 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. Adjusted net asset value is determined on the valuation date at consolidated level excluding non-controlling interests and breaks down into required capital and Free Surplus;

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- the Value of In-Force business, corresponding to the present value of future profits (PVFP) net of taxes generated on In-Force business at the measurement date. MCEV© principles state that the reference yield curve may be determined based on the swap curve, as adjusted if appropriate to achieve alignment with Solvency II requirements. For the euro zone, the yield curve is extrapolated using the Smith-Wilson method from a last liquid point at 20 years with convergence on the ultimate forward rate of 3.75% at 40 years. For Brazil, the last liquid point is at 10 years with convergence on the ultimate forward rate of 5.50% at 50 years. The Group has chosen to comply with Solvency II requirements by using the yield curves published by EIOPA as the reference yield curves. The credit risk and volatility adjustments applied at 31 December 2020 for the Group's various host countries in the euro zone are unchanged from 31 December 2019.

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 rest of Europe and Latin America. The sensitivities analysed in 2018 were aligned with Solvency II requirements and were as follows:

- the impact of an immediate positive or negative 50-basis point change in the swap curve. This would result in:
  - remeasuring the market value of fixed income assets in the portfolio,
  - a 50-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 25% fall in equity and property prices. This shock implies a 25% fall in the market value of equities and property assets, as well as a decrease in unit-linked mathematical reserves invested in equity and property.

The results of all sensitivity analyses are net of tax and non-controlling interests and, if applicable, net of policyholder participation.

SENSITIVITY OF MCEV© TO INTEREST RATE AND EQUITY VOLATILITIES AT 31 DECEMBER 2020

(In € millions)	50 bp increase in interest rates	50 bp decrease in interest rates	25% decrease in equity prices
Impact on MCEV©*	2,576.7	(3,120.3)	(3,265.2)

* The calculation of the impact on MCEV© is based on estimated data

SENSITIVITY OF MCEV© TO INTEREST RATE AND EQUITY VOLATILITIES AT 31 DECEMBER 2019

(In € millions)	50 bp increase in interest rates	50 bp decrease in interest rates	25% decrease in equity prices
Impact on MCEV©*	2,960.6	(3,272.1)	(3,056.1)

* The calculation of the impact on MCEV© is based on estimated data

Sensitivity to insurance risks is presented in Note 26.

NOTE 25
Liquidity risk and asset/liability management

25.1 Liquidity risk

25.1.1 Future cash flows from assets

This note discloses future cash flows from assets (redemptions, interest payments, etc.) by period.

25.1.1.1 Future cash flows from assets at 31 December 2020

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	35,796	83,116	60,977	42,975
Assets held for trading and assets measured at FV	2,053	4,465	1,775	1,114
Held-to-maturity investments	66	0	0	63
Loans and receivables	0	0	0	0

25.1.1.2 Future cash flows from assets at 31 December 2019

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	33,184	95,547	57,797	41,606
Assets held for trading and assets measured at FV	3,136	5,609	1,920	1,309
Held-to-maturity investments	65	97	0	74
Loans and receivables	0	0	0	0

25.1.2 Payment projections by maturity

This note discloses estimated future payments on savings, pension and property and 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.

25.1.2.1 Payment projections by maturity at 31 December 2020

(In € millions)	Less than 1 year	1 to 5 years	5 to 10 years	Due in 10 to 15 years	Due beyond 15 years
Insurance and financial liabilities (incl. linked liabilities)	27,589.0	77,962.1	63,499.5	43,446.5	102,169.2

25.1.2.2 Payment projections by maturity at 31 December 2019

(In € millions)	Less than 1 year	1 to 5 years	5 to 10 years	Due in 10 to 15 years	Due beyond 15 years
Insurance and financial liabilities (incl. linked liabilities)	23,690.6	70,018.7	63,275.8	44,834.2	123,077.6

25.1.3 Contracts with immediate surrender option

(In € millions)	31.12.2020	31.12.2019
Contracts with immediate surrender option	265,466,3	278,814.8
Contracts with no immediate surrender option	80,044.4	70,243.3

Contracts with an immediate surrender option represented a total liability of €265.4 billion at 31 December 2020 (€278.8 billion at 31 December 2019). 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 employee benefits 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 25.1.2.

25.2 Asset/Liability management

The Group's ALM policy is presented in section 3 of the Universal Registration Document on Corporate Governance.

25.3 Reconciliation of unit-linked assets and liabilities

(In € millions)	31.12.2020	31.12.2019
Investment properties held to cover linked liabilities	1,672.4	1,543.5
Financial assets held to cover linked liabilities	65,332.7	64,391.3
Investments accounted for using the equity method 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	**67,005.0**	**65,934.8**
Linked liabilities – financial instruments without DPF	9,559.5	8,806.5
Linked liabilities – insurance contracts and financial instruments with DPF (other than guaranteed capital reserves)	57,293.2	56,649.0
TOTAL LINKED LIABILITIES	**66,852.7**	**65,455.5**
Guaranteed capital reserves	2.0	2.5
TOTAL LINKED LIABILITIES	**66,854.7**	**65,458.0**

The asset/liability mismatch on unit-linked contracts mainly relates to outstanding claims reserves and other reserves included in linked liabilities for which no related assets are included in the above table.

NOTE 26
Risks related to insurance and financial liabilities

26.1 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 objectives.

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 reserving strategies;
- analyse changes in risk exposures;
- optimise reinsurance strategies;
- define the process for monitoring and escalating information about any positions that exceed risk appetite limits.

These routine analyses are supported 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 risk management policy is presented in section 3 of the Universal Registration Document on Corporate Governance.

26.2 Contract terms and conditions

26.2.1 Types of insured risk by class of business

The Group offers a full range of insurance products in France, in several other European countries and in Latin America.

The main individual insurance products are savings products, deferred annuity contracts paying a regular income, with or without the option of receiving a lump sum, and return-of-premium life insurance policies. Premiums on these products may be invested in traditional and/or unit-linked funds.

Group policies are mainly defined contribution pension plans, points-based pay-as-you-go group pension plans, employee benefits plans and term creditor insurance.

In addition, the Group's subsidiaries in Brazil (Caixa Seguradora) and in Cyprus and Greece (CNP Cyprus Insurance Holdings) write Property & Casualty and liability insurance. As commitments under Property & Casualty and liability insurance are marginal in relation to those arising from the life and protection insurance written by the Group, no details are provided here of the specific risks associated with these contracts.

Insurer 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 contracts where the insurer may offer a capital guarantee plus a share of the investment yield. The capital guarantee offered with savings contracts exposes the insurer to a risk in a low interest rate environment. The insurer may also commit to paying a guaranteed yield topped up with a share of the investment yield. The yield guarantee is for a fixed period. These guarantees give rise to financial risks (see section 4.1.1 – Risk factors linked to the financial markets and Note 26.4 – Risk associated with guaranteed yields on insurance and financial liabilities of the Universal Registration Document). 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 and rapid increase in interest rates. Traditional savings products are exposed to surrender risk in the event of a sharp and rapid increase in interest rates. This would generate unrealised losses, some of which would be recognised directly in equity, thus impacting both earnings and solvency (see section 4.1.1 – Interest rate risk of the Universal Registration Document);
- unit-linked contracts, where the policyholder bears the financial risk and the insurer's commitment is limited to guaranteeing the liquidity of the underlying assets. If the underlying assets cannot be sold on the market, this may result in a loss for the insurer who would have an obligation to settle the amount due to the policyholder (in the event of death, surrender of the policy or otherwise) without being able to finance the payout using the proceeds from the sale of the assets. In addition, because the policyholder bears the financial risk, the presentation of the product is governed by detailed rules. Lastly, the insurer is also exposed to a financial risk to the extent that a fall in value of the assets

held in the unit-linked portfolio reduces the calculation base for the asset loading. The various risks have been identified and unit-linked products are subjected to an internal analysis and selection process before being marketed. Unit-linked contracts also expose the Group to the surrender risk described above, to the extent that surrenders also reduce the calculation base for the asset loading. For this type of contract, the insurer's commitment is limited to the additional cover provided under the contract, 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 concern:

- 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 generally 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 to the risk that returns on plan assets will fall significantly short of the valuation rate of interest used in the pricing model.

Personal risk policies give rise to mainly underwriting risks

Personal risk/protection contracts comprise various types of 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. In addition, products are subject to regular pricing reviews based on loss experience to ensure that margins remain adequate.

Asymmetric information available to policyholders and insurers gives rise to a risk of anti-selection, although this is attenuated by the use of medical questionnaires, deferred periods and/or other measures.

The Group's business may be affected by the occurrence of natural or man-made catastrophes. Aside from the immediate effects of a wave of global climate related disasters, acts of terrorism, the spread of pandemics, or fallout from global warming, such events could also significantly impact the results of certain personal insurance businesses.

The increase in the legal retirement age in France has also had an adverse impact as benefits are payable until the policyholder retires.

In term creditor insurance, surrender risk includes the risk of a contract being surrendered due to the early repayment or renegotiation of the underlying loan (which is more likely in a period of falling interest rates) or the loan's cancellation. An unexpectedly high surrender rate would modify the average contract duration and could adversely affect the business's profitability.

In addition, death/disability policies with potentially long benefit payment periods, such as long-term care insurance, give rise to financial risks because part of the related profit is derived from the investment income generated during the benefit payment period and may be adversely affected by unfavourable financial market trends (such as declining interest rates).

Although the main risks to which the Group is exposed are set out above, the list is by no means exhaustive and other risks that are currently unknown or are considered minor or not material may prove to have a material impact on the Group in the future. The Group may also be exposed to emerging risks, corresponding to new or continually evolving risks whose impact is very difficult to measure.

26.2.2 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 as only the number of units is guaranteed. The exception is contracts that also include death and/or disability cover. For these 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 – include group defined contribution and defined benefit contracts and individual contracts.

Depending on the type of contract, the insured's vested rights may be expressed as a lump sum, as units, or as a points-based or cash-based benefit amount payable over the remaining life of the insured. The benefit may be paid as a lump sum or as a life annuity or pension.

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. In France, 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.

26.2.3 Participation clauses

Traditional savings contracts, certain group personal risk contracts and certain pension contracts include participation clauses. Under these clauses, the parties agree to share – on the basis defined in the contract – part of the income generated by investing the funds corresponding to the contract's technical reserves and, in some cases, 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 not yet been allocated is accumulated in the policyholders' surplus reserve.

Participation rates are determined based on the local accounts.

26.3 Valuation of insurance liabilities (assumptions and sensitivities)

26.3.1 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 under life insurance contracts;
- 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;
- general 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.

26.3.2 Modelling objectives

Technical reserves are modelled based on current accounting standards. In particular, mortality tables, discount rates and investment yield assumptions may be selected based on a Solvency II approach.

26.3.3 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.

26.3.4 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 stated net of deferred participation and withdrawals, in accordance with the applicable 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 date or benefit settlement date, depending on the type of policy.

Reserves for group personal risk products and term creditor insurance are generally calculated based on discount rates.

All other assumptions are determined by reference to internal experience-based data.

26.3.5 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.

The keys used to allocate unrealised gains between technical reserves and own funds were recalibrated in 2020. A method has been developed based on historical payments to insureds and referral agents, representing a robust and simple approach that is consistent with the Group's practices.

In addition, the related documentation has been enhanced to provide a better audit trail.

26.3.6 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.

26.3.7 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 2020, a 10% fall in surrender rates would have a positive impact of €3 million on MCEV©. At the same date, a 5% fall in observed losses would have a positive impact of €142 million on MCEV© for mortality and disability risks, and a negative impact of €242 million for longevity risks.

26.4 Risk associated with 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 minimum yield and a guaranteed profit participation when the contract matures;
- contracts offering an enhanced yield (generally 75% of the TME rate) over a maximum of eight years;
- contracts offering a guaranteed minimum yield representing less than 60% of the TME rate at the time of payment.

Technical reserves on traditional savings contracts are analysed by guaranteed yield in the following tables.

Guaranteed yield *(In € millions)*	31.12.2020 Technical reserves	31.12.2020 %
0% [1]	202,941.9	58.7%
]0%-2%]	5,249.2	1.5%
]2%-3%]	540.5	0.2%
]3%-4%]	2,045.0	0.6%
]4%-4.5%]	4,978.4	1.4%
> 4.5% [2]	975.0	0.3%
Unit-linked	66,852.7	19.4%
Other [3]	61,928.0	17.9%
TOTAL	**345,510.7**	**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 subsidiaries in Brazil, where bond rates are above 7% (see Note 24.3)
(3) Comprises all other technical reserves, except for mathematical reserves and linked liabilities, i.e., non-life technical reserves, policyholder surplus reserves and claims reserves

Guaranteed yield *(In € millions)*	31.12.2019 Technical reserves	31.12.2019 %
0% [1]	200,691.7	57.5%
]0%-2%]	10,819.4	3.1%
]2%-3%]	1,650.5	0.5%
]3%-4%]	2,088.1	0.6%
]4%-4.5%]	5,045.4	1.4%
> 4.5% [2]	1,288.0	0.4%
Unit-linked	65,455.5	18.8%
Other [3]	62,019.4	17.8%
TOTAL	**349,058.1**	**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 subsidiaries in Brazil, where bond rates are above 7% (see Note 24.3)
(3) Comprises all other technical reserves, except for mathematical reserves and linked liabilities, i.e., non-life technical reserves, policyholder surplus reserves and claims reserves

26.5 Concentration of insurance risk

26.5.1 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 occurrence (catastrophe risk) and excess-of-loss per insured and excess mortality cover (pandemic risk);
- to share risks on large-scale new business.

26.5.2 Loss exposure per catastrophe and per occurrence

All portfolios are covered by catastrophe/accident excess-of-loss reinsurance obtained from professional reinsurers.

- individual policies: accidental death and permanent and total disability risks for all portfolios of individual policies (direct business and inward reinsurance written by CNP Assurances for its CNP UniCredit Vita and CNP Partners subsidiaries) are reinsured on the market;
- group policies:
  - a) accidental 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 employee benefits 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, €600 million in market co-insurance cover (of which CNP Assurances' share is 30%) and reinsurance cover purchased by the pool from external reinsurers. A reinsured event is defined as involving three or more victims,
  - b) risks insured by CNP Assurances for employee benefits institutions and mutual insurers are fully reinsured on the market.

All term creditor insurance and employee benefits portfolios are also covered beyond €2 million for high capital payouts in the case of IPA3 accidental 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.

All term creditor insurance portfolios are reinsured against pandemic risks under a treaty set up with a pool of reinsurers. The treaty covers a 0.05% increase in the mortality rate beyond an average rate of 0.15% (based on number of deaths), subject to a 0.05% deductible. The reinsurers' commitment amounts to €155 million. The treaty covers the pandemic risk excluded from the coverage of accidental death/disability resulting from catastrophic events.

Effective from 1 January 2021, pandemic cover has been extended through the purchase of an additional tranche covering a 0.05% increase in the mortality rate beyond a 0.10% deductible. The reinsurers' commitment in the amount of €160 million more than doubles the original cover to €315 million.

Reinsurance balances are net settled at quarterly, half-yearly or annual intervals depending on the treaty. There are currently no disputed balances.

26.5.3 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. In addition, reinsurers must be domiciled in a country approved by the Compliance department.

Excess-of-loss contracts have been placed with reinsurers who are rated between BBB+ and AA+. (see Note 9.9).

26.5.4 Insurance-related legal risks

The Group's insurance-related legal risks and its risk management policy are presented in section 3 of this Universal Registration Document on Corporate Governance.

NOTE 27
Commitments given and received

Under IFRS, forward financial instruments are recognised in the balance sheet.

Reported commitments given and received now include the value of collateralised debt obligations transferred under securities lending/borrowing and repurchase/resale transactions.

COMMITMENTS GIVEN

(In € millions)	**31.12.2020**	31.12.2019
Financing commitments	2,709.5	1,579.6
Guarantees	566.1	2,261.1
Securities commitments	11,357.4	11,296.8

Securities commitments correspond to securities pledged to reinsurers under the terms of outward reinsurance contracts.

The framework agreement in Brazil between CNP Assurances and Caixa Seguridade concerning *consórcio* business (see Note 1) provides for the payment by CNP Assurances of R$ 250 million on the closing date of the distribution agreement (€39 million at the exchange rate on 13 August 2020, the date the framework agreement was announced).

This future payment has been recorded as a financing commitment. At the exchange rate as of 31 December 2020, the commitment amounted to €39 million.

COMMITMENTS RECEIVED

(In € millions)	**31.12.2020**	31.12.2019
Financing commitments	0.0	0.0
Guarantees	14,817.5	16,632.7
Securities commitments	11,448.1	11,003.4

Securities commitments correspond to securities pledged by ceding insurers under the terms of inward reinsurance contracts.

5.2 Statutory Auditors' report on the consolidated financial statements

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 2020

Opinion

In compliance with the engagement entrusted to us pursuant to your Annual General Meeting, we have audited the accompanying consolidated financial statements of CNP Assurances for the year ended 31 December 2020.

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, 2020 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.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French code of ethics (*Code de déontologie*) for Statutory Auditors, for the period from 1 January 2020 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Emphasis of matter

Without qualifying our opinion, we draw your attention to the matter set out in Note 14 "Premium income" to the consolidated financial statements, which describes the change in the method of accounting for transfers of savings contracts.

Justification of assessments – Key audit matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and working from home, have also had an impact on the companies' internal organisation and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

MEASUREMENT OF THE ESCALATING RISKS RESERVE FOR LONG-TERM CARE AND TERM CREDITOR POLICIES

(See Note 9.2 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
A reserve for escalating risks is recorded to cover timing differences between the coverage of risks and their financing in the form of insurance premiums. This reserve is constituted prospectively, by comparing the insurer's future commitments with those of the policyholder. French regulations do not specify all of the inputs to be used to calculate this reserve. At 31 December 2020, the escalating risks reserve for long-term care policies amounted to €435 million, while the escalating risks reserve for term creditor insurance amounted to €276 million before reinsurance. We deemed this risk to be a key audit matter in view of the sensitivity of the calculation of the escalating risks reserve for long-term care and Term Creditor policies to the choice of the following key assumptions, which require a significant degree of judgement from management: ▪ the discount rate used on the long-term care risk; ▪ the experience-based tables prepared according to observations and analyses established on the basis of portfolio data; ▪ the surrender behaviour of policyholders, in particular given the uncertainty in relation to surrender behaviour caused by the Bourquin amendment to the Sapin II law.	We examined the procedures by which the methodology for determining the escalating risks reserve is implemented. In particular, we carried out the following procedures with the guidance of our internal experts in risks and models: We examined the mathematical design of the actuarial model to verify that it did not contain any material misstatement that could distort the calculation result, in particular by recalculating the reserves; We assessed the consistency of the key assumptions used to determine the reserve, which included in particular: ▪ determining homogeneous risk classes (within which the offsetting of positive and negative escalating risks reserves calculated on a case-by-case basis is possible) linked to the segmentation used for pricing; ▪ the principles and methodologies for determining the discount rate; ▪ the principles and methodologies for determining the surrender rate and the related sensitivity tests; ▪ the principles and methodologies for determining the experience-based tables; ▪ the principles for determining escalating risk reserve coefficients and their proper application for case-by-case calculations.

IMPLEMENTATION OF THE LIABILITY ADEQUACY TEST

(See Note 9.2 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
As required by IFRS 4, at each period end, the Group assesses whether its recognised insurance liabilities, net of insurance assets, are adequate, based on current estimates of future cash flows under its insurance contracts and financial instruments with DPF. As explained in Note 9.2 to the consolidated financial statements, modelling tools are to determine the economic value of insurance liabilities. For savings and pensions contracts, the test is performed by applying a stochastic approach to estimate liabilities according to a wide range of economic scenarios. These scenarios are based on assumptions concerning changes in the economic and financial environment, policyholder behaviour and the insurer's management decisions. Future cash flow estimates depend on the underlying assumptions, concerning in particular the yield curve and future management decisions. If the recognised amount of liabilities is inadequate, it is increased through profit or loss. In light of the high level of judgement involved in determining assumptions, scenarios, future management decisions and projection periods, we considered that the liability adequacy test represented a key audit matter.	We carried out the following procedures with the guidance of our internal risk and modelling experts: ▪ we gained an understanding of the method used by CNP Assurances; ▪ we assessed the consistency of the chosen economic and financial assumptions with market data, giving due consideration to the low interest rate environment; ▪ we examined governance processes concerning future management decisions taken into account in the measurement of liabilities; ▪ we examined the controls implemented in relation to the integration of asset and liability data and financial and non-financial assumptions into the calculation model; ▪ we examined the data generated by the projection model that was used for the liability adequacy test; ▪ we analysed changes in discounted future cash flows compared to 31 December 2019; ▪ we assessed the adequacy of the disclosures provided in the notes to the consolidated financial statements.

ACCOUNTING TREATMENT OF THE AGREEMENTS WITH CAIXA SEGURIDADE

(See Note 1 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
On 30 December 2020, CNP Assurances announced the finalisation of the exclusive distribution agreement signed on 29 August 2018 with Caixa Econômica Federal and its subsidiary, Caixa Seguridade, covering personal risk insurance, consumer loan insurance and retirement products. As of 31 December 2020, CNP Assurances held 40% of the economic rights and 51% of the voting rights in the new holding company set up to implement the agreement. Note 1 "Significant events of the period" to the consolidated financial statements and Notes 4.5 and 6.3.3 describe the agreement's accounting consequences, including recognition of an intangible asset in the amount of €3 billion for the exclusive distribution right, in accordance with IAS 38. In light of (i) the agreement's impact on the consolidated financial statements, (ii) the degree of judgement applied to analyse the control exercised over the new structure and (iii) the complexity of the resulting accounting treatments, we considered that the recognition in the financial statements of the agreement with Caixa Seguridade and Caixa Econômica Federal represented a key audit matter.	To address the identified risk, we performed the following procedures with the guidance of our internal IFRS experts: ▪ we analysed the Shareholders' Agreement, ownership structure and governance structures, the respective rights and benefits of each of the stakeholders, and the way in which each stage in the transaction was structured; ▪ we reviewed management's analysis leading to the conclusion that the Group exercises exclusive control over the new holding company, particularly its current ability to direct the Company's relevant activities; ▪ we verified the accounting impacts of the transaction, including recognition of an intangible asset for the distribution agreement in accordance with IAS 38; ▪ we assessed the adequacy of the disclosures provided in the notes to the consolidated financial statements.

MEASUREMENT OF UNLISTED FINANCIAL ASSETS

(See Note 8.3 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
The financial investments included in the balance sheet of CNP Assurances at 31 December 2020 for a net amount of €405,377 million, represented 92% of the total balance sheet. Financial investments are measured at fair value at the end of the reporting period. For most of the asset portfolio, determining this value is not especially problematic given that the assets are listed on the markets. However, the risk concerning the measurement of fair value is considered greater for assets that are not listed on liquid markets, as indicated in Note 8.3 to the consolidated financial statements, such as structured debt securities, venture-capital funds, loan funds, derivatives, shares in real estate companies and private equity investments. Some of these investments are valued on the basis of models and assumptions. The techniques adopted by management for their measurement therefore involve significant judgements as regards the methods, assumptions and data to be used. In light of the materiality of outstandings and the sensitivity of the valuation of these unlisted financial assets to management's choices in terms of calculation methodologies and inputs, we deemed the correct measurement of unlisted financial assets to be a key audit matter.	We performed the following procedures: ▪ we assessed the control system associated with the valuation process, particularly by verifying that controls put in place by management exist and effectively implemented; ▪ we verified that the estimates of these values determined by management are based on an appropriate justification of the measurement method and of the figures used; ▪ we obtained the most recent valuations available for a sample of assets, prepared by experts and fund managers, in order to assess the values used by the Company; ▪ we analysed the appropriateness of the assumptions and inputs used in the valuation models for Coentreprise de Transport d'Electricité (CTE); ▪ we worked with our internal experts in risks and models to perform an independent calculation and a sensitivity analysis on a sample of structured securities.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements, it being specified that it is not our responsibility give an opinion on the fair presentation and the consistency with consolidated financial statements of the supervisory information (SCR coverage ratio) given in the management report in accordance with Article L.356-23 of the French Insurance Code (*Code des assurances*).

We attest that the Board of Directors' management report includes the consolidated non-financial information statement required under Article L.225-102-1 of the French Commercial Code. However, in accordance with Article L.823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

Other verifications and information pursuant to legal and regulatory requirements

Presentation of the consolidated financial statements to be included in the annual financial report

Pursuant to paragraph III of Article 222-3 of the AMF's General Regulations, the Company's management informed us of its decision to postpone the application of the single electronic reporting format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018, to reporting periods beginning on or after 1 January 2021. Accordingly, this report does not contain a conclusion on the compliance of the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) with this format.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of CNP Assurances by the Annual General Meetings held on 18 May 1998 for Mazars and on 25 May 2010 for PricewaterhouseCoopers Audit.

At 31 December 2020, Mazars and PricewaterhouseCoopers Audit were in the twenty-third and the eleventh consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee, which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-10 to L.822-14 of the French Commercial Code and in the French code of ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risk Committee.

Neuilly-sur-Seine and Courbevoie, 3 March 2021

The Statutory Auditors

PricewaterhouseCoopers Audit		**MAZARS**
Bénédicte Vignon	Frédéric Trouillard-Mignen	Olivier Leclerc

5.3 Parent company financial statements

5.3.1 Balance Sheet at 31 December 2020

5.3.1.1 Assets

(In € thousands)	Notes	31.12.2020	31.12.2019	Year-on-year change
Intangible assets	5.1	**62,758**	**58,931**	**6.5%**
Investments		**301,619,134**	**302,104,522**	**-0.2%**
Land and buildings	5.1	13,242,093	12,356,794	7.2%
Investments in subsidiaries and affiliates	5.1 and 5.4.1	12,095,476	10,349,911	16.9%
Other investments		275,997,741	279,165,806	-1.1%
Cash deposits with ceding insurers	5.2.1	283,824	232,011	22.3%
Assets held to cover linked liabilities	5.2.1	**39,512,692**	**37,952,918**	**4.1%**
Reinsurers' share of technical reserves		**20,943,176**	**21,197,432**	**-1.2%**
Unearned premium and unexpired risks reserves		0	0	0.0%
Life premium reserves		18,174,275	18,441,798	-1.5%
Outstanding life claims reserves		256,833	261,004	-1.6%
Outstanding non-life claims reserves		351,885	290,598	21.1%
Policyholder surplus reserve – life		328,287	334,321	-1.8%
Bonus and rebate reserve – non-life		4,560	6,687	-31.8%
Claims equalisation reserve		4,934	10,232	-51.8%
Other life technical reserves		0	0	0.0%
Other non-life technical reserves		59,829	45,565	31.3%
Linked liabilities		1,762,573	1,807,225	-2.5%
Receivables	5.3	**6,909,229**	**7,842,016**	**-11.9%**
Insurance receivables	5.3	**2,057,456**	**2,486,504**	**-17.3%**
Earned premiums not yet written	*5.3*	*1,665,969*	*1,892,760*	*-12.0%*
Other insurance receivables	*5.3*	*391,487*	*593,745*	*-34.1%*
Reinsurance receivables	5.3	**143,732**	**151,689**	**-5.2%**
Other receivables	5.3	**4,708,040**	**5,203,822**	**-9.5%**
Prepaid payroll costs	*5.3*	*94*	*198*	*-52.8%*
Prepaid and recoverable taxes	*5.3*	*730,677*	*691,393*	*5.7%*
Other	*5.3*	*3,977,269*	*4,512,231*	*-11.9%*
Other assets		**749,813**	**830,174**	**-9.7%**
Property and equipment		163,799	169,088	-3.1%
Current accounts and cash on hand		579,409	652,097	-11.1%
Treasury shares	5.5.2	6,604	8,989	-26.5%
Accrued income and prepaid expenses	5.7.1 and 5.7.2	**6,906,003**	**7,482,381**	**-7.7%**
Prepaid interest and rental revenue	5.7.1 and 5.7.2	2,117,179	2,357,117	-10.2%
Deferred acquisition costs	5.7.1 and 5.7.2	67	78	-13.7%
Other accrued income and prepaid expenses	5.7.1 and 5.7.2	4,788,757	5,125,185	-6.6%
TOTAL ASSETS		**376,702,805**	**377,468,373**	**-0.2%**

5.3.1.2 Equity and liabilities

(In € thousands)	*Notes*	**31.12.2020**	31.12.2019	Year-on-year change
Equity	*5.6*	**13,950,399**	**12,798,823**	**9.0%**
Share capital	*5.5.1 and 5.6*	686,618	686,618	0.0%
Additional paid-in capital	*5.6*	1,736,332	1,736,332	0.0%
Revaluation reserve	*5.6*	38,983	38,983	0.0%
Other reserves	*5.6*	6,332,639	6,310,950	0.3%
Retained earnings	*5.6*	4,025,940	2,682,552	50.1%
Net profit for the year	*5.6*	1,129,887	1,343,388	-15.9%
Subordinated debt	*8*	**8,715,908**	**8,272,437**	**5.4%**
Technical reserves		**268,264,521**	**272,586,571**	**-1.6%**
Unearned premium and unexpired risks reserves		50,889	58,732	-13.4%
Life premium reserves	*5.8*	242,251,518	247,205,594	-2.0%
Outstanding life claims reserves		4,789,313	4,285,757	11.7%
Outstanding non-life claims reserves		4,834,087	4,748,310	1.8%
Policyholder surplus reserve – life		14,239,056	14,173,138	0.5%
Bonus and rebate reserve – non-life		25,310	21,615	17.1%
Claims equalisation reserves		372,330	360,388	3.3%
Other life technical reserves		340,915	326,435	4.4%
Other non-life technical reserves		1,361,103	1,406,603	-3.2%
Linked liabilities		**39,962,817**	**38,171,477**	**4.7%**
Provisions for liabilities and charges	*5.7.3*	**131,673**	**142,004**	**-7.3%**
Cash deposits received from reinsurers	*5.3*	**11,367,674**	**11,743,151**	**-3.2%**
Miscellaneous payables	*5.3*	**31,954,072**	**31,204,506**	**2.4%**
Liabilities arising from insurance transactions	*5.3*	923,915	962,461	-4.0%
Liabilities arising from reinsurance transactions	*5.3*	506,390	543,722	-6.9%
Bank borrowings	*5.3*	105,788	188,033	-43.7%
Miscellaneous payables	*5.3*	30,417,979	29,510,290	3.1%
Other borrowings, deposits and guarantees received	*5.3*	*11,113,851*	*11,997,428*	*-7.4%*
Prepaid payroll costs	*5.3*	*381,428*	*388,527*	*-1.8%*
Accrued payroll and other taxes	*5.3*	*453,569*	*484,359*	*-6.4%*
Other payables	*5.3*	*18,469,131*	*16,639,975*	*11.0%*
Deferred income and accrued expenses	*5.7.1 and 5.7.2*	**2,355,741**	**2,549,405**	**-7.6%**
TOTAL EQUITY AND LIABILITIES		**376,702,805**	**377,468,373**	**-0.2%**

5.3.2 Income Statement for the year ended 31 December 2020

5.3.2.1 Non-life technical account

Non-life technical account *(In € thousands)*	*Notes*	31.12.2020 Gross	31.12.2020 Reinsurance	31.12.2020 Net	31.12.2019 Net	Year-on-year change
Earned premiums	*6.11*	**1,717,079**	**(137,472)**	**1,579,607**	**1,686,098**	**-6.3%**
Premiums		1,709,236	(137,472)	1,571,765	1,686,603	-6.8%
Change in unearned premiums reserve and unexpired risks reserve		7,843	0	7,843	(506)	-1,650.8%
Allocated investment income		**104,847**	**0**	**104,847**	**162,426**	**-35.4%**
Other underwriting income		**12,561**	**0**	**12,561**	**4,247**	**195.8%**
Paid claims and benefits and change in claims reserves		**(1,401,396)**	**102,490**	**(1,298,907)**	**(1,268,691)**	**2.4%**
Paid claims and expenses		(1,315,634)	41,203	(1,274,431)	(1,162,573)	9.6%
Change in outstanding claims reserves		(85,763)	61,287	(24,476)	(106,118)	-76.9%
Change in other technical reserves		**48,073**	**14,264**	**62,337**	**33,401**	**86.6%**
Policyholder rebates	*6.8*	**(8,391)**	**(2,127)**	**(10,519)**	**(33,627**	**-68.7%**
Acquisition costs and administrative expenses		**(516,006)**	**29,528**	**(486,479)**	**(505,323)**	**-3.7%**
Acquisition costs		(447,842)	0	(447,842)	(455,490)	-1.7%
Contract administration expenses		(68,164)	0	(68,164)	(69,644)	-2.1%
Reinsurance commissions received		0	29,528	29,528	19,811	49.0%
Other underwriting expenses		**(14,625)**	**0**	**(14,625)**	**(2,302)**	**535.4%**
Change in claims equalisation reserve		**(15,481)**	**(5,298)**	**(20,779)**	**(13,372)**	**55.4%**
NON-LIFE UNDERWRITING RESULT	*6.2*	**(73,340)**	**1,385**	**(71,955)**	**62,857**	**-214.5%**

5.3.2.2 Life technical account

Life technical account (In € thousands)	Notes	31.12.2020 Gross	31.12.2020 Reinsurance	31.12.2020 Net	31.12.2019 Net	Year-on-year change
Premiums*	6.11	**14,604,607**	**(528,140)**	**14,076,467**	**20,630,197**	**-31.8%**
Investment income	6.1	**8,271,344**	**(175,516)**	**8,095,828**	**11,068,369**	**-26.9%**
Investment revenues	6.1	6,496,706	(175,516)	6,321,190	6,883,681	-8.2%
Other investment income	6.1	337,915	0	337,915	689,424	-51.0%
Profits on disposal of investments	6.1	1,436,723	0	1,436,723	3,495,264	-58.9%
Mark-to-market gains on assets held to cover linked liabilities		**6,971,698**	**(89,231)**	**6,882,466**	**5,699,489**	**20.8%**
Other underwriting income		**43,599**	**(183)**	**43,416**	**80,616**	**-46.1%**
Paid claims and benefits and change in claims reserves		**(19,284,934)**	**1,092,631**	**(18,192,303)**	**(20,093,383)**	**-9.5%**
Paid claims and expenses		(18,781,379)	1,096,802	(17,684,577)	(20,141,006)	-12.2%
Change in outstanding claims reserves		(503,555)	(4,171)	(507,726)	47,623	-1,166.1%
Change in life premium reserves and other technical reserves		**7,542,142**	**(315,618)**	**7,226,525**	**(1,368,141)**	**-628.2%**
Life premium reserves	5.8	9,150,483	(269,798)	8,880,684	2,480,820	258.0%
Linked liabilities		(1,597,679)	(44,653)	(1,642,332)	(3,854,812)	-57.4%
Other technical reserves		(10,662)	(1,166)	(11,828)	5,851	-302.1%
Policyholder dividends	6.8	**(4,501,577)**	**(1,824)**	**(4,503,401)**	**(6,853,120)**	**-34.3%**
Acquisition costs and administrative expenses		**(2,362,630)**	**101,353**	**(2,261,277)**	**(2,243,960)**	**0.8%**
Business acquisition costs		(1,116,820)	0	(1,116,820)	(1,005,897)	11.0%
Policy administration expenses		(1,245,810)	0	(1,245,810)	(1,360,732)	-8.4%
Reinsurance commissions received		0	101,353	101,353	122,670	-17.4%
Investment expenses	6.1	**(3,247,672)**	**5,304**	**(3,242,368)**	**(3,509,675)**	**-7.6%**
Internal and external investment management expenses and interest	6.1	(588,693)	0	(588,693)	(546,648)	7.7%
Other investment expenses	6.1	(1,608,254)	5,304	(1,602,950)	(980,706)	63.4%
Losses on disposal of investments	6.1	(1,050,725)	0	(1,050,725)	(1,982,320)	-47.0%
Mark-to-market losses on assets held to cover linked liabilities		**(6,674,690)**	**81,862**	**(6,592,828)**	**(1,533,263)**	**330.0%**
Other underwriting expenses		**(235,849)**	**61**	**(235,788)**	**(298,026)**	**-20.9%**
Investment income transferred to the non-technical account		**0**	**0**	**0**	**0**	**0.0%**
LIFE UNDERWRITING RESULT	6.2	**1,126,037**	**170,701**	**1,296,738**	**1,579,104**	**-17.9%**

* The definition of premium income was revised in 2020 to exclude Fourgous and Eurocroissance transfers effective from 1 January of that year. This change of method was decided to improve the comparability of the Group's financial information with that presented by most other market players and thereby make it more relevant. These transfers represented €913.9 million in 2019 and €3,358.6 million in 2020

5.3.2.3 Non-technical account

Non-technical account *(In € thousands)*	*Notes*	31.12.2020	31.12.2019	Year-on-year change
Non-life underwriting result	*6.2*	**(71,955)**	**62,857**	**-214.5%**
Life underwriting result	*6.2*	**1,296,738**	**1,579,104**	**-17.9%**
Investment income	*6.1*	**512,791**	**652,810**	**-21.4%**
Investment revenues	*6.1*	400,385	405,998	-1.4%
Other investment income	*6.1*	21,404	40,662	-47.4%
Profits on disposal of investments	*6.1*	91,002	206,150	-55.9%
Allocated investment income		**0**	**0**	**0.0%**
Investment expenses	*6.1*	**(205,372)**	**(207,000)**	**-0.8%**
Internal and external investment management expenses and interest	*6.1*	(37,288)	(32,241)	15.7%
Other investment expenses	*6.1*	(101,531)	(57,842)	75.5%
Losses on disposal of investments	*6.1*	(66,553)	(116,917)	-43.1%
Investment income transferred to the technical account		**(104,847)**	**(162,426)**	**-35.4%**
Other non-technical income	*6.6*	**12,103**	**11,291**	**7.2%**
Other non-technical expenses	*6.6*	**(22,593)**	**(96,628)**	**-76.6%**
Non-recurring items	*6.6*	**(11,945)**	**(78,404)**	**-84.8%**
Non-recurring income	*6.6*	31,449	5,976	426.3%
Non-recurring expenses	*6.6*	(43,394)	(84,380)	-48.6%
Employee profit-sharing		**(22,969)**	**(24,028)**	**-4.4%**
Income tax expense	*6.7*	**(252,063)**	**(394,189)**	**-36.1%**
NET PROFIT FOR THE YEAR		**1,129,887**	**1,343,388**	**-15.9%**

5.3.3 Commitments received and given

(In € thousands)	*Notes*	31.12.2020	31.12.2019
1. Commitments received		**108,292,408**	**103,321,034**
1a. Commitments related to securities, other assets or revenue*	*7*	105,786,482	100,065,115
1b. Other commitments received		2,505,926	3,255,919
2. Commitments given		**55,164,173**	**56,481,092**
2a. Sureties, bonds and guarantees provided		11,262,136	11,263,824
2b. Securities and other assets purchased under resale agreements		4,482	4,896
2c. Other commitments related to securities, other assets or revenue*	*7*	28,124,254	30,805,573
2d. Other commitments given		15,773,301	14,406,799
3. Securities lodged as collateral by reinsurers		**11,429,601**	**11,003,378**

* Commitments related to forward financial instruments are presented in Note 7

5.3.4 Notes to the Company financial statements

DETAILED CONTENTS

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 its licence and Article 2 of its Articles of Association, the Company's corporate purpose is to:

- provide accidental injury and health insurance;
- write bodily injury insurance covering accident and health risks;
- hold majority interests in insurance companies.

For this purpose, it may:

- hold interests in undertakings whose business contributes to fulfilling the Company's corporate purpose; and generally
- carry out any and all directly or indirectly related operations that facilitate development of the business or fulfilment of the corporate purpose.

NOTE 1
Significant events of the year

1.1 Changes in CNP Assurances' ownership structure

As part of the constitution of a large state-owned financial group announced by CNP Assurances' public sector shareholders on 30 August 2018, various exchanges and transfers of CNP Assurances shares were made between the French State, Caisse des Dépôts, La Poste and La Banque Postale on 4 March 2020.

CNP Assurances' post-4 March 2020 ownership structure is as follows:

- La Banque Postale [1]: 62.13%;
- BPCE [2]: 16.11%;
- free float [3]: 21.76%.

1.2 €750 million Tier 2 subordinated notes issue

On 30 June 2020, the Group issued €750 million worth of Tier 2 subordinated notes due 30 June 2051 and paying interest at 2.5% until 30 June 2031. The notes are rated BBB+ by Standard & Poor's and A3 by Moody's.

1.3 Financial impacts of the Covid-19 pandemic

The financial impacts of the Covid-19 pandemic are as follows:

- CNP Assurances made a €25 million exceptional contribution to the €400 million solidarity fund set up by the industry federation, Fédération Française de l'Assurance (FFA), in support of French government funding to help SMEs, micro-enterprises and self-employed workers. This contribution is reported in the consolidated income statement under "Other non-recurring operating income and expenses";
- CNP Assurances also increased its support for insureds covered by group death/disability/health insurance and reinsurance plans by setting aside a €30 million budget at the end of 2020 to expand coverage beyond its contractual obligations. This amount is reported under "Claims and benefits expenses". The final cost of the expanded coverage will depend on the proportion of insureds who cannot do their jobs from home or who have applied to be placed on sick leave in order to shield themselves from the risk of infection or to care for their children;
- distribution activities were limited in the first half due to the temporary closure of bank branches and post offices during lockdown;
- CNP Assurances did not identify any material effect on its intangible assets or overall solvency, except for the indirect effect of persistently low interest rates.

The various home-working measures deployed in recent years ensured that CNP Assurances maintained a high level of operational efficiency during lockdown.

1.4 Partnership agreement reached in Brazil between CNP Assurances and Caixa Seguridade in the *consórcio* segment

CNP Assurances has concluded a framework agreement which will result in the signing of an exclusive twenty-year distribution agreement with Caixa Seguridade to use the Caixa Econômica Federal banking network in Brazil to distribute the *consórcio* product, in particular for real property and automobiles. This new agreement is in addition to that signed in August 2018 (and amended in September 2019) on personal risk, consumer loan insurance and pension products *(vida, prestamista, previdência)*.

(1) Wholly-owned by La Poste group, which in turn is 66%-owned by the French State
(2) Following the exercise of La Banque Postale's call option on 13,833,334 CNP Assurances shares held by BPCE
(3) Including treasury shares (505,717 shares at 31 December 2019)

The new distribution agreement will be executed by a company set up for this purpose under the shared management and governance of CNP Assurances and Caixa Seguridade. CNP Assurances will hold 50.01% of the company's ordinary voting shares, while Caixa Seguridade will hold 49.99% of the ordinary voting shares and 100% of the non-voting preference shares, giving CNP Assurances 25% of the economic rights and Caixa Seguridade 75%.

The agreement stipulates that CNP Assurances is to pay a fixed sum of R$250 million on completion of the deal.

Completion of the deal still depends on various conditions being met first, including the obtaining of the necessary approvals from the relevant regulatory authorities for banking and competition. Subject to these approvals being obtained, it is expected the deal will be finalised no later than 30 March 2021.

1.5 Successful €500 million Tier 3 notes issue

On 8 December 2020, CNP Assurances announced that it had successfully placed €500 million worth of Tier 3 notes due 8 March 2028 and paying interest at 0.375%.

1.6 Implementation of the agreement dated 29 August 2018 between CNP Assurances and Caixa Seguridade

The new exclusivity perimeter in the Caixa Econômica Federal (CEF) network includes life insurance, consumer credit life insurance and private pension plans.

In line with the contractual provisions, the new distribution agreement has been implemented through a newly formed insurance joint venture between CNP Assurances and Caixa Seguridade, the holding company for CEF's insurance operations.

CNP Assurances and Caixa Seguridade own respectively 51% and 49% of the voting rights in the joint venture and 40% and 60% of the economic rights.

In line with the contractual terms, on 30 December 2020 Caixa Seguros Holding (CSH) transferred to the new joint venture the in-force insurance portfolios for the products included in the scope of the agreement.

The agreement's main provisions are as follows:

- CNP Assurances has an exclusive right to distribute life insurance, consumer credit life insurance and private pension plans in Brazil in the CEF network until 13 February 2046;
- the agreement also includes incentives to outperform the first five years' volume and margin objectives, in the form of additional payments capped at R$0.8 billion (Group share) based on 31 December 2020 values.

The transaction was closed on 30 December 2020. As of 31 December 2020, the new company was 33.81%-owned by Sogestop K and 6.19% by CNP Assurances.

NOTE 2
Subsequent events

None.

NOTE 3
Change in accounting policies

The definition of premium income was revised in 2020 to exclude Fourgous and Eurocroissance transfers effective from 1 January of that year. This change of method was decided to improve the comparability of the financial information with that presented by most other market players and thereby make it more relevant. These transfers represented €913.9 million in 2019 and €3,358.6 million in 2020.

NOTE 4
Accounting policies and principles

CNP Assurances' financial statements are prepared in accordance with French generally accepted accounting principles (ANC Regulation 2015-11 dated 26 November 2015 *et seq.* on the financial statements of insurance undertakings) and the French Insurance Code (*Code des Assurances*).

The financial year runs from 1 January to 31 December.

CNP Assurances is the consolidating entity for the CNP Assurances Group.

4.1 Equity

4.1.1 Capital and reserves

Share issuance costs are deducted from the related premiums.

In their statutory accounts, French insurers are required to accumulate realised gains on bonds in a capitalisation reserve that can be used to offset realised losses in order to smooth revenues from bond portfolios classified under Article R.343-9 of the French Insurance Code. Up until 1 January 2010, gains credited to the reserve were excluded from the calculation of taxable profit. Effective from 1 January 2010, gains credited to the reserve are included in taxable profit and losses charged against the reserve are deducted.

4.1.2 Treasury shares

Treasury shares, corresponding mainly to shares acquired to stabilise the CNP Assurances share price, are recorded in "Marketable securities".

4.2 Intangible assets

Intangible assets, including the cost of integrating business applications and purchased software licenses, are measured and recognised in accordance with ANC Regulation 2014-03 dated 5 June 2014 (book I, title II, chapter I, section 3) on the general chart of accounts.

Intangible assets are amortised over five or eight years, corresponding to the best estimate of the assets' useful lives.

Internally developed software is amortised from the date on which it is put in production. Licences are amortised from the date of purchase.

Assets no longer used by the Company are scrapped.

4.3 Investing activities

4.3.1 Measurement

Investments are measured at historical cost less transaction costs, with the exception of:

- investments held in unit-linked portfolios, which are measured at their period-end realisable value in accordance with Article 222-5 of ANC Regulation 2015-11 dated 26 November 2015, with a corresponding adjustment to the linked liability;
- investments subject to legal revaluation requirements.

Investment property

In accordance with ANC Regulation 2014-03 dated 5 June 2014, each significant part of a building is measured separately at cost less accumulated depreciation and any accumulated impairment losses.

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 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.

Rental income is recognised in the income statement on an accruals basis.

A simplified approach was used to allocate the amortised cost of each building to its significant parts, based on the breakdown observed for similar reference buildings in the following eight categories:

- "Haussmann" style residential buildings;
- modern and semi-modern residential buildings;
- "old" office buildings;
- modern and semi-modern office buildings;
- shopping centres and cinemas;
- business premises;

- high-rise residential buildings;
- high-rise office buildings.

The percentage of a building's value represented by each significant part was determined based on the observed average percentage for buildings in each of the eight reference categories.

Fixtures and fittings were allocated to the other significant parts in view of their non-material amounts.

Equity investments

Equities are recognised at their purchase price excluding transaction costs. Dividends are recognised in the payment period, excluding tax credits which are netted against income tax expense.

Bonds, notes and other fixed income securities

Bonds, notes and other fixed income securities are recognised at their purchase price less accrued interest which is recorded in the income statement at the end of the reporting period.

For all portfolios, the premium or discount corresponding to the difference between the redemption price and the purchase price, excluding accrued interest, is recognised over the remaining life of the securities by the yield-to-maturity method for fixed rate securities and the straight-line method for variable rate securities.

In accordance with Article 122-1 of ANC Regulation 2015-11 of 26 November 2015, the same basis of calculation is used for all amortisable securities covered by Articles R.343-9 and R.343-10 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 owner-occupied 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 Specific provisions for impairment of property and securities

Provisions for impairment are recorded in accordance with ANC Regulation 2015-11 dated 26 November 2015 (book I, title II, chapter III).

Securities classified under Article R.343-9 of the French Insurance Code

In accordance with Article 123-1, CNP Assurances assesses "whether or not there is a recognised counterparty risk arising from one or a number of events that have occurred since initial recognition, and whether the related impairment loss can be estimated reliably".

Debt securities classified under Article R.343-9 are written down when there is a recognised risk of issuer default. The potential impairment loss arising from 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.

Securities classified under Article R.343-10 of the French Insurance Code

Securities classified under Article R.343-10 are reviewed at each period-end to determine whether they have suffered an other-than-temporary impairment in value, in accordance with Article 123-6 of ANC Regulation 2015-11.

This regulation represents a continuation of the rules that applied prior to its adoption, The provisions for other-than-temporary impairment of assets recorded were recognised directly in opening equity, with no impact on profit.

Property

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 fall in the building's value to more than 20% below cost. If there is evidence of impairment, CNP Assurances estimates the recoverable amount of the property concerned.

The recoverable amount of a property is the higher of its value in use and its appraisal value, as determined by annual independent valuations of the entire property portfolio. The recoverable amount is prorated between the land and shell components based on the property's carrying amount.

Securities classified under Article R.343-10

a) 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 depend on the nature of the asset and the associated risk:

Equity investments classified under Article R.343-10

A range of indicators such as sustained losses or negative business plan projections are considered as objective evidence of other-than-temporary impairment.

Other non-amortisable securities classified under Article R.343-10

Article 123-10 states that one criterion supporting the presumption of other-than-temporary impairment is a steep fall in the securities' market value over a long period in sharp contrast to the performance of the securities' market. In the case of French equities, there is a presumption of other-than-temporary impairment if their market value is more than 20% below cost, or 30% if the market is highly volatile. These rules are transposed and adapted as necessary to the characteristics of the investments concerned, particularly mutual funds and foreign securities.

After the volatility caused by the 2008 crisis, in 2012 the threshold for the presumption of other-than-temporary impairment was reduced back to 20%, for both French and foreign securities.

The following securities must also be tested for impairment:

- securities for which a provision has already been recognised;
- securities for which there is objective evidence that the Company may not be able to recover all or part of the carrying amount of the investment;
- securities that have been trading consistently over the past six months at a discount of at least 30% in a highly volatile market;
- securities that have (i) lost more than 50% of their carrying amount at the reporting date, (ii) behaved abnormally since the reporting date, or (iii) been subject to an unfavourable assessment by CNP Assurances.

Amortisable securities classified under Article R.343-10

In accordance with Article 123-7-1, amortisable securities classified under Article R.343-10 that CNP Assurances has the positive intention and ability to hold to maturity are only written down if there is a recognised credit risk.

In accordance with Article 123-7-2, amortisable securities classified under Article R.343-10 that CNP Assurances does not have the positive intention or the ability to hold to maturity are tested for impairment taking into account all the identified risks and the intended holding period.

b) Amount of the provision

The amount of the provision always corresponds to the difference between the carrying amount and the recoverable amount.

Therefore, if the asset is intended to be sold in the short-term, the recoverable amount is the market price.

If the Company has the positive intention and ability to hold onto the assets, given the stability of its insurance liabilities and its asset rotation policy, the recoverable amount takes account of the intended holding period.

The recoverable amount of investments in subsidiaries and affiliates takes account of the investees' earnings outlook and business plan projections. It is based on the value in use of the securities determined using a multi-criteria approach and a long-term perspective.

The recoverable amount of other equities and mutual fund units is based on their fair value as determined using a multi-criteria approach, capitalised over the probable holding period for the corresponding assets at the risk-free rate plus a conservatively estimated risk premium (capitalisation rate corresponding to the TME rate +500 bp), or at the average market rate for the last month of the period. The probable holding period reflects the Company's ability and intention to hold these financial assets.

A provision of €1,444 million for other-than-temporary impairment was recorded on equities and mutual fund units.

4.3.4 General provisions for impairment of property, equities and other securities

The Company has set up a liquidity risk reserve.

In accordance with Article R.343-5 of the French Insurance Code amending certain rules applicable to investor insurance companies, this reserve is used to record any overall decline in the aggregate carrying amount of (i) amortisable assets classified under Article R.343-10 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.343-10, when the impairment is covered by Article R.343-5 of the Code.

The Company elected to defer recognition of the liquidity risk reserve, as allowed by Article R.343-6 of the French Insurance Code.

Article A.343-1-2 of the French Insurance Code stipulates that the duration of liabilities should be measured based on year-by-year projections of cash outflows (total and partial surrenders and death benefit) over a 50-year period. The timing of cash outflows may vary for a number of different reasons, notably due to policyholders' surrender options, and the cash flows are not discounted. The duration has been limited to eight years in order to obtain a whole number.

Based on this duration, the liquidity risk reserve is deferred over an eight-year period. The deferred expense is recorded in the non-technical account, by crediting account 753 "Increase in the deferred liquidity risk reserve" and debiting account 379 "Deferred liquidity risk reserve". For more information, refer to Note 5.10.

In accordance with Article R.322-6 of the French Insurance Code, the expense deferred pursuant to Article R.343-6 is deducted from distributable profit as defined in Article L.232-11 of the French Commercial Code from the profit defined in Article L.232-12, paragraph 2, of said Code.

Realisable value

Realisable value is defined as follows for the purposes of calculating the liquidity risk reserve:

- the realisable value of marketable securities and listed shares is the average of the prices quoted over the 30 days preceding the reporting date, or the most recent available quoted price;
- the realisable value of mutual fund units is the average of the bid prices quoted over the 30 days preceding the reporting date, or the most recent available quoted price;
- the realisable value of property and shares in unlisted property companies is determined on the basis of five-yearly valuations performed by an independent expert recognised by the insurance supervisor. In the period between two five-yearly valuations, realisable value is estimated at each year-end and the amounts obtained are certified by an independent expert. The recoverable amount of a property is the higher of its value in use and its net market price, as determined by annual valuations of the Company's entire property portfolio;
- the sale value of unlisted securities is determined as the fair value corresponding to the price that would be obtained in an arm's length transaction, taking into account their value in use for the Company.

In accordance with Article R.343-5 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 reserve includes unrealised losses on forward financial instruments provided for in Articles R.332-45 to R.332-47 of the French Insurance Code that have as their underlying the assets referred to in Article R.343-10. These unrealised losses are included for the portion that exceeds the value of the securities or cash put up as collateral. Unrealised gains are only included if they are guaranteed as provided for in Article R.332-56, i.e., there is a master agreement between issuer and holder whereby unrealised gains and losses are secured by collateral.

Forward financial instruments not secured by collateral are excluded from the calculation of unrealised gains and losses not covered by provisions.

4.3.5 Disposals and exchanges

Gains and losses on disposals of investments are calculated using the FIFO method as if they were held in a single portfolio in accordance with the applicable regulations.

They are recognised in profit or loss on the actual date of sale.

Gains or losses realised on shares tendered to a public exchange offer are calculated based on the best estimate of the offerer's share price which may correspond to:

- the average share price over the offer period; or
- the closing share price on the date the results of the offer are published by the competent regulatory body.

4.3.6 Allocation of financial income

Net investment income (excluding adjustments to assets held in unit-linked portfolios) is split between: (i) income generated by the investment of funds corresponding to technical reserves (including the capitalisation reserve) which is recorded in the technical account, and (ii) income generated by own-funds portfolios (excluding the capitalisation reserve), recorded in the non-technical account.

4.3.7 Translation of foreign currency transactions

CNP Assurances applies ANC Regulation 2015-11 (book II, title IV) concerning the translation of foreign currency transactions by insurance undertakings.

Foreign currency transactions include:

- expenses billed or contractually denominated in foreign currencies;
- income billed or contractually denominated in foreign currencies;
- technical reserves denominated in foreign currencies in application of Article R.343-2 of the French Insurance Code;
- debts and other payables denominated in foreign currencies;
- loans and other receivables denominated in foreign currencies;
- acquisitions, disposals and other transactions involving (i) properties located in countries where transactions are normally denominated in a currency other than the euro, and (ii) shares in unlisted property companies whose assets include such properties, for the portion of the transaction amount corresponding to the properties' value;
- transactions involving non-amortisable debt securities and property rights other than those involving the properties referred to above, where the transaction currency is not the euro;
- commitments given and received, where settlement of the commitment will involve a foreign currency transaction within the meaning of this Article;
- amortisation, depreciation, impairment losses, provisions and repayments related to foreign currency transactions within the meaning of this Article.

They are recognised in the transaction or settlement currency in the foreign currency accounts (use of multi-currency accounting system) in accordance with Article 241-2 of ANC Regulation 2015-11.

In application of Article 241-5 of this Regulation, a distinction is made between:

- asset and liability transactions that generate a "structural" position. For insurers, these mainly consist of net investments in strategic foreign operations, the dotation capital provided to foreign branches and the financing of both in foreign currency. These assets are unlikely to be sold and their measurement should not be affected by fluctuations in exchange rates;

- other transactions denominated in foreign currency that generate an "operational" position. These operational positions represent the insurance undertaking's short- or medium-term foreign exchange exposure arising in the normal course of business that is affected by fluctuations in exchange rates.

Separate accounts are also used to record both structural and operational positions in each currency both on- and off-balance sheet.

In the balance sheet, the foreign currency accounts 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 rate on the transaction date (historical rate) and the closing rate, are recognised both on and off-balance sheet.

Translation differences on operational positions are recorded in account 665 "Exchange losses" or account 765 "Exchange gains".

In accordance with Article 241-6, unrealised gains and losses on operational positions at 31 December 2020 were recognised in the income statement.

4.3.8 Forward financial instruments

CNP Assurances manages its exposure to financial risks using financial instruments traded over the counter or on organised markets. These instruments are used solely for macro-hedging strategies.

Since 1 January 2003, the Company has applied standard CRC 2002-9 relating to forward financial instruments.

Hedges have been set up to manage exposure to:

- interest rate risk on the bond portfolio and the portfolio of insurance policies with a yield guarantee;
- the risk of a fall in equity prices;
- 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 increases as bond prices rise.

Credit spread risk

Part of the Company's exposure to a significant deterioration of credit spreads is hedged by CDS index options.

These instruments offset a fall in value of fixed rate bonds held in the Company's portfolios.

Equity risk

Part of the Company's equities portfolio is hedged by options that increase in value as stock prices fall.

In light of the volumes and the resulting financial impact, partial hedging of the 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.

Currency risk

Currency hedging strategies were set up:

- for the Brazilian real to hedge the currency risk on Caixa Seguros Holding's profit for the year;
- for the Brazilian real to hedge the assets of CNP Assurances Participações Ltda, which is owned by CNP Assurances;
- for the pound sterling when sterling-denominated subordinated notes were issued in 2011;
- for the US dollar, when dollar-denominated perpetual subordinated notes were issued in 2016.

Accounting treatment

All forward financial instruments held at the reporting date are disclosed in the summary of investments included in the notes to the financial statements immediately below the hedged investment.

Securities pledged or received as collateral without any transfer of title are measured at their realisable value in the schedule of commitments given or received.

The time value and intrinsic value of the initial premium are not recognised separately, whatever the type of instrument.

Investment or divestment strategy

The premium corresponding to the time value and intrinsic value is carried in an adjustment account until the hedge is unwound. By way of an exception, premiums on caps and floors are deferred over the life of the hedge.

The settlement 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 or sale price of the investment.

Yield strategy

Income and expenses received or receivable and paid or payable on forward financial instruments are recognised in the income statement over the planned life of the hedge by the effective yield method.

Alternatively, they may be recognised on a straight-line basis if the effect of the difference of method is not material.

Gains and losses from yield strategies are recognised over the life of the forward financial instrument and any residual flows are recognised in profit when the hedge is unwound.

4.4 Property and equipment

Property and equipment consist mainly of office and computer equipment and miscellaneous installations.

They are recognised at cost and depreciated over their estimated useful lives ranging from three years for office equipment to ten years for fixtures, fittings and technical installations.

4.5 Life insurance and savings contracts

4.5.1 Premiums

Premiums on contracts in force during the period are recognised in revenue. The amount recorded includes the estimated earned portion of premiums not yet written.

4.5.2 Technical and mathematical reserves

Reserves for contracts that provide death 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 Company 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 the effects of such a change 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.

The general contract administration expense reserve mentioned in Article R 343-3.4 of the French Insurance Code is designed to cover the insurer's commitment to administer its policies for as long as they remain in force. It is determined by the method and using the assumptions specified in Article 142-6 of ANC Regulation 2015-11.

The reserve corresponds to a prospective estimate of contract administration expenses that will not be covered by the premium and investment income loading. It is calculated by group of contracts with similar characteristics, based mainly on policyholder profiles, contract terms and experience-based assumptions concerning, for example, costs, surrenders and investment income.

At 31 December 2020, the general administration expense reserve for savings and pensions contracts amounted to €281 million.

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

Reserves for claims handling expenses correspond to costs that will be incurred by the insurer or its representative for the settlement of claims.

For contracts with a yield guarantee, if the actual asset yield at the reporting date, reduced by one-fifth, is less than the rate obtained by multiplying total guaranteed interest by average mathematical reserves for the contracts, a financial contingency reserve is recorded in accordance with Article R.343-3-5 of the French Insurance Code and Article 142-8 of ANC Regulation 2015-11.

An equalisation reserve is set up to cover fluctuations in loss ratios on group policies that provide death 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.

The escalating risks reserve for term creditor insurance business amounted to €269 million at 31 December 2020. This reserve is calculated prospectively and covers the difference between the present values of the respective future commitments of the insurer and the insured. The calculation uses regulatory valuation rates of interest and takes into account experience-based biometric risk assumptions (incidence of death and disability risk, and/or disability persistency risk) and behavioural assumptions (surrenders) based on historical data for the portfolio concerned.

The escalating risk reserve for lifetime long-term care contracts totalled €427 million at 31 December 2020. This reserve also covers the difference between the present values of the respective future commitments of the insurer and the insured. The calculation takes into account experience-based biometric risk assumptions (incidence of long-term care risk and persistency risk) based on historical data for the portfolio concerned, regulatory mortality tables and a discount rate determined by reference to the structure of the asset portfolio held to cover these commitments.

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 ceding insurers or on estimates if the information received is incomplete.

4.8 Third-party accounts and accrual accounts

These accounts are governed by ANC Regulation 2015-11 (book III, title III, chapter IV) dated 26 November 2015 on the financial statements of insurance undertakings.

4.9 Employee benefit obligations

Employee benefit obligations are covered in full by provisions.

Short-term benefits are benefits that are expected to be settled in full within 12 months of the end of the annual reporting period in which the employees render the related services. They therefore consist mainly of wages, salaries and social security contributions, profit-sharing and bonuses, paid annual leave and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services).

4.9.1 Time-savings accounts and employee retirement savings plans

A time-savings account system has been set up for CNP Assurances' employees, entitling them to save up their rights to paid leave or to monetise these rights immediately or at a future date.

Internal agreements stipulate that rights accumulated in the time-savings account may be credited to a PERCO employee retirement savings plan and qualify for a matching employer contribution.

4.9.2 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.

4.9.3 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.

4.9.4 Accounting treatment

Actuarial gains and losses on long-term benefit obligations are recognised directly in profit or loss.

The cost recognised in profit for defined-benefit plans comprises two elements:

- current service cost, past service cost and actuarial gains and losses, included in operating expenses;
- interest cost less the expected return on plan assets, included in financial expenses.

4.9.5 Pension commitments and similar benefits

The Company's liability for pensions and similar benefits amounted to €246.5 million at 1 January 2020 and €240.3 million at 31 December 2020.

A total of €17.9 million was paid out in benefits during the year and €11.7 million was added to the provision.

4.10 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 costs include all internal and external costs of managing asset portfolios together with 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 recorded and allocated as follows:

- operating expenses are initially recognised by nature and cost centre and are then reallocated by function;
- the allocation is based on rules that depend on the activity performed by the cost centre.

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.

4.11 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 ANC Regulation 2015-11 (book II, title III). A special segregated portfolio has been set up for these operations to safeguard the policyholder's right to make withdrawals following the occurrence of certain events. A set of subsidiary accounts is kept for each PERP and PERE plan.

The separate PERP and PERE plan accounts are presented to the Supervisory Board.

Transfers between the plan portfolios and the Company's general portfolio are recognised as a sale/purchase in the respective portfolios and the gain or loss on disposal is recognised using the FIFO method.

In the plan accounts:

- the underwriting profit and financial income generated on the plan during the year are accumulated in the policyholder surplus reserve;
- in the case of an aggregate unrealised loss on the non-amortisable assets in the segregated portfolio, an amount corresponding to the loss is 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 above.

When a liquidity risk reserve is recorded in the subsidiary accounts of a PERP or a PERE plan, the expense deferral recorded pursuant to Article R.343-6 of the French Insurance Code is recognised in the Company accounts and has no impact on the plan's subsidiary accounts.

4.12 Additional special technical reserves for the French civil servant pension plan ("L.441-1" plan)

CNP Assurances markets a number of points-based pay-as-you-go Group pension plans ("Article L.441-1"). Pursuant to Article R.441-21 of the French Insurance Code, the theoretical mathematical reserve ("PMT") required to meet annuity payments is calculated based on the number of points earned at the reporting date.

In accordance with Article R.441-7 of the French Insurance Code, the special technical reserve ("PTS") is determined:

- by adding to the opening special technical reserve:
  - the premiums received, net of the premium loading and taxes,
  - the total investment income and expense generated by the assets representing the special technical reserve;
- by deducting:
  - paid benefits,
  - the administrative expense loading.

The ratio used to determine whether it is necessary to record a supplementary special technical reserve ("PTSC") now includes in the numerator net unrealised gains and losses on the assets representing the PTS.

A new special technical reserve must now also be set up, the special standby technical reserve (PTSR). According to the French Insurance Code, the value of the pension point may now be reduced, provided that the basis for applying the reduction is explained in the plan's documentation. Details of how the PTSR and the PTSC are to be used to cover the PMT are provided in Decrees 2017-1173 and 2017-1172, and in Articles R.441-7, R.441-7-1 and R.441-21 of the French Insurance Code. CNP Assurances' current points-based pension plans do not allow for any reduction in the value of the point.

These reserves are recorded in the plans' subsidiary accounts in accordance with Article R.441-12 of the French Insurance Code.

4.13 Pooled Deferred Diversification Reserve

CNP Assurances has decided to use the mechanism for temporarily transferring assets that are a source of unrealised gains from general reserves to the *Eurocroissance* reserve, as allowed by Decree 2016-959 dated 13 July 2016 and the government order of the same date concerning the option of temporarily transferring assets to commitments that give rise to the recognition of a diversification reserve. An asset is a source of an unrealised gain if its immediate sale under current market conditions would generate a profit compared to its value in the balance sheet. This mechanism is designed to facilitate the development of Eurocroissance funds through the transfer, within the limits specified in the Decree, of part of the unrealised gain on traditional funds not yet allocated to policyholders with rights to these funds. In accordance with Decree 2018-1303 dated 28 December 2018, these provisions apply until the close of business on 31 December 2021.

Decree 2019-1437 dated 23 December 2019 (Government order of 26 December 2019) is applicable from 1 January 2020. This Decree implements the changes to *Eurocroissance* life insurance contracts provided for in Article 72 of the PACTE Act of 22 May 2019. The main changes concern the methods of calculating the guaranteed exit value and policyholder dividends. Contracts in force on the Decree's effective date continue to be governed by the previous regulations.

4.14 Provisions for liabilities and charges

In accordance with the applicable accounting standards, a liability is recognised when the Group has an obligation towards a third party, and it is probable or certain that an outflow of economic resources will be necessary to settle the obligation without any benefit of at least equal value expected from the third party. The liability is recorded for an amount corresponding to the reporting date best estimate of the outflow of economic resources necessary to settle the obligation.

4.15 Taxation

4.15.1 Group relief

CNP Assurances and its main French subsidiaries have elected to file a consolidated tax return under French group relief rules. The main companies in the tax group are CNP Assurances and its subsidiaries CNP Caution, CICOGE SA (a property investment company), Âge d'Or Expansion, SAS THEEMIM, AEP 3, AEP 4, Assurimmeuble, Pyramides 2, Ecureuil Vie Investment, 270 Investments, US Real Estate EVJ, US Real Estate 270, Pial 34, Passage du Faidherbe, Alleray, Yellowalto, FPIP, Lyfe, Sogestop K, Foncière HID, Pierre et Surene, 23-25 Marignan, 36 Marbeuf, 46 Kléber, 46 Kléber Holding, Infra Invest France, Neuilly Pilot, Ybry pont Neuilly, Geosud, Friedensallee, Montparvie IV, Montparvie V, QIS France, QIS groupe, Youse Home.

The companies in the tax group have signed agreements with CNP Assurances, which is liable towards the French Treasury for the payment of the tax due by the tax group. These agreements specify how the total tax liability is allocated among the tax group members, and stipulated that any unallocated balance will be borne by CNP Assurances.

4.15.2 Tax credit to aid competitiveness and promote employment (*Crédit impôt compétitivité emploi* – CICE)

On 1 January 2019, the CICE was replaced by a lasting reduction in payroll taxes with immediate effect. Companies that had unused CICE credits as of 1 January 2019 may set off the credits against the tax due for the years 2019 to 2021.

4.15.3 Deferred taxes

No provisions for deferred taxes are recorded in the Company's accounts.

4.16 Consolidation

CNP Assurances, the parent company, is fully consolidated by CNP Assurances Group.

NOTE 5
Notes to the balance sheet

5.1 Changes in intangible assets, buildings, and investments in subsidiaries and affiliates

Gross *(In € thousands)*	Gross at 01.01.2020	Additions	Disposals	Transfers	Gross at 31.12.2020
Intangible assets	**308,343**	**25,168**	**46,090**	**0**	**287,422**
Software	308,343	25,168	46,090	0	287,422
Land and buildings	**12,679,432**	**1,769,168**	**776,597**	**(103)**	**13,671,900**
Forests	104,133	2,841	2,608	0	104,366
Developed property	162,114	429	17	0	162,527
Shares in unlisted property companies	12,393,826	1,755,981	773,969	(103)	13,375,736
Property investments in progress	19,358	9,918	4	0	29,272
Investments in subsidiaries and affiliates	**10,782,000**	**2,702,650**	**792,589**	**(257,691)**	**12,434,370**
Investments in subsidiaries	7,434,820	1,910,648	554,562	(232,748)	8,558,158
Investments in affiliates	3,347,180	792,002	238,027	(24,943)	3,876,212
TOTAL	**23,769,775**	**4,496,986**	**1,615,275**	**(257,794)**	**26,393,692**

Depreciation, amortisation and provisions *(In € thousands)*	Gross at 01.01.2020	Increases	Decreases	Transfers	Gross at 31.12.2020
Amortisation of software	249,412	16,576	41,324	0	224,664
Depreciation of buildings	52,604	4,132	3	0	56,732
Provisions for impairment of land	1,587	198	59	0	1,726
Provisions for impairment of buildings	0	0	0	0	0
Provisions for impairment of shares in property companies	268,447	102,983	60	(21)	371,348
Provisions for impairment of investments in subsidiaries	381,661	183,753	29,661	(229,628)	306,125
Provisions for impairment of other investments	50,428	5,869	23,527	0	32,769
TOTAL	**1,004,138**	**313,510**	**94,634**	**(229,648)**	**993,366**

Carrying amount (gross amount less depreciation, amortisation and provisions) *(In € thousands)*	Net at 01.01.2020	Increases	Decreases	Transfers	Net at 31.12.2020
Intangible assets	**58,931**	**8,592**	**4,766**	**0**	**62,758**
Software	58,931	8,592	4,766	0	62,758
Land and buildings	**12,356,794**	**1,661,855**	**776,475**	**(82)**	**13,242,093**
Forests	102,546	2,643	2,549	0	102,639
Developed property	109,511	(3,703)	13	0	105,794
Shares in unlisted property companies	12,125,380	1,652,998	773,908	(82)	13,004,388
Property investments in progress	19,358	9,918	4	0	29,272
Investments in subsidiaries and affiliates	**10,349,911**	**2,513,029**	**739,401**	**(28,063)**	**12,095,476**
Investments in subsidiaries	7,053,159	1,726,895	524,901	(3,120)	8,252,033
Investments in affiliates	3,296,752	786,133	214,500	(24,943)	3,843,442
TOTAL	**22,765,637**	**4,183,477**	**1,520,642**	**(28,145)**	**25,400,327**

5.2 Investments

5.2.1 Summary of investments

(In € thousands)	Gross amount	Carrying amount *	Realisable value
I – Investments (balance sheet captions 3 & 4)			
1) Property investments and property investments in progress	**13,670,876**	**13,246,497**	**17,644,457**
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	**34,066,863**	**32,380,470**	**39,952,847**
Forward financial instruments: investment or divestment strategy	0	0	0
Forward financial instruments: yield strategy	1,015,470	318,293	323,925
3) Mutual fund units (other than those in 4)	**26,980,790**	**26,824,995**	**33,098,719**
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	**28,452,062**	**28,452,062**	**28,895,912**
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	**198,330,223**	**200,094,760**	**220,103,696**
Forward financial instruments: investment or divestment strategy	0	0	0
Forward financial instruments: yield strategy	668,684	390,215	(682,323)
6) Mortgage loans	**0**	**0**	**0**
Forward financial instruments: investment or divestment strategy	0	0	0
Forward financial instruments: yield strategy	0	0	0
7) Other loans	**0**	**0**	**0**
Forward financial instruments: investment or divestment strategy	0	0	0
Forward financial instruments: yield strategy	0	0	0
8) Deposits with ceding insurers	**283,824**	**283,824**	**283,824**
9) Cash deposits (other than those in 8) and guarantees and other investments	**256,558**	**256,558**	**256,558**
10) Assets backing unit-linked contracts	**39,512,692**	**39,512,692**	**39,512,692**
Investment property	0	0	0
Variable income securities other than mutual fund units	0	0	0
Mutual funds invested exclusively in fixed-income securities	0	0	0
Other mutual fund units	0	0	0
Bonds and other fixed income securities	0	0	0
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
12) Total of lines 1 to 11	**343,238,042**	**341,760,366**	**379,390,308**
a) of which:			
Investments measured in accordance with Article R.343-9	196,997,685	198,502,394	217,330,079
Investments measured in accordance with Article R.343-10	106,361,626	103,379,241	122,181,497
Investments measured in accordance with Article R.343-13	39,512,692	39,512,692	39,512,692
Investments measured in accordance with Article R.343-11	366,039	366,039	366,039

(In € thousands)	Gross amount	Carrying amount *	Realisable value
b) of which:			
securities representing technical reserves other than those listed below	297,633,418	296,277,161	328,680,471
securities pledged to cover commitments to employee benefits institutions or covering managed investment funds	0	0	0
securities deposited with ceding insurers (including ceding insurers whose commitments are guaranteed by the Company)	13,071,217	13,071,217	13,071,217
securities allocated to special technical reserves for other business in France	9,223,212	9,890,005	12,827,891
other allocated or unallocated investments	23,310,195	22,521,983	24,810,729
c) of which:			
investments and forward financial instruments in OECD member countries	342,383,609	340,941,971	378,144,464
investments and forward financial instruments in countries that are not members of the OECD	854,433	818,395	1,245,844
II- Assets representing technical reserves (other than investments and reinsurers' share of technical reserves)			
Accrued interest	2,119,695	2,119,695	2,119,695
Cash at bank	473,621	473,621	473,621
Other	2,434,996	2,434,996	2,434,996
Total assets representing technical reserves	**5,028,312**	**5,028,312**	**5,028,312**
TOTAL	**348,266,355**	**346,788,678**	**384,418,620**

* Including €1,444 million in provisions for other-than-temporary impairment of equities and mutual fund units

5.2.2 Investments in government bonds

Issuer government *(In € millions)*	Gross exposure – carrying amount [1]	Net exposure [2]
France	77,702	7,137
Italy	4,318	375
Belgium	7,926	684
Spain	9,081	1,014
Austria	1,986	77
Brazil	0	0
Portugal	375	32
Netherlands	160	9
Ireland	281	34
Germany	3,942	226
Greece	7	0
Finland	82	5
Poland	304	39
Luxembourg	2	0
Sweden	0	0
Slovenia	53	2
Canada	463	52
Supranational issuers	6,562	748
Other	79	9
TOTAL	**113,324**	**10,443**

(1) Cost net of amortisation and impairment, including accrued interest
(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)*	Total	Within 1 year	1 to 5 years	More than 5 years
Insurance receivables	**2,057,456**	**2,048,681**	**8,775**	
Earned premiums not yet written	1,665,969	1,665,969		
Other insurance receivables	391,487	382,712	8,775	
Reinsurance receivables	**143,732**	**143,732**		
Other receivables	**4,708,040**	**4,708,040**		
Prepaid payroll costs	94	94		
Prepaid and recoverable taxes	730,677	730,677		
Other	3,977,269	3,977,269		
Called and unpaid capital	**0**	**0**		
TOTAL	**6,909,229**	**6,900,453**	**8,775**	

Payables *(In € thousands)*	Gross amount	Within 1 year	1 to 5 years	More than 5 years
Cash deposits received from reinsurers	**11,367,674**	**11,367,674**		
Other liabilities	**31,954,072**	**31,877,507**	**76,564**	
Liabilities arising from insurance transactions	923,915	923,915		
Liabilities arising from reinsurance transactions	506,390	506,390		
Bank borrowings	105,788	105,788		
Other liabilities	30,417,979	30,341,415	76,564	
Negotiable debt securities issued by the Company				
Other borrowings, deposits and guarantees received	11,113,851	11,037,287	76,564	
Accrued payroll costs	381,428	381,428		
Accrued payroll and other taxes	453,569	453,569		
Other payables	18,469,131	18,469,131		
TOTAL	**43,321,746**	**43,245,181**	**76,564**	

5.4 Subsidiaries and affiliates

5.4.1 Investments in subsidiaries and affiliates

	Total at 31.12.2020				Affiliates				Subsidiaries			
(In € thousands)	Shares	Other	Impair-ment	Carrying amount	Shares	Other	Impair-ment	Carrying amount	Shares	Other	Impair-ment	Carrying amount
Insurance companies												
ARIAL CNP ASSURANCES	43,380	0	0	43,380	43,380	0	0	43,380	0	0	0	0
ASSURISTANCE	13,427	0	0	13,427	0	0	0	0	13,427	0	0	13,427
AVENIR SANTÉ	1,099	401	0	1,500	0	0	0	0	1,099	401	0	1,500
CAIXA SEGUROS HOLDING	207,610	0	0	207,610	0	0	0	0	207,610	0	0	207,610
CNP ASSURANCES BRASIL HOLDING LTDA	8,128	0	0	8,128	0	0	0	0	8,128	0	0	8,128
CNP ASSURANCES COMPAÑÍA DE SEGUROS	20,788	0	6,316	14,472	0	0	0	0	20,788	0	6,316	14,472
CNP CAUTION	464,917	0	0	464,917	0	0	0	0	464,917	0	0	464,917
CNP EUROPE LIFE LIMITED	13,526	0	0	13,526	0	0	0	0	13,526	0	0	13,526
CNP LUXEMBOURG	33,250	0	0	33,250	0	0	0	0	33,250	0	0	33,250

(In € thousands)	Total at 31.12.2020 Shares	Other	Impair-ment	Carrying amount	Affiliates Shares	Other	Impair-ment	Carrying amount	Subsidiaries Shares	Other	Impair-ment	Carrying amount
CNP PARTNERS	173,929	0	0	173,929	0	0	0	0	173,929	0	0	173,929
CNP SANTANDER INSURANCE EUROPE DAC	111,670	0	0	111,670	0	0	0	0	111,670	0	0	111,670
CNP SANTANDER INSURANCE LIFE DAC	199,926	0	0	199,926	0	0	0	0	199,926	0	0	199,926
CNP SANTANDER INSURANCE SERVICES IRELAND LIMITED	2,400	0	0	2,400	0	0	0	0	2,400	0	0	2,400
CNP UNICREDIT VITA	726,775	0	254,051	472,724	0	0	0	0	726,775	0	254,051	472,724
MFPRÉVOYANCE	67,853	0	0	67,853	0	0	0	0	67,853	0	0	67,853
SINO-FRENCH LIFE INSURANCE COMPANY LIMITED	6,125	0	6,125	0	6,125	0	6,125	0	0	0	0	0
Sub-total	**2,094,803**	**401**	**266,492**	**1,828,712**	**49,505**	**0**	**6,125**	**43,380**	**2,045,298**	**401**	**260,367**	**1,785,332**
Other companies												
270 INVESTMENTS	125,573	525,050	0	650,623	0	0	0	0	125,573	525,050	0	650,623
AEAM DUTCH MORTGAGE FUND 2	500,000	0	0	500,000	500,000	0	0	500,000	0	0	0	0
ÂGE D'OR EXPANSION	5,375	0	2,038	3,337	0	0	0	0	5,375	0	2,038	3,337
ALLIANZ EUROPEAN PRIVATE CREDIT FUND II	2,097	0	0	2,097	2,097	0	0	2,097	0	0	0	0
ALPINVEST FEEDER (EURO) V C.V.	28,045	0	7,462	20,583	0	0	0	0	28,045	0	7,462	20,583
ASSUREURS – CAISSE DES DÉPÔTS RELANCE DURABLE FRANCE – LBPAM	5,750	0	0	5,750	5,750	0	0	5,750	0	0	0	0
AVIVA INVESTORS ALTERNATIVES FCP RAIF – AVIVA INVESTORS EUROPEAN INFRASTRUCTURE DEBT STRATEGY	22,987	0	0	22,987	22,987	0	0	22,987	0	0	0	0
AVIVA INVESTORS EUROPEAN SECONDARY INFRASTRUCTURE CREDIT	48,648	0	0	48,648	48,648	0	0	48,648	0	0	0	0
AXA INFRASTRUCTURE PARTNERS	20,897	0	973	19,924	20,897	0	973	19,924	0	0	0	0
AZIMUT	9,897	0	9,897	0	0	0	0	0	9,897	0	9,897	0
BABYLON INVESTMENT BV	48,441	0	0	48,441	48,441	0	0	48,441	0	0	0	0
BLUE LIKE AN ORANGE SUSTAINABLE CAPITAL LATIN AMERICA FUND I	6,102	0	0	6,102	6,102	0	0	6,102	0	0	0	0
BNP PARIBAS EUROPEAN SME DEBT FUND	64,802	0	0	64,802	64,802	0	0	64,802	0	0	0	0
BNP PARIBAS EUROPEAN SME DEBT FUND 2	11,243	0	0	11,243	11,243	0	0	11,243	0	0	0	0
BNP PARIBAS GLOBAL SENIOR CORPORATE LOANS	260,215	0	0	260,215	260,215	0	0	260,215	0	0	0	0
BNP PARIBAS NOVO 2018	12,752	0	0	12,752	12,752	0	0	12,752	0	0	0	0
CANTIS	0	62	0	62	0	62	0	62	0	0	0	0
CARTERA PBTAMSI	15,000	0	0	15,000	0	0	0	0	15,000	0	0	15,000

(In € thousands)	Total at 31.12.2020 Shares	Other	Impair-ment	Carrying amount	Affiliates Shares	Other	Impair-ment	Carrying amount	Subsidiaries Shares	Other	Impair-ment	Carrying amount
CBPE CAPITAL VIII SPECIAL INVESTORS	8,257	0	2,408	5,849	0	0	0	0	8,257	0	2,408	5,849
CM-CIC DEBT FUND 3	45,905	0	0	45,905	45,905	0	0	45,905	0	0	0	0
CNP FORMATION	37	20	37	20	0	0	0	0	37	20	37	20
CNP LOANS INFRA COMPARTMENT CLI 123 SOLEIL	150	0	0	150	0	0	0	0	150	0	0	150
CNP PRIVATE EQUITY FOR PERSONAL SAVINGS	37,544	0	0	37,544	0	0	0	0	37,544	0	0	37,544
CNP TECHNOLOGIES DE L'INFORMATION	914	4,000	0	4,914	0	0	0	0	914	4,000	0	4,914
CREDICOOP AFAVyDC	7,460	0	7,460	0	7,460	0	7,460	0	0	0	0	0
CTE	1,084,046	0	0	1,084,046	1,084,046	0	0	1,084,046	0	0	0	0
DIWISE	50	0	0	50	0	0	0	0	50	0	0	50
DOMAINE DE LANCOSME	61	0	0	61	0	0	0	0	61	0	0	61
ECUREUIL VIE DÉVELOPPEMENT	18	1,000	0	1,018	18	1,000	0	1,018	0	0	0	0
ECUREUIL VIE INVESTMENT	328,338	50,000	0	378,338	0	0	0	0	328,338	50,000	0	378,338
EIFFEL IMPACT DEBT	10,935	0	0	10,935	10,935	0	0	10,935	0	0	0	0
EPSENS	6,062	0	0	6,062	6,062	0	0	6,062	0	0	0	0
FILASSISTANCE SERVICES	228	0	0	228	0	0	0	0	228	0	0	228
FONDS NOV SANTÉ ACTIONS NON COTÉES ASSUREURS – CAISSE DES DÉPÔTS RELANCE DURABLE FRANCE	5,567	0	0	5,567	5,567	0	0	5,567	0	0	0	0
FORESTIÈRE CDC	2,567	243	0	2,809	2,567	243	0	2,809	0	0	0	0
FSN CAPITAL IV (B) L.P.	8,266	0	0	8,266	0	0	0	0	8,266	0	0	8,266
GEOSUD	139,488	0	0	139,488	0	0	0	0	139,488	0	0	139,488
GROUPEMENT PROPRIÉTÉS CDC CNP	6	0	0	6	6	0	0	6	0	0	0	0
HOLDING D'INFRASTRUCTURES GAZIÈRES	474,879	0	0	474,879	0	0	0	0	474,879	0	0	474,879
IDINVEST DETTE SENIOR	4,717	0	0	4,717	4,717	0	0	4,717	0	0	0	0
INFRA INVEST HOLDING	1	311,372	0	311,373	0	0	0	0	1	311,372	0	311,373
INFRA VIA	1,607	0	1,607	0	1,607	0	1,607	0	0	0	0	0
INFRA-INVEST	521,325	0	0	521,325	0	0	0	0	521,325	0	0	521,325
INFRA-INVEST FRANCE	152,001	171,433	0	323,434	0	0	0	0	152,001	171,433	0	323,434
INFRASTRUCTURE FINANCE SCS SIF – COMPARTMENT EUROPEAN INFRA SENIOR 1	113,284	0	0	113,284	113,284	0	0	113,284	0	0	0	0
INFRASTRUCTURE PARTNERS (MORGAN STANLEY)	40,441	0	6,843	33,598	0	0	0	0	40,441	0	6,843	33,598
LAC I SLP	37,351	0	0	37,351	37,351	0	0	37,351	0	0	0	0
LBPAM EUROPEAN DEBT FUNDS COMPARTIMENT IMMOBILIER REAL ESTATE FCT 1	23,401	0	0	23,401	23,401	0	0	23,401	0	0	0	0

(In € thousands)	Total at 31.12.2020				Affiliates				Subsidiaries			
	Shares	Other	Impair-ment	Carrying amount	Shares	Other	Impair-ment	Carrying amount	Shares	Other	Impair-ment	Carrying amount
LBPAM EUROPEAN INFRASTRUCTURE DEBT FUND 2	211,013	0	0	211,013	0	0	0	0	211,013	0	0	211,013
LBPAM EUROPEAN REAL ESTATE DEBT FUND 2	160,030	0	0	160,030	160,030	0	0	160,030	0	0	0	0
LBPAM EUROPEAN REAL ESTATE DEBT FUND 3	42,220	0	0	42,220	0	0	0	0	42,220	0	0	42,220
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT INFRASTRUCTURE FCT 1	82,673	0	0	82,673	82,673	0	0	82,673	0	0	0	0
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT MONTPARNASSE INFRASTRUCTURE DEBT	361,738	0	0	361,738	0	0	0	0	361,738	0	0	361,738
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT MONTPARNASSE REAL ESTATE DEBT	875,709	0	0	875,709	0	0	0	0	875,709	0	0	875,709
LBPAM PRIVATE DEBT SCS RAIF – LBPAM EUROPEAN RESPONSIBLE INFRASTRUCTURE DEBT FUND	142,750	0	0	142,750	0	0	0	0	142,750	0	0	142,750
LYFE	100	150	84	166	0	0	0	0	100	150	84	166
LYXOR DETTE MIDCAP	26,051	0	0	26,051	26,051	0	0	26,051	0	0	0	0
LYXOR DETTE MIDCAP II	22,732	0	0	22,732	22,732	0	0	22,732	0	0	0	0
LYXOR EUROPEAN SENIOR DEBT	26	0	0	26	26	0	0	26	0	0	0	0
MERIDIAM INFRASTRUCTURE	104,248	0	0	104,248	104,248	0	0	104,248	0	0	0	0
MERIDIAM TRANSITION	146,026	0	0	146,026	146,026	0	0	146,026	0	0	0	0
MONTAGU IV (SCOTS FEEDER)	9,966	0	1,356	8,609	0	0	0	0	9,966	0	1,356	8,609
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT INFRASTRUCTURE	73,569	0	0	73,569	0	0	0	0	73,569	0	0	73,569
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT REAL ESTATE	54,200	0	0	54,200	0	0	0	0	54,200	0	0	54,200
MONTPARVIE IV	38,349	0	15,600	22,749	0	0	0	0	38,349	0	15,600	22,749
MONTPARVIE V	211,304	50	0	211,354	0	0	0	0	211,304	50	0	211,354
MONTPARVIE VII	40	0	0	40	0	0	0	0	40	0	0	40
NATIXIS FCT MONTPARNASSE DETTE PRIVÉE COMPARTIMENT MONTPARNASSE PLACEMENT PRIVÉ	134,900	0	0	134,900	0	0	0	0	134,900	0	0	134,900

(In € thousands)	Total at 31.12.2020				Affiliates				Subsidiaries			
	Shares	Other	Impair-ment	Carrying amount	Shares	Other	Impair-ment	Carrying amount	Shares	Other	Impair-ment	Carrying amount
OCTOBER SME II	2,632	0	0	2,632	2,632	0	0	2,632	0	0	0	0
OCTOBER SME III	17,089	0	0	17,089	17,089	0	0	17,089	0	0	0	0
OPEN CNP	50,000	0	0	50,000	0	0	0	0	50,000	0	0	50,000
PURPLE PRIVATE DEBT SCS RAIF – ESSENTIAL INFRA DEBT FUND	19,249	0	0	19,249	19,249	0	0	19,249	0	0	0	0
SCHRODER COMPARTMENT IALA	157,142	0	0	157,142	0	0	0	0	157,142	0	0	157,142
SENIOR EUROPEAN LOAN FUND 1	13,468	0	0	13,468	13,468	0	0	13,468	0	0	0	0
SENIOR EUROPEAN LOAN FUND 2	155,477	0	0	155,477	155,477	0	0	155,477	0	0	0	0
SENIOR EUROPEAN LOAN FUND 3	20,431	0	0	20,431	20,431	0	0	20,431	0	0	0	0
SMCA	2,000	0	1,250	750	2,000	0	1,250	750	0	0	0	0
SOFIPROTEOL DETTE PRIVÉE	29,327	0	0	29,327	29,327	0	0	29,327	0	0	0	0
SOGESTOP K	1,190,710	0	0	1,190,710	0	0	0	0	1,190,710	0	0	1,190,710
SOGESTOP L	18,626	0	0	18,626	18,626	0	0	18,626	0	0	0	0
TIKEHAU CORPORATE LEVERAGED LOAN FUND	3,275	0	0	3,275	3,275	0	0	3,275	0	0	0	0
TIKEHAU NOVO 2018	20,128	0	0	20,128	20,128	0	0	20,128	0	0	0	0
YOUSE HOME	100	710	34	776	0	0	0	0	100	710	34	776
Other companies*	**635,056**	**0**	**15,355**	**619,701**	**635,056**	**0**	**15,355**	**619,701**	**0**	**0**	**0**	**0**
Sub-total	**9,275,078**	**1,064,089**	**72,403**	**10,266,764**	**3,825,403**	**1,304**	**26,645**	**3,800,062**	**5,449,675**	**1,062,784**	**45,758**	**6,466,701**
Total by type	11,369,881	1,064,489	338,895	12,095,476	3,874,907	1,304	32,769	3,843,442	7,494,973	1,063,185	306,125	8,252,033
TOTAL		**12,434,370**	**338,895**	**12,095,476**		**3,876,212**	**32,769**	**3,843,442**		**8,558,158**	**306,125**	**8,252,033**

* Corresponds to venture-capital investment funds in which CNP owns less than 50% of the capital.
This note does not include shares in property companies which are reported in the balance sheet under "Land and buildings" and on the line "Shares in unlisted property companies" in Note 5.1 "Changes in intangible assets, buildings, and investments in subsidiaries and affiliates"

5.4.2 Financial income and expenses received from and paid to subsidiaries and affiliates

(In € thousands)	Subsidiaries	Affiliates	31.12.2020	31.12.2019
Financial expenses	190,069	24,158	214,227	22,409
Financial income	622,797	184,206	807,003	717,250

5.4.3 Receivables from and payables to subsidiaries and affiliates

(In € thousands)	Subsidiaries	Affiliates	31.12.2020	31.12.2019
Receivables	**(22,658)**	**(11,689)**	**(34,347)**	**4,720**
Other receivables	(22,658)	(11,689)	(34,347)	4,720
Prepaid and recoverable taxes	*0*	*0*	*0*	*14,400*
Other	*(22,658)*	*(11,689)*	*(34,347)*	*(9,680)*
Other liabilities	**115,179**	**353,451**	**468,630**	**339,843**
Other payables	*115,179*	*353,451*	*468,630*	*339,843*

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	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
A – Investments with a carrying amount in excess of 1% of CNP Assurances' share capital													
I – Subsidiaries (over 50%-owned)													
23-25 MARIGNAN SAS [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	31,291	1,199	102,483	85,726	85,726	100.00%	55,352	7,781	3,493	2,503	Property company
270 INVESTMENTS [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	101,504	54,690	684,179	125,573	125,573	100.00%	525,050	0	37,722	28,290	Private equity
36 MARBŒUF SAS [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	28,317	268	51,523	55,694	55,694	100.00%	19,745	2,988	1,310	1,359	Property company
AEP 247 [1]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	178,968	13	180,897	161,102	161,102	100.00%	0	0	(735)	5,617	Property company
AEW IMCOM 1 [1]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	161,455	1	185,875	102,119	102,119	100.00%	16,389	4,463	5,423	5,996	Property company
ALPINVEST FEEDER (EURO) V C.V.	Jachthavenweg 118 - 1081 KJ Amsterdam - The Netherlands	EUR	n/a	n/a	n/a	28,045	24,176	99.98%	0	n/a	n/a	0	Private equity
AMP Capital Wagram 92 Property Investment (WAGRAM 92) [2]	11, avenue Delcassé - 75008 Paris - France	EUR	9,023	1	21,880	20,377	20,377	100.00%	11,783	1,546	289	532	Property company
ASSURBAIL PATRIMOINE [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	183,233	104,329	330,482	215,104	215,104	100.00%	0	6,078	28,952	34,203	Property company
ASSURECUREUIL PIERRE [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	19,312	16,434	43,470	58,382	58,382	85.83%	0	5,474	3,138	10,192	Property company
ASSURECUREUIL PIERRE 3 [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	199,624	159,870	532,489	252,165	252,165	77.98%	130,551	6,745	(639)	0	Property company
ASSURECUREUIL PIERRE 4 [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	61,044	27,401	90,903	88,428	88,428	100.00%	0	0	1,770	18,720	Property company
ASSURECUREUIL PIERRE 5 [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	3,362	1,679	12,034	8,225	8,225	100.00%	2,082	1,955	1,654	1,563	Property company
ASSURIMMEUBLE [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	713,000	835,279	1,562,733	1,750,626	1,750,626	100.00%	0	11,385	4,780	4,650	Property company
ASSURISTANCE [1]	4, place Raoul Dautry - 75015 Paris - France	EUR	20,344	1,041	23,257	13,427	13,427	66.00%	0	0	1,474	0	Insurance
AZIMUT [7]	129, rue de Turenne - 75003 Paris - France	EUR	0	0	0	9,897	9,897	88.67%	0	0	0	0	Diversification
BAUDRY PONTHIEU [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	4,460	36,543	92,134	44,559	44,559	99.91%	44,270	6,324	2,759	1,738	Property company
BERCY CRYSTAL [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	5,000	45,028	119,823	50,000	50,000	100.00%	63,486	6,671	2,123	850	Property company
CAIXA SEGUROS HOLDING [2]	SCN Quadra 01 Lote A Ed. N°1 - 15°, 16° e 17° Andares Brasilia - Brazil	EUR	419,707	(578,812)	240,353	207,610	207,610	50.75%	0	0	414,581	405,137	Insurance
CANOPÉE [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	47,210	2	50,916	47,200	47,200	99.98%	0	3,919	2,145	2,166	Property company

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
CARTERA PBTAMSI	Almagro, 36, 2ª planta - 28010 Madrid - Spain	EUR	n/a	n/a	n/a	15,000	14,110	100.00%	0	n/a	n/a	0	Private equity
CBPE CAPITAL VIII SPECIAL INVESTORS	2, George Yard - London EC3V 9DH - United Kingdom	GBP	n/a	n/a	n/a	8,257	7,680	100.00%	0	n/a	n/a	0	Private equity
CICOGE [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	37,320	73,239	118,337	200,351	200,351	100.00%	0	5,442	3,237	12,962	Property company
CIMO [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	178,759	197,437	393,370	555,285	555,285	100.00%	0	12,865	6,740	33,130	Property company
CNP ASSURANCES BRASIL HOLDING LTDA [2]	Setor Comercial Norte, Quadra 01, Bloco A, n°77, Sala 1702, parte Edificio n°1, CEP 70710-900 Brasila - Brazil	EUR	4	19	34	8,128	8,128	100.00%	0	0	11	1,202	Insurance
CNP ASSURANCES COMPAÑIA DE SEGUROS [2]	M.T. de Alvear 1541 (C1060AAC) - 1001 Buenos Aires - Argentina	EUR	2	0	46	20,788	20,788	76.47%	0	15	9	0	Insurance
CNP CAUTION [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	258,735	251,619	809,262	464,917	464,917	100.00%	0	77,211	31,238	0	Insurance
CNP EUROPE LIFE LIMITED [2]	Embassy House, Herbert Park Lane, Ballsbridge - Dublin 4 - Ireland	EUR	10,981	64,841	75,822	13,526	13,526	100.00%	0	0	(5,563)	0	Insurance
CNP LOANS INFRA COMPARTMENT CLI 123 SOLEIL	41 rue Delizy - 93500 Pantin - France	EUR	n/a	n/a	n/a	34,588	34,588	99.90%	0	n/a	n/a	0	Investment fund
CNP LOANS INFRA COMPARTMENT CLI N°7 SIROCO	41 rue Delizy - 93500 Pantin - France	EUR	n/a	n/a	n/a	167,533	167,533	100.00%	0	n/a	n/a	0	Investment fund
CNP LUXEMBOURG [5]	10, rue de Reims L-2417 Luxembourg - Luxembourg	EUR	32,000	(8,337)	1,728,612	33,250	33,250	100.00%	0	209,312	(2,102)	0	Insurance
CNP PARTNERS [2]	El Plantio Calle Ochandiano n°10 Planta 2a 28023 Madrid - Spain	EUR	138,287	58,527	2,409,014	173,929	173,929	99.50%	0	149,386	2,528	15,939	Insurance
CNP PRIVATE EQUITY FOR PERSONAL SAVINGS	20, place Vendôme - 75001 Paris - France	EUR	n/a	n/a	n/a	54,886	54,886	100.00%	0	n/a	n/a	0	Private equity
CNP SANTANDER INSURANCE EUROPE DAC [2]	Block 8 Harcourt Centre - Charlotte Way - Dublin 2 - Ireland	EUR	53,000	164,528	963,069	111,670	111,670	51.00%	0	287,042	30,765	0	Insurance
CNP SANTANDER INSURANCE LIFE DAC [2]	Block 8 Harcourt Centre - Charlotte Way - Dublin 2 - Ireland	EUR	103,600	124,956	1,410,159	199,926	199,926	51.00%	0	476,539	48,036	0	Insurance
CNP UC IMMO	128, boulevard Raspail - 75006 Paris - France	EUR	n/a	n/a	n/a	149,894	149,894	99.94%	78,400	n/a	n/a	0	Property company
CNP UNICREDIT VITA [2]	Piazza Durante 11 - 20131 Milan - Italy	EUR	381,699	538,784	18,089,190	726,775	726,775	57.50%	0	3,294,217	53,336	0	Insurance
CŒUR MÉDITERRANÉE [1]	128, boulevard Raspail - 75006 Paris - France	EUR	40,885	(58)	62,373	28,619	28,619	70.00%	12,933	3,115	2,846	2,201	Property company
COTTAGES DU BOIS AUX DAIMS [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	1,131	9,505	20,908	11,301	11,301	100.00%	10,100	1,591	235	45	Property company
ECUREUIL VIE INVESTMENT [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	328,338	61,103	467,640	328,338	328,338	100.00%	50,000	0	27,235	20,427	Private equity
ÉQUINOX [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	41,404	(30,322)	59,892	41,400	41,400	99.99%	52,787	2,382	(7,838)	0	Property company
EUROPE PROPERTIES INVESTMENTS [2]	66, avenue Charles de Gaulle - 92200 Neuilly-sur-Seine - France	EUR	1,037	9,104	195,493	10,037	10,037	100.00%	180,721	0	2,149	1,781	Property company
FARMORIC [2]	Tour Majunga, La Défense 9 - 6, place de la Pyramide - 92800 Puteaux - France	EUR	162,051	205,481	473,745	176,605	176,605	100.00%	100,055	0	5,158	4,375	Property company
FONCIÈRE CNP [2]	11, avenue Delcassé - 75008 Paris - France	EUR	3,139	63,626	136,475	69,492	69,492	100.00%	67,066	3,765	(391)	6,200	Property company
FONCIÈRE ELBP [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	17,814	159,690	396,393	178,131	178,131	100.00%	187,312	21,048	16,303	0	Property company

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
FONCIÈRE HID [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	4,370	7,097	46,613	11,300	11,300	100.00%	35,900	4,148	(1,711)	699	Property company
FSN CAPITAL IV (B) L.P.	Akersgaten 20 NO-0158 - Oslo - Norway	SEK	n/a	n/a	n/a	8,266	6,195	100.00%	0	n/a	n/a	0	Private equity
GALAXIE 33 [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	10,000	90,015	238,963	99,991	99,991	100.00%	124,609	12,240	3,059	3,150	Property company
GCK [2]	15, Boulevard F.W. Raiffeisen - L - 2411 Luxembourg - Luxembourg	EUR	10,529	2,572	21,853	100,994	100,994	80.00%	0	13,404	6,789	5,782	Property company
GEOSUD [5]	2, rue des Martinets - 92569 Rueil Malmaison - France	EUR	122,140	51,689	182,302	139,488	139,488	98.00%	0	0	5,799	6,464	Infrastructure
GF DE LA FORÊT DE NAN [2]	8 bis, rue de Châteaudun - 75009 Paris - France	EUR	5,034	14,350	24,390	28,406	28,406	100.00%	5,000	138	(64)	0	Forests
GREEN QUARTZ [2]	11, avenue Delcassé - 75008 Paris - France	EUR	14	43,508	96,258	43,522	43,522	99.99%	51,301	4,030	705	159	Property company
HABIMMO [2]	11, avenue Delcassé - 75008 Paris - France	EUR	11	34,273	58,074	34,035	34,035	99.99%	22,679	766	639	0	Property company
HOLDING D'INFRASTRUCTURES GAZIÈRES [1]	4, place Raoul Dautry - 75015 Paris - France	EUR	603,907	104,680	1,465,400	474,879	474,879	54.41%	0	0	77,027	35,496	Infrastructure
HOLDIPIERRE [5]	128, boulevard Raspail - 75006 Paris - France	EUR	87,129	57,617	164,961	95,030	95,030	100.00%	16,026	8,122	7,906	8,743	Property company
IMMAUCOM [3]	11, avenue Delcassé - 75008 Paris - France	EUR	197,725	0	201,801	132,776	132,776	80.00%	0	n/a	3,992	2,232	Property company
INFRA-INVEST [6]	1, rue Hildegard von Bingen - L - 1282 Luxembourg	EUR	6,265	(13,624)	394,852	12,175	12,175	100.00%	0	n/a	15,848	0	Infrastructure
INFRA-INVEST FRANCE [2]	4, place Raoul Dautry - 75015 Paris - France	EUR	15,426	98,805	284,850	152,001	152,001	100.00%	171,433	0	(2,658)	9,252	Infrastructure
INFRASTRUCTURE PARTNERS (MORGAN STANLEY) [5]	6, place de la République Dominicaine, 75017 Paris - France	USD	13,312	0	13,391	40,441	14,748	64.94%	0	102	30	0	Infrastructure
IRELAND PROPERTY INVESTMENT FUND [2]	George's Court, 54-62 Townsend Street Dublin 2 - Ireland	EUR	303,809	22,410	330,231	314,450	314,450	100.00%	0	9,560	2,653	9,500	Property company
ISSY VIVALDI [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	3,310	29,721	69,384	33,010	33,010	100.00%	30,862	3,638	1,700	1,423	Property company
JASMIN [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	19,010	0	43,543	19,000	19,000	99.95%	21,845	3,220	2,245	2,067	Property company
JESCO [2]	11, avenue Delcassé - 75008 Paris - France	EUR	40,801	(14,990)	61,946	28,051	28,051	55.00%	21,388	4,425	(5,651)	0	Property company
KLEBER 46 [2]	11, avenue Delcassé - 75008 Paris - France	EUR	936	187	4,357	45,858	45,858	100.00%	21,904	2,403	1,354	944	Property company
LBP ACTIFS IMMO [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	562,752	1,554	587,462	384,251	384,251	100.00%	2,720	22,634	11,770	11,170	Property company
LBPAM EUROPEAN INFRASTRUCTURE DEBT FUND 2	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	211,013	211,013	55.19%	0	n/a	n/a	4,775	Investment fund
LBPAM EUROPEAN REAL ESTATE DEBT FUND 3	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	42,220	42,220	76.13%	0	n/a	n/a	406	Investment fund
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT MONTPARNASSE INFRASTRUCTURE DEBT	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	361,738	361,738	100.00%	0	n/a	n/a	6,456	Investment fund
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT MONTPARNASSE REAL ESTATE DEBT	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	875,709	875,709	100.00%	0	n/a	n/a	10,004	Investment fund

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
LBPAM PRIVATE DEBT SCS RAIF – LBPAM EUROPEAN RESPONSIBLE INFRASTRUCTURE DEBT FUND	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	142,750	142,750	54.35%	0	n/a	n/a	1,592	Investment fund
LESLY [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	45,071	(106)	98,645	45,071	45,071	100.00%	51,296	5,948	(389)	0	Property company
LUX GARE [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	435	4,222	20,851	12,219	12,219	100.00%	13,798	1,559	(117)	215	Property company
MFPRÉVOYANCE [5]	62, rue Jeanne d'Arc - 75640 Paris Cedex 13 - France	EUR	81,774	197,846	635,936	67,853	67,853	51.00%	0	119,394	3,859	0	Insurance
MONTAGU IV (SCOTS FEEDER)	2 More London Riverside - London SE1 2AP - United Kingdom	EUR	n/a	n/a	n/a	9,966	7,887	100.00%	0	n/a	n/a	0	Private equity
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT INFRASTRUCTURE	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	73,569	73,569	100.00%	0	n/a	n/a	0	Investment fund
MONTPARNASSE DEBT FUND 2 – COMPARTIMENT REAL ESTATE	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	54,200	54,200	100.00%	0	n/a	n/a	65	Investment fund
MONTPARVIE IV [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	5	(5)	9,262	38,349	38,349	100.00%	0	0	(4,310)	0	Diversification
MONTPARVIE V [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	5	(6)	5	211,304	211,304	100.00%	50	0	(6)	0	Diversification
MTP INVEST [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	874,852	(45,037)	1,409,383	750,730	750,730	98.30%	519,899	26,627	30,522	28,278	Property company
NATIXIS FCT MONTPARNASSE DETTE PRIVÉE COMPARTIMENT MONTPARNASSE PLACEMENT PRIVÉ	21, quai d'Austerlitz - 75634 Paris Cedex 13 - France	EUR	n/a	n/a	n/a	134,900	134,900	100.00%	0	n/a	n/a	2,650	Investment fund
NEUILLY PILOT [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	950	6,208	16,313	15,907	15,907	100.00%	8,548	904	9	97	Property company
NEW SIDE [2]	11, avenue Delcassé - 75008 Paris - France	EUR	1,947	36,999	92,449	38,939	38,939	100.00%	50,299	5,683	2,082	1,655	Property company
OPCI RASPAIL [1]	128, boulevard Raspail - 75006 Paris - France	EUR	690,984	375,815	2,346,166	1,242,512	1,236,779	86.15%	689,480	29,791	20,191	16,934	Property company
OPEN CNP [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	50,000	(3,780)	79,559	50,000	50,000	100.00%	0	0	(1,560)	0	Diversification
OREA [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	41,000	(1,597)	54,106	86,829	86,829	100.00%	6,431	4,811	2,473	858	Property company
PANTIN LOGISTIQUE [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	5,810	32,712	104,656	71,508	71,508	100.00%	53,215	8,736	3,151	1,540	Property company
PARIS 08 [2]	11, avenue Delcassé - 75008 Paris - France	EUR	42,091	250	52,235	42,091	42,091	100.00%	4,060	3,007	1,383	842	Property company
PAYS-BAS RETAIL 2013 BV [5]	Naritaweg 165, Telestone 8 - 1043 BV Amsterdam - The Netherlands	EUR	17,500	3,521	49,969	17,500	17,500	100.00%	28,500	0	429	0	Property company
PIAL 34 [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	15,001	64,290	165,591	141,001	141,001	100.00%	133,039	0	(50,926)	0	Property company
RESIDAVOUT [1]	128, boulevard Raspail - 75006 Paris - France	EUR	2,834	25,497	47,450	28,331	28,331	100.00%	17,705	1,924	387	369	Property company
RESIDENTIAL [2]	11, avenue Delcassé - 75008 Paris - France	EUR	33,801	(2,018)	33,885	33,801	33,801	100.00%	0	2,217	(295)	0	Property company
RSS IMMO [2]	11, avenue Delcassé - 75008 Paris - France	EUR	8	39,859	80,232	38,502	38,502	99.99%	36,896	3,404	(152)	0	Property company
SAPHIRIMMO [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	6,767	97,067	209,504	109,205	109,205	100.00%	96,096	9,895	6,102	0	Property company
SAS ALLERAY – SQUARE 15 [2]	128, boulevard Raspail - 75006 Paris - France	EUR	10,000	105,577	236,490	118,592	118,592	100.00%	116,947	0	2,064	3,000	Property company

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
SCHRODER COMPARTMENT IALA	8-10, rue Lamennais - 75008 Paris - France	EUR	n/a	n/a	n/a	157,142	157,142	100.00%	0	n/a	n/a	3,555	Investment fund
SCI DE LA CNP [5]	8 bis, rue de Châteaudun - 75009 Paris - France	EUR	59,711	35,263	102,522	147,449	147,449	100.00%	5,000	1,104	2,072	2,080	Forests
SCI HOLDIHEALTH EUROPE [1]	128, boulevard Raspail - 75006 Paris - France	EUR	1,799	6,581	14,800	8,993	8,993	100.00%	5,995	0	412	0	Property company
SECRETS ET BOÉTIE [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	4,201	28,579	78,010	42,001	42,001	100.00%	40,205	4,107	1,716	1,680	Property company
SILK HOLDING [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	27,592	7,978	86,916	54,437	54,437	100.00%	47,564	0	1,481	1,242	Property company
SOGESTOP K [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	27	39	74	1,190,710	1,190,710	100.00%	0	0	(4)	0	Diversification
SONNE [2]	66, avenue Charles de Gaulle - 92200 Neuilly-sur-Seine - France	EUR	2	11,975	53,268	14,127	14,127	99.95%	40,504	2,227	(437)	0	Property company
TERRE NEUVE 4 IMMO [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	6,601	59,409	137,523	66,001	66,001	100.00%	62,360	10,566	4,970	4,555	Property company
THEEMIM [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	26,636	60,308	101,359	84,646	84,646	100.00%	12,057	0	2,010	5,327	Property company
US REAL ESTATE 270 SAS [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	120,012	3,027	316,810	120,012	120,012	100.00%	191,549	0	8,390	6,932	Property company
US REAL ESTATE EVJ SAS [5]	4, place Raoul Dautry - 75015 Paris - France	EUR	120,063	3,051	305,652	120,063	120,063	100.00%	182,052	0	8,432	6,976	Property company
WOODLAND INVEST [2]	8 bis, rue de Châteaudun - 75009 Paris - France	EUR	8,000	(1,580)	22,594	8,000	8,000	100.00%	12,760	597	1,536	0	Forests
YBRY PONT DE NEUILLY [1]	128, boulevard Raspail - 75006 Paris - France	EUR	10,501	95,340	187,479	106,493	106,493	100.00%	76,702	0	2,804	0	Property company
YELLOWALTO [2]	Tour Majunga, La Défense 9 - 6, place de la Pyramide - 92800 Puteaux - France	EUR	9,973	92,302	291,360	101,273	101,273	100.00%	170,126	0	5,317	7,789	Property company
II – Affiliates (10% to 50% owned)													
17 CAPITAL FUND 3	32, Grosvenor Gardens - London SW1W 0DH - United Kingdom	EUR	n/a	n/a	n/a	24,441	10,842	10.04%	0	n/a	n/a	0	Private equity
5/7 RUE SCRIBE [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	479	33,377	82,361	7,302	7,302	15.00%	6,518	4,259	1,632	104	Property company
AEAM DUTCH MORTGAGE FUND 2	Aegonplein 50 - 2591 TV The Hague - The Netherlands	EUR	n/a	n/a	n/a	500,000	500,000	16.40%	0	n/a	n/a	0	Investment fund
ALLIANZ EURO CORE INFRASTRUCTURE DEBT FUND SCSP	3 boulevard des Italiens - CS 70264 - 75118 Paris Cedex - France	EUR	n/a	n/a	n/a	16,621	16,621	10.71%	0	n/a	n/a	0	Investment fund
ALPINVEST SECONDARIES FUND LUX EURO MASTER VI	Jachthavenweg 118 - 1081 KJ Amsterdam - The Netherlands	EUR	n/a	n/a	n/a	76,159	45,741	22.47%	0	n/a	n/a	0	Private equity
ALVEN CAPITAL IV OPPORTUNITY F	1, pl André Malraux - 75001 Paris - France	EUR	n/a	n/a	n/a	7,000	5,950	12.99%	0	n/a	n/a	0	Private equity
ARIAL CNP ASSURANCES [1]	32, avenue Émile Zola - 59370 Mons-en-Barœul - France	EUR	10,848	106,765	25,611,030	43,380	43,380	40.00%	0	840,000	924	0	Insurance
AUGUST EQUITY PARTNERS III A	10 Slingsby Place - St Martin's Courtyard Covent Garden - WC2E 9AB - London - United Kingdom	GBP	n/a	n/a	n/a	9,323	7,520	10.00%	0	n/a	n/a	0	Private equity
AVIVA INVESTORS ALTERNATIVES FCP RAIF – AVIVA INVESTORS EUROPEAN INFRASTRUCTURE DEBT STRATEGY	2, rue du Fort Bourbon - L - 1249 Luxembourg - Luxembourg	EUR	n/a	n/a	n/a	22,987	22,987	11.90%	0	n/a	n/a	216	Investment fund
AVIVA INVESTORS EUROPEAN SECONDARY INFRASTRUCTURE CREDIT	23-25 Avenue Franklin Delano Roosevelt - 75008 Paris - France	EUR	n/a	n/a	n/a	48,648	48,648	16.67%	0	n/a	n/a	0	Investment fund

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
AXA INFRASTRUCTURE PARTNERS [6]	20, place Vendôme - 75001 Paris - France	EUR	(212,276)	217,928	7,748	20,897	973	12.90%	0	2,202	2,087	0	Infrastructure
AXE FRANCE [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	5,001	56,501	127,631	43,085	43,085	50.00%	26,118	10,912	4,065	2,067	Property company
BABYLON INVESTMENTS BV [5]	Amstelveenseweg 760, (1081JK) Amsterdam - The Netherlands	EUR	92,046	20,485	248,907	48,441	48,441	44.44%	0	810	25,357	2,889	Infrastructure
BNP PARIBAS EUROPEAN SME DEBT FUND	14, rue Bergère - 75009 Paris - France	EUR	n/a	n/a	n/a	64,802	64,802	15.00%	0	n/a	n/a	2,289	Investment fund
BNP PARIBAS EUROPEAN SME DEBT FUND 2	14, rue Bergère - 75009 Paris - France	EUR	n/a	n/a	n/a	11,243	11,243	14.23%	0	n/a	n/a	0	Investment fund
BNP PARIBAS GLOBAL SENIOR CORPORATE LOANS	14, rue Bergère - 75009 Paris - France	EUR	n/a	n/a	n/a	260,215	260,215	36.41%	0	n/a	n/a	3,450	Investment fund
BNP PARIBAS NOVO 2018	1, boulevard Haussmann - 75009 Paris - France	EUR	n/a	n/a	n/a	12,752	12,752	15.15%	0	n/a	n/a	256	Investment fund
CDC CAPITAL III	41, avenue de Friedland - 75008 Paris - France	EUR	n/a	n/a	n/a	17,840	13,552	37.43%	0	n/a	n/a	0	Private equity
CDC CAPITAL III B	41, avenue de Friedland - 75008 Paris - France	EUR	n/a	n/a	n/a	8,066	8,066	47.25%	0	n/a	n/a	0	Private equity
CERTIVIA SICAV [5]	128, boulevard Raspail - 75006 Paris - France	EUR	90,273	(1,636)	128,849	10,771	10,771	13.33%	0	0	(1,782)	471	Property company
CLEARSIGHT TURNAROUND FUND II	Carinthia House, 9-12, The Grange - GY1 4BF - St Peter Port - Guernesey - Channel Islands - United Kingdom	EUR	n/a	n/a	n/a	8,968	8,318	15.63%	0	n/a	n/a	0	Private equity
CLEARSIGHT TURNAROUND FUND III	Churerstrasse 23 - CH-8808 Pfäffikon - Switzerland	EUR	n/a	n/a	n/a	22,744	18,162	11.01%	0	n/a	n/a	0	Private equity
CLEARSIGHT TURNAROUND FUND IV	Churerstrasse 23 - CH-8808 Pfäffikon - Switzerland	EUR	n/a	n/a	n/a	24,272	8,957	10.00%	0	n/a	n/a	23	Private equity
CM-CIC DEBT FUND 3	60, rue de la Victoire - 75009 Paris - France	EUR	n/a	n/a	n/a	45,905	45,905	12.22%	0	n/a	n/a	0	Investment fund
CREDICOOP AFAVyDC [4]	Adolfo Alsina N°633 Piso 3 - Ciudad Autónoma de Buenos Aires - Argentina	EUR	445	(10,651)	801	7,460	7,460	29.84%	0	0	(90)	0	Diversification
CTE [5]	69-17, rue de Miromesnil - 75008 Paris - France	EUR	2,700	133	21,688	1,084,046	1,084,046	20.00%	0	4,856	632	73,440	Infrastructure
DBAG FUND VI FEEDER GMBH & CO KG	Boersenstrasse 1 - D-60313 Frankfurt-am-Main - Germany	EUR	n/a	n/a	n/a	10,463	9,385	26.56%	0	n/a	n/a	0	Private equity
DÉFENSE CB3 [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	13,100	87,149	123,895	52,828	52,828	25.00%	7,275	0	(7,795)	0	Property company
EIFFEL IMPACT DEBT	9 rue Newton - 75116 Paris - France	EUR	n/a	n/a	n/a	10,935	10,935	11.73%	0	n/a	n/a	0	Investment fund
EMZ 7-I	11, rue Scribe - 75009 Paris - France	EUR	n/a	n/a	n/a	8,453	0	11.90%	0	n/a	n/a	0	Private equity
FARMAN [2]	11, avenue Delcassé - 75008 Paris - France	EUR	25,000	136,751	223,911	80,872	80,872	50.00%	25,414	16,775	9,396	4,825	Property company
FLI [5]	33, avenue Pierre Mendès France - 75013 Paris - France	EUR	104,500	919,772	1,541,570	86,677	86,677	11.48%	0	28,611	1,084	1,710	Property company
FLI 2 [5]	33, avenue Pierre Mendès France - 75013 Paris - France	EUR	14,700	0	16,412	6,880	6,880	11.03%	0	0	(565)	0	Property company
FONCIÈRE ECUREUIL II [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	19,882	1,140	29,833	8,221	8,221	21.77%	3,723	0	3,067	1,167	Property company
FONDS DE FONDS GROWTH	27-31, avenue du Général Leclerc - 94710 Maison Alfort - France	EUR	n/a	n/a	n/a	53,750	4,397	10.75%	0	n/a	n/a	0	Private equity

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
FONDS NOV SANTÉ ACTIONS NON CÔTÉES ASSUREURS – CAISSE DES DÉPÔTS RELANCE DURABLE FRANCE	11, rue Scribe - 75009 Paris - France	EUR	n/a	n/a	n/a	47,000	0	11.19%	0	n/a	n/a	0	Private equity
FONDS NOV TOURISME ACTIONS NON COTÉES	28, rue Washington - 75008 Paris - France	EUR	n/a	n/a	n/a	20,000	0	11.76%	0	n/a	n/a	0	Private equity
GF FRANCE EST [5]	8 bis, rue de Châteaudun - 75009 Paris - France	EUR	24,479	4,315	29,256	7,092	7,092	28.97%	0	2,137	118	163	Forests
GREEN RUEIL [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	9,110	77,920	200,361	45,546	45,546	50.00%	48,025	16,217	5,640	2,551	Property company
HEMISPHERE HOLDING [5]	33, avenue Pierre Mendès France - 75013 Paris - France	EUR	6,715	48,304	58,148	12,265	12,265	20.00%	0	0	3,041	614	Property company
INFRASTRUCTURE FINANCE SCS SIF – COMPARTMENT EUROPEAN INFRA SENIOR 1	2-4, rue Eugène Ruppert - L2453 Luxembourg - Luxembourg	EUR	n/a	n/a	n/a	113,284	113,284	10.58%	0	n/a	n/a	2,851	Investment fund
INITIATIVE & FINANCE II	96, avenue d'Iéna - 75783 Paris - France	EUR	n/a	n/a	n/a	11,214	10,222	11.43%	0	n/a	n/a	0	Private equity
INVISION V FEEDER	Grafenaustrasse 7 - 6300 Zug - Switzerland	EUR	n/a	n/a	n/a	13,391	10,971	23.38%	0	n/a	n/a	0	Private equity
ISSY ÎLOT 13 [5]	91-93, boulevard Pasteur - 75710 Paris Cedex 15 - France	EUR	45,000	0	85,869	22,500	22,500	50.00%	16,089	8,444	3,163	1,582	Property company
LAC I SLP	27-31, avenue du Général Leclerc - 94710 Maisons-Alfort Cedex - France	EUR	n/a	n/a	n/a	37,351	37,351	11.00%	0	n/a	n/a	0	Investment fund
LATOUR CO-INVEST HYGEE	2, rue Washington - 75008 Paris - France	EUR	n/a	n/a	n/a	11,558	11,558	26.27%	0	n/a	n/a	0	Private equity
LBPAM EUROPEAN DEBT FUNDS COMPARTIMENT IMMOBILIER REAL ESTATE FCT 1	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	23,401	23,401	48.33%	0	n/a	n/a	403	Investment fund
LBPAM EUROPEAN REAL ESTATE DEBT FUND 2	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	160,030	160,030	50.00%	0	n/a	n/a	2,170	Investment fund
LBPAM FCT EUROPEAN DEBT FUNDS COMPARTIMENT INFRASTRUCTURE FCT 1	34, rue de la Fédération - 75737 Paris Cedex 15 - France	EUR	n/a	n/a	n/a	82,673	82,673	48.70%	0	n/a	n/a	1,193	Investment fund
LIBERTÉ [2]	11, avenue Delcassé - 75008 Paris - France	EUR	25,350	70,655	232,844	51,003	51,003	50.00%	63,381	16,645	9,026	5,182	Property company
LYXOR DETTE MIDCAP	17, Cours Valmy - 92987 Paris La Défense - France	EUR	n/a	n/a	n/a	26,051	26,051	24.15%	0	n/a	n/a	940	Investment fund
LYXOR DETTE MIDCAP II	17, Cours Valmy - 92987 Paris La Défense - France	EUR	n/a	n/a	n/a	22,732	22,732	33.33%	0	n/a	n/a	540	Investment fund
MERIDIAM INFRASTRUCTURE [5]	5 allée Scheffer - L-2520 Luxembourg - Luxembourg	EUR	623,173	785,772	1,499,158	104,248	103,584	19.03%	0	26	89,308	0	Infrastructure
MERIDIAM TRANSITION [5]	4, place de l'Opéra - 75002 Paris - France	EUR	369,241	0	372,036	146,026	120,790	42.86%	0	11,613	1,768	0	Infrastructure
OCTOBER SME III	41, rue Delizy - 93500 Pantin - France	EUR	n/a	n/a	n/a	17,089	17,089	10.00%	0	n/a	n/a	79	Private equity
OFELIA [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	12,609	20,904	36,327	11,916	11,916	33.33%	42,398	0	2,808	1,147	Property company
OFFICE CB 21 [5]	10 avenue Kleber - 75016 Paris - France	EUR	371,900	(3,869)	378,296	82,553	82,553	25.00%	0	0	10,202	2,544	Property company
OPC 1 [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	28,637	140	32,630	6,946	6,946	19.67%	0	1,934	2,393	518	Property company

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
OPC 2 [3]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	79,089	1	105,694	27,505	27,505	42.15%	0	3,706	2,496	2,771	Property company
PARTECH GROWTH	12, rue de Penthièvre - 75008 Paris - France	EUR	n/a	n/a	n/a	30,904	29,748	14.40%	0	n/a	n/a	0	Private equity
PARTECH INTERNATIONAL VI	12, rue de Penthièvre - 75008 Paris - France	EUR	n/a	n/a	n/a	7,706	7,636	10.00%	0	n/a	n/a	0	Private equity
PBW II REAL ESTATE FUND [3]	5 allée Scheffer - L-2520 Luxembourg - Luxembourg	EUR	31	11,808	12,932	51,946	51,946	14.57%	0	0	(85)	415	Property company
POLARIS PRIVATE EQUITY IV	Malmøgade 3 - DK-2100 Copenhagen - Denmark	DKK	n/a	n/a	n/a	40,318	30,112	10.00%	0	n/a	n/a	0	Private equity
PURPLE PRIVATE DEBT SCS RAIF – ESSENTIAL INFRA DEBT FUND	43, avenue Pierre Mendès France - 75013 Paris - France	EUR	n/a	n/a	n/a	19,249	19,249	25.21%	0	n/a	n/a	269	Investment fund
PYRAMIDES 1 [2]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	19,603	3,926	42,708	9,706	9,706	45.00%	7,535	0	1,305	602	Property company
QUADRILLE TECHNOLOGIES III	16, place de la Madeleine - 75008 Paris - France	EUR	n/a	n/a	n/a	15,000	14,363	11.11%	0	n/a	n/a	0	Private equity
RUE DU BAC [2]	11, avenue Delcassé - 75008 Paris - France	EUR	25,240	143,154	229,149	86,192	86,192	50.00%	23,978	14,222	6,548	3,900	Property company
RUEIL NEWTON [2]	11-13, avenue de Friedland - 75008 Paris - France	EUR	3,115	28,002	60,511	15,508	15,508	50.00%	14,333	420	(3)	0	Property company
SCPI PIERRE PLUS [5]	22, rue du Docteur Lancereaux - 75008 Paris - France	EUR	411,671	190,926	630,837	70,205	70,205	10.18%	0	23,176	28,240	2,251	Property company
SENIOR EUROPEAN LOAN FUND 1	5 allée Scheffer - L-2520 Luxembourg - Luxembourg	EUR	n/a	n/a	n/a	13,468	13,468	46.40%	0	n/a	n/a	268	Investment fund
SENIOR EUROPEAN LOAN FUND 2	5 allée Scheffer - L-2520 Luxembourg - Luxembourg	EUR	n/a	n/a	n/a	155,477	155,477	31.88%	0	n/a	n/a	2,502	Investment fund
SENIOR EUROPEAN LOAN FUND 3	5 allée Scheffer - L-2520 Luxembourg - Luxembourg	EUR	n/a	n/a	n/a	20,431	20,431	37.74%	0	n/a	n/a	0	Investment fund
SILVERSTONE [5]	128, boulevard Raspail - 75006 Paris - France	EUR	84,319	2,976	92,357	16,422	16,422	19.61%	1,000	0	(196)	0	Property company
SOCIÉTÉ DU CENTRE COMMERCIAL DE LA DÉFENSE [5]	7, place du Chancelier-Adenauer - 75016 Paris - France	EUR	3,048	1	430,803	27,567	27,567	22.00%	58,102	97,183	81,710	17,976	Property company
SOFINNOVA CAPITAL VII	17, rue de Surène - 75008 Paris - France	EUR	n/a	n/a	n/a	7,600	1,975	10.00%	0	n/a	n/a	0	Private equity
SOFINNOVA CAPITAL VIII	17, rue de Surène - 75008 Paris - France	EUR	n/a	n/a	n/a	9,538	8,288	10.42%	0	n/a	n/a	0	Private equity
SOFINNOVA CROSSOVER I S.L.P.	17, rue de Surène - 75008 Paris - France	EUR	n/a	n/a	n/a	80,000	28,000	28.73%	0	n/a	n/a	0	Private equity
SOFIPROTEOL DETTE PRIVÉE	32, rue de Monceau - 75008 Paris - France	EUR	n/a	n/a	n/a	29,327	29,327	14.63%	0	n/a	n/a	700	Investment fund
SOGESTOP L [5]	62, rue Jeanne d'Arc - 75640 Paris Cedex 13 - France	EUR	22,897	19,683	42,693	18,626	18,626	50.00%	0	0	(24)	0	Diversification
SUNLIGHT [2]	128, boulevard Raspail - 75006 Paris - France	EUR	73,861	12,917	88,022	38,269	38,269	46.98%	0	1,316	1,202	1,194	Property company
TIKEHAU NOVO 2018	32, rue de Monceau - 75008 Paris - France	EUR	n/a	n/a	n/a	20,128	20,128	14.16%	0	n/a	n/a	678	Investment fund
TRILANTIC CAPITAL PARTNERS V (EUROPE)	375, Park Avenue 30th Floor - New York - NY 10152 - United States	EUR	n/a	n/a	n/a	34,188	14,479	12.77%	0	n/a	n/a	0	Private equity

Subsidiaries and affiliates *(In € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Cost of investment	Carrying amount of investment (o/w unpaid)	Interest	Loans and receivables	Premium income	Profit or loss	Dividends	Sector
B – Investments with a carrying amount of less than 1% of CNP Assurances' share capital													
French subsidiaries			-	-	-	21,385	21,385	-	825,914	-	-	3,534	
International subsidiaries			-	-	-	2,400	2,400	-	0	-	-	0	
French affiliates			-	-	-	93,808	83,378	-	41,340	-	-	4,622	
Foreign affiliates			-	-	-	26,146	20,602	-	0	-	-	3,233	
C – Aggregate information (A+B)													
French subsidiaries			-	-	-	14,905,824	14,874,398	-	5,590,495	-	-	413,991	-
International subsidiaries			-	-	-	1,938,341	1,928,855	-	42,298	-	-	428,275	-
French affiliates			-	-	-	3,934,741	3,686,612	-	385,228	-	-	152,879	-
Foreign affiliates			-	-	-	872,804	767,482	-	0	-	-	3,887	-

(1) Final data at 31 December 2020
(2) Provisional data at 31 December 2020
(3) Data at 30 September 2020
(4) Data at 30 June 2020
(5) Data at 31 December 2019
(6) Data at 31 December 2018
(7) Legal liquidation

5.4.5 Entities of which CNP Assurances is a general partner

Company	Legal form	Headquarters
13/15 VILLE L'ÉVÊQUE	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
27 PROVENCE	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
5/7 RUE SCRIBE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
85 RICHELIEU	Non-trading property company	128, boulevard Raspail – 75006 Paris – France
AIC LA DAME BLANCHE	Non-trading property company	139-147, rue Paul Vaillant-Couturier – 92240 Malakoff – France
AMIRAL BRUIX	Non-trading property company	Tour Majunga, La Défense 9 – 6, place de la Pyramide – 92800 Puteaux – France
AMP CAPITAL WAGRAM 92 PROPERTY INVESTMENT (WAGRAM 92)	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
ANTARES	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
ASSURECUREUIL PIERRE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
ASSURECUREUIL PIERRE 3	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
ASSURECUREUIL PIERRE 4	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
ASSURECUREUIL PIERRE 5	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
ASSURIMMEUBLE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
BAUDRY PONTHIEU	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
BAUME MIROMESNIL	Non-trading property company	128, boulevard Raspail – 75006 Paris – France
BERCY CRYSTAL	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
CANOPÉE	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
CANTIS	Intercompany partnership	16-18, place du Général Catroux – 75017 Paris – France
CIMO	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
CITY HALL	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
CNP IMMOBILIER	Non-trading property company	4, place Raoul Dautry – 75015 Paris – France

Company	Legal form	Headquarters
CNP TECHNOLOGIES DE L'INFORMATION	Intercompany partnership	4, place Raoul Dautry – 75015 Paris – France
CŒUR PASSY	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
COTTAGES DU BOIS AUX DAIMS	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
CRYSTAL DÉFENSE	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
DALLE 3	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
DAS GOETHE	Non-trading property company	66, avenue Charles de Gaulle – 92200 Neuilly-sur-Seine – France
DISTRIPOLE PORTE DE FRANCE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
DOMAINE DE LANCOSME	Partnership	Château Robert – 36500 Vandoeuvre – France
EdR REAL ESTATE	Partnership limited by shares	20, boulevard Emmanuel Servais – L-2535 Luxembourg – Luxembourg
ÉOLE RAMBOUILLET	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
ÉQUINOX	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
FARMAN	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
FLI	Non-trading property company	33, avenue Pierre Mendès France – 75013 Paris – France
FONCIÈRE CNP	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
FONCIÈRE ELBP	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
GALAXIE 33	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
GF BAUFFREMONT	Forestry partnership	8 bis, rue de Châteaudun – 75009 Paris – France
GF DE LA FORÊT DE NAN	Forestry partnership	8 bis, rue de Châteaudun – 75009 Paris – France
GF DE LA GRANDE HAYE	Forestry partnership	8 bis, rue de Châteaudun – 75009 Paris – France
GF DE L'ÎLE-DE-FRANCE – LA FORÊT GÉRÉE III	Forestry partnership	41, avenue Gambetta – 92928 Paris La Défense – France
GF FRANCE EST	Forestry partnership	8 bis, rue de Châteaudun – 75009 Paris – France
GF PICARDIE NAVARRE – LA FORÊT GÉRÉE IV	Forestry partnership	41, avenue Gambetta – 92928 Paris La Défense – France
GF SELLIÈRES VAUCHASSIS	Forestry partnership	8 bis, rue de Châteaudun – 75009 Paris – France
GREEN QUARTZ	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
GREEN RUEIL	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
HABIMMO	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
HEMISPHERE HOLDING	Non-trading company	33, avenue Pierre Mendès France – 75013 Paris – France
INFRA INVEST HOLDING	Non-trading company	4, place Raoul Dautry – 75015 Paris – France
ISSY AQUAREL	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
ISSY ÎLOT 13	Non-trading property company	91-93, Boulevard Pasteur – 75710 Paris Cedex 15 – France
ISSY VIVALDI	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
JASMIN	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
JESCO	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
JULIE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
L'AMIRAL	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
LESLY	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
LIBERTÉ	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
MASSENA NICE	Non-trading property company	Tour Majunga, La Défense 9 – 6, place de la Pyramide – 92800 Puteaux – France
MAX	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France

Company	Legal form	Headquarters
MONTAGNE DE LA FAGE	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
MTP ERLON	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
NATURE ÉQUIPEMENTS 1	Non-trading property company	28, avenue Victor Hugo – 75116 Paris – France
NATURIM	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
NEW SIDE	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
NEXT ESTATE INCOME FUND	Partnership limited by shares	167 quai de la bataille Stalingrad – 92867 Issy-les-Moulineaux – France
ONE COLOGNE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
PANTIN LOGISTIQUE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
PARIS 08	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
PASSAGE DU FAIDHERBE	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
PÉGASE	Non-trading property company	7, place du Chancelier-Adenauer – 75016 Paris – France
RESIDAVOUT	Non-trading property company	128, boulevard Raspail – 75006 Paris – France
RESIDENTIAL	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
RSS IMMO	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
RUE DE RENNES (136)	Non-trading property company	Tour Majunga, La Défense 9 – 6, place de la Pyramide – 92800 Puteaux – France
RUE DU BAC	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
RUEIL NEWTON	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
SAPHIRIMMO	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
SCI ALLERAY	Non-trading property company	128, boulevard Raspail – 75006 Paris – France
SCI DE LA CNP	Non-trading property company	8 bis, rue de Châteaudun – 75009 Paris – France
SCI HOLDIHEALTH EUROPE	Non-trading property company	128, boulevard Raspail – 75006 Paris – France
SCI RASPAIL	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
SCI RUE LAURISTON	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
SECRETS ET BOÉTIE	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
SICAC	Non-trading property company	22, rue du Docteur Lancereaux – 75008 Paris – France
SOCIÉTÉ DU CENTRE COMMERCIAL DE LA DÉFENSE	Non-trading property company	7, place du Chancelier-Adenauer – 75016 Paris – France
SONNE	Non-trading property company	66, avenue Charles de Gaulle – 92200 Neuilly-sur-Seine – France
TERRE NEUVE 4 IMMO	Non-trading property company	11-13, avenue de Friedland – 75008 Paris – France
VENDÔME EUROPE	Non-trading property company	Tour Majunga, La Défense 9 – 6, place de la Pyramide – 92800 Puteaux – France
VICTOR HUGO 147	Non-trading property company	11, avenue Delcassé – 75008 Paris – France
WEINBERG REAL ESTATE PARTNERS	Partnership limited by shares	46A, avenue J.F. Kennedy – L-1855 Luxembourg – Luxembourg
WHITEHALL STREET INTERNATIONAL REAL ESTATE 2008	Partnership limited by shares	2, rue du Fosse – L-1536 Luxembourg

5.5 Ownership structure

5.5.1 Composition of share capital

Number of shares	31.12.2020	31.12.2019
Number of ordinary shares outstanding	686,618,477	686,618,477
Number of shares held in treasury	(497,753)	(505,717)
Number of ordinary shares with dividend rights	686,120,724	686,112,760

5.5.2 Treasury shares

MOVEMENTS OVER THE REPORTING PERIOD

Movements	Number of shares
Purchases	4,490,336
Sales	4,498,300

NUMBER OF TREASURY SHARES AND VALUE AT PERIOD END

Movements	31.12.2020	31.12.2019
Number of treasury shares	497,753	505,717
Carrying amount of treasury shares in euros	6,604,471	8,988,500

5.6 Reserves, equity, revaluation reserve

(In € thousands)	Type of reserve	31.12.2019	Appropriation of 2019 profit	2020 profit	Change for the period	31.12.2020
Share capital	Statutory	686,618				686,618
Additional paid-in capital	Statutory	1,736,332				1,736,332
Forest revaluation reserve	Tax-driven	38,983				38,983
Long-term capital gains reserve	Tax-driven	1,396,309				1,396,309
Capitalisation reserve	Tax-driven	2,231,318			21,689	2,253,007
Guarantee fund reserve	Tax-driven	70,109	(1,308)			68,800
Optional reserves	Other	2,274,364	1,308			2,275,673
Contingency reserve	Other	338,850				338,850
Retained earnings		2,682,552	1,343,388			4,025,940
Net profit for the year		1,343,388	(1,343,388)	1,129,887		1,129,887
TOTAL		**12,798,823**	**0**	**1,129,887**	**21,689**	**13,950,399**

5.7 Other disclosures concerning the balance sheet

5.7.1 Accrued income and prepaid expenses/Accrued expenses and deferred income

Accrual accounts *(In € thousands)*	31.12.2020		31.12.2019	
	Assets	**Liabilities**	Assets	Liabilities
Accrued interest	2,117,179		2,357,117	
Deferred acquisition costs	67		78	
Deferred expenses	0		0	
Prepaid expenses	18,820		24,939	
Accrued income	50,831		51,944	
Amortisation by the effective interest method (income)	3,801,042		3,849,924	
Accrued income and prepaid expenses related to forward financial instruments	918,065		1,198,379	
Deferred income		41,686		47,943
Amortisation by the effective interest method (expense)		1,967,532		2,085,396
Unearned interest income		(7,297)		(4,088)
Accrued expenses and deferred income related to forward financial instruments		353,820		420,154
TOTAL	**6,906,003**	**2,355,741**	**7,482,381**	**2,549,405**

5.7.2 Accrued receivables and payables

Balance sheet items *(In € thousands)*	Accrued income		Accrued expenses	
	31.12.2020	31.12.2019	**31.12.2020**	31.12.2019
Other receivables	**210,069**	**281,860**	**439,451**	**303,911**
▪ Prepaid payroll costs				
▪ Other	210,069	281,860	439,451	303,911
Accrued income and prepaid expenses	**2,168,010**	**2,409,061**		
▪ Accrued interest and rental revenue	2,117,179	2,357,117		
▪ Deferred acquisition costs				
▪ Other accrued income and prepaid expenses	50,831	51,944		
Other liabilities			**2,131,142**	**2,109,173**
▪ Prepaid payroll costs			380,356	387,191
▪ Other payables			1,750,786	1,721,981
TOTAL	**2,378,079**	**2,690,921**	**2,570,592**	**2,413,084**

Balance sheet items *(In € thousands)*	Deferred income		Prepaid expenses	
	31.12.2020	31.12.2019	**31.12.2020**	31.12.2019
Accrued income and prepaid expenses			**4,737,994**	**5,073,320**
▪ Deferred acquisition costs			67	78
▪ Amortisation by the effective interest method			3,801,042	3,849,924
▪ Other accrued income and prepaid expenses			18,820	24,939
▪ Accrued income and prepaid expenses related to forward financial instruments			918,065	1,198,379
Deferred income and accrued expenses	**2,355,741**	**2,549,405**		
▪ Deferred income	41,686	47,943		
▪ Amortisation by the effective interest method	1,967,532	2,085,396		
▪ Unearned interest income	(7,297)	(4,088)		
▪ Accrued expenses and deferred income related to forward financial instruments	353,820	420,154		
TOTAL	**2,355,741**	**2,549,405**	**4,737,994**	**5,073,320**

5.7.3 Provisions for liabilities and charges

Type of provision *(In € thousands)*	Purpose	31.12.2020	31.12.2019
Revaluation provision	Revaluation of the property portfolio	1,669	1,678
Other provisions	Provision for litigation and miscellaneous risks	130,004	140,326
TOTAL		**131,673**	**142,004**

5.7.4 Assets denominated in foreign currency

Balance sheet item	Currency	Foreign currency amount *(in thousands)*	Amount in euros *(in thousands)*
Other investments			**3,200,524**
	US dollar	913,296	744,271
	Swedish krona	1,119,112	111,529
	Swiss franc	399,627	369,957
	Canadian dollar	55,781	35,682
	Pound sterling	1,524,963	1,696,232
	Japanese yen	30,718,600	242,854

5.8 Change in life premium reserves before reinsurance

(In € thousands)	31.12.2020	31.12.2019
In the income statement		
1. Change in life premium reserves	**(9,150,483)**	**(2,548,614)**
2. Effect of changes in exchange rates	**1,295**	**(169)**
3. Credited interest and policyholder dividends paid directly out of investment income for the year	**2,407,928**	**2,687,134**
Credited interest	496,171	617,477
Policyholder dividends	1,911,757	2,069,657
4. Use of policyholder surplus reserve	**1,788,327**	**2,070,564**
TOTAL	**(4,952,932)**	**2,208,916**
In the balance sheet		
Change in mathematical reserves		
1. Life premium reserves – end of period	**242,251,518**	**247,205,594**
2. Life premium reserves – start of period	**(247,205,594)**	**(244,995,930)**
TOTAL	**(4,954,076)**	**2,209,664**

5.9 Mathematical reserves for PERP plans

(In € thousands)	31.12.2020	31.12.2019
Insurance liabilities (excluding linked liabilities) – mathematical annuity reserves for annuity payments	1,126,598	1,114,022
Linked liabilities	161,084	167,048
Special mathematical reserves for points-based pension liabilities	460,807	439,160
TOTAL	**1,748,489**	**1,720,231**

5.10 Liquidity risk reserve

(In € thousands)	31.12.2020	31.12.2019
Total net unrealised gain or loss – Article R.343-5 assets	18,802,257	17,733,416
Liquidity risk reserve included in other technical reserves	0	0
Deferred charge to the liquidity risk reserve	0	0
Actual net profit, excluding impact of transfers to liquidity risk reserve	1,129,887	1,343,388

NOTE 6

Notes to the income statement

6.1 Investment income and expenses

	31.12.2020			31.12.2019
(In € thousands)	Income and expenses from investments in subsidiaries and affiliates	Other financial income and expenses	2020 total	
Investment income				
Revenues from investments in subsidiaries and affiliates	664,053	(148,059)	515,994	238,672
Revenues from property investments	78	465,351	465,429	538,001
Revenues from other investments	36,575	4,968,006	5,004,581	5,652,543
Other financial revenues (commissions, fees)	51,236	684,336	735,572	860,463
Investment revenues	**751,942**	**5,969,633**	**6,721,576**	**7,289,679**
Other investment income	**53,177**	**306,142**	**359,318**	**730,086**
Profits on disposal of investments	**1,884**	**1,525,842**	**1,527,726**	**3,701,414**
Total investment income	**807,003**	**7,801,617**	**8,608,620**	**11,721,179**
Investment expenses				
Financial expenses (commissions, fees, interest, bank charges, etc.)	0	625,981	625,981	578,889
Other investment expenses	189,634	1,514,847	1,704,481	1,038,548
Losses on disposal of investments	24,593	1,092,685	1,117,278	2,099,237
Total investment expenses	**214,227**	**3,233,513**	**3,447,740**	**3,716,675**
NET INVESTMENT INCOME	**592,776**	**4,568,103**	**5,160,879**	**8,004,504**

Financial statements 5
Parent company financial statements

6.2 Underwriting income and expenses

Life

Classes 1 – 19 *(in € thousands)*	Single or flexible premium endowment policies	Individual term life policies (and voluntary participation group policies)	Other individual single or flexible premium life policies (and voluntary participation group policies)	Other individual regular premium life policies (and voluntary participation group policies)	Group death insurance contracts	Group life insurance contracts	Single or flexible premium unit-linked life or endowment policies	Regular premium unit-linked life or endowment policies	Article L.441-1 group policies	PERP contracts	Policies giving rise to transfers to the Eurocroissance diversification reserve	Inward reinsurance (life)	Total
Premiums [1]	462,217	80,633	6,699,255	45,978	1,884,850	38,356	3,142,959	2,087	309,110	81,818	41	1,857,303	14,604,607
Claims and benefits	334,492	25,762	15,232,789	44,979	588,420	218,437	1,400,519	32,304	593,740	63,912	4,699	744,881	19,284,934
Change in life premium reserves and other technical reserves	91,359	(422)	(9,945,035)	(9,209)	(20,219)	(150,928)	1,593,107	11,912	(297,143)	162	15,579	1,168,696	(7,542,142)
Mark-to-market gains and losses on assets held to cover linked liabilities	0	0	0	0	0	0	181,984	2,501	0	(2,917)	0	108,070	289,638
Underwriting profit (loss)	**36,367**	**55,293**	**1,411,501**	**10,209**	**1,316,649**	**(29,153)**	**331,316**	**(39,627)**	**12,512**	**14,827**	**(20,236)**	**51,796**	**3,151,453**
Business acquisition costs	5,251	11,899	104,443	4,478	801,426	1,295	46,922	24	12,488	0	0	128,593	1,116,820
Other contract administration costs, net	32,761	5,415	1,038,057	3,176	138,354	22,070	218,019	977	24	16,059	0	(36,730)	1,438,182
Acquisition and contract administration costs, net	**38,012**	**17,315**	**1,142,500**	**7,654**	**939,779**	**23,365**	**264,941**	**1,000**	**12,512**	**16,059**	**0**	**91,863**	**2,555,002**
Net investment income	120,826	622	3,839,580	11,688	11,807	105,875	249,711	25,997	206,402	44,778	21,302	214,871	4,853,460
Credited interest and policyholder dividends	114,766	601	3,298,973	13,189	(12,880)	102,901	344,291	12,577	406,664	43,517	1,065	175,912	4,501,577
Net	**6,059**	**20**	**540,608**	**(1,501)**	**24,687**	**2,974**	**(94,580)**	**13,420**	**(200,262)**	**1,261**	**20,236**	**38,959**	**351,883**
Ceded premiums	2,025	66	171,034	64	96,268	22,735	59,591	0	176,338	0	0	19	528,140
Reinsurers' share of claims and benefits	5,570	0	602,946	686	47,700	34,566	64,686	0	335,802	0	0	4,847	1,096,802
Reinsurers' share of change in life premium reserves and other technical reserves	(3,132)	0	(359,975)	(580)	(11,684)	27,177	(19,575)	0	40,798	0	0	7,182	(319,788)
Reinsurers' share of policyholder surplus	(358)	0	(926)	96	(46)	(3,219)	2,582	0	0	0	0	48	(1,824)
Reinsurance commissions received	303	0	46,466	8	38,486	503	16,129	0	0	0	0	(541)	101,353
Reinsurance result	**358**	**(66)**	**117,478**	**146**	**(21,813)**	**36,290**	**4,231**	**0**	**200,262**	**0**	**0**	**11,517**	**348,403**
UNDERWRITING RESULT	**4,773**	**37,933**	**927,087**	**1,199**	**379,744**	**(13,254)**	**(23,974)**	**(27,208)**	**0**	**29**	**0**	**10,409**	**1,296,738**
Other information													
Policy surrenders	336,091	378	6,795,842	12,995	0	17,748	875,545	13,061	58,711	42,180	3,141	401,052	8,556,743
Gross credited interest	1,951	422	382,990	9,800	0	92,429	37	7,478	0	0	1,065	0	496,171
Technical reserves – end of period	7,538,466	42,739	218,400,627	686,260	1,241,905	3,995,899	36,569,749	539,762	16,100,231	1,853,279	366,903	14,391,638	301,727,458
Technical reserves – beginning of period [2]	7,234,023	46,687	224,415,856	689,385	1,382,271	4,009,156	34,806,567	518,708	15,990,710	1,808,799	356,695	13,051,351	304,310,210

(1) The definition of premium income was revised in 2020 to exclude Fourgous and Eurocroissance transfers effective from 1 January of that year. This change of method was decided to improve the comparability of the Group's financial information with that presented by most other market players and thereby make it more relevant. These transfers represented €913.9 million in 2019 (including €691.4 million for the category "Other single premium individual life insurance contracts" and €222.5 million for the category "Single premium unit-linked life insurance or endowment contracts") and €3,358.6 million in 2020 (including €2,488.9 million for "Other single premium individual life insurance contracts" and €869.7 million for "Single premium unit-linked life insurance or endowment contracts")

(2) Technical reserves at the beginning of the period take into account reclassifications from "Other individual regular premium life policies" of an amount of €110 million, mainly to "Single premium endowment policies" for €62.8 million and to "Single or flexible premium unit-linked life or endowment policies" for €47.8 million

Non-life

Classes 20 – 39 *(In € thousands)*	Individual bodily injury policies	Group bodily injury policies	Inward reinsurance	Total
Earned premiums	**13,008**	**1,300,955**	**403,116**	**1,717,079**
1a. Earned premiums	13,010	1,297,634	398,593	1,709,236
1b. Change in earned premium and unexpired risks reserve	1	(3,321)	(4,523)	(7,843)
Claims and benefits	**(1,884)**	**1,035,241**	**335,447**	**1,368,804**
2a. Paid claims and expenses	426	1,000,175	315,032	1,315,634
2b. Change in outstanding claims reserves	(2,310)	35,066	20,415	53,171
Underwriting profit (loss)	**14,892**	**265,714**	**67,668**	**348,275**
Business acquisition costs	837	369,041	77,964	447,842
Other contract administration costs, net	5,166	74,925	(9,863)	70,228
Acquisition and contract administration costs, net	**6,004**	**443,966**	**68,101**	**518,070**
Investment income	215	72,041	32,592	104,847
Policyholder rebates	2,572	(7,686)	13,505	8,391
Net	**(2,357)**	**79,727**	**19,087**	**96,456**
Reinsurers' share of earned premiums	(2)	137,474	0	137,472
Reinsurers' share of paid claims	0	41,203	0	41,203
Reinsurers' share of outstanding claims reserves	0	70,253	0	70,253
Reinsurers' share of policyholder dividends	0	(2,127)	0	(2,127)
Reinsurance commissions received	(1)	29,529	0	29,528
Reinsurance result	**1**	**1,384**	**0**	**1,385**
UNDERWRITING RESULT	**6,532**	**(97,142)**	**18,654**	**(71,955)**
Other information				
Provisions for unearned premiums and unsettled claims (closing balance)	26	25,007	25,855	50,889
Provisions for unearned premiums and unsettled claims (opening balance)	25	28,329	30,378	58,732
Outstanding claims reserve (closing balance)	10,243	3,317,963	1,505,881	4,834,087
Outstanding claims reserve (opening balance)	9,198	3,211,525	1,527,601	4,748,325
Other technical reserves (closing balance)	104,532	1,009,952	246,619	1,361,103
Other technical reserves (opening balance) *	105,313	1,089,268	212,021	1,406,603

* Other technical reserves at the beginning of the period do not include policyholder surplus reserves, reserves for bonuses and rebates or claims equalisation reserves

6.3 Transfer of unrealised gains to the Eurocroissance reserve

Information about the temporary mechanism for the transfer of assets to the diversification reserve for Eurocroissance insurance liabilities:

No unrealised gains were transferred to technical reserves backed by Eurocroissance funds in 2020.

6.4 Payroll costs

Payroll costs break down as follows:

(In € thousands)	31.12.2020	31.12.2019	Year-on-year change
Wages and salaries	177,056	167,705	5.6%
Payroll taxes	81,927	105,672	-22.5%
Other	8,644	9,148	-5.5%
TOTAL	**267,627**	**282,524**	**-5.3%**

6.5 Commissions

Direct insurance and inward reinsurance commissions for the year amounted to €2,595,471 thousand.

The total includes all types of commissions paid to the Company's distribution partners.

6.6 Breakdown of non-recurring, non-technical income and expenses

Income statement items *(In € thousands)*	31.12.2020	31.12.2019
Other (non-technical) income	**12,103**	**11,291**
Interest income from miscellaneous loans	90	379
Other non-technical income	3	0
Reversals from the capitalisation reserve credited to the non-technical account	12,010	10,913
Other (non-technical) expenses	**22,593**	**96,628**
Transfers to the capitalisation reserve from the non-technical account	1,752	12,923
Other non-technical expenses	20,841	83,705
Non-recurring income	**31,449**	**5,976**
Income relating to prior years	0	0
Other non-recurring income	6,280	719
Reversals of provisions for contingencies	25,170	5,257
Gains on disposal of owner-occupied property	0	0
Non-recurring expenses	**43,394**	**84,380**
Losses relating to prior years	0	0
Other non-recurring expenses	30,929	3,456
Impairment expense	4,660	22,598
Additions to provisions for contingencies	7,805	58,326

6.7 Income tax expense

Income tax expense *(In € thousands)*	31.12.2020	31.12.2019	Year-on-year change
Tax expense on recurring profit	252,063	394,189	
Tax (benefit) expense on non-recurring operations	0	0	
Income tax expense	**252,063**	**394,189**	**-36.1%**

6.8 Policyholder participation in underwriting profit and investment income

Description *(In € thousands)*		31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016
A.	**Policyholder participation**	**4,509,968**	**6,949,781**	**6,604,000**	**7,341,421**	**7,586,075**
A1.	Policyholder dividends and credited interest	4,440,355	5,027,132	6,604,000	5,558,439	5,630,283
A2.	Change in the policyholder surplus reserve	69,613	1,922,648	950,435	1,782,982	1,955,793
B.	**Policyholder participation – "Article A.132-10" policies**					
B1.	Average mathematical reserves [(1)]	233,770,779	236,015,240	236,786,781	240,717,692	240,486,098
B2.	Minimum policyholder participation	1,727,628	3,517,038	3,361,261	3,691,567	4,218,763
B3.	Actual policyholder participation [(2) (3)]	2,050,004	4,569,420	4,305,144	5,047,472	5,410,830
B3a.	Policyholder dividends and credited interest [(3)]	2,061,921	2,493,488	3,465,973	3,345,328	3,471,829
B3b.	Change in the policyholder surplus reserve	(11,917)	2,075,932	839,171	1,702,144	1,939,000

(1) Half of the sum of opening and closing mathematical reserves for Article A.132-10 contracts
(2) Actual participation (expense for the period, including credited interest) for Article A.132-10 contracts
(3) Adjustment of prior year's reported amount: €100.1 million positive impact on policyholder participation

6.9 Employee information

The number of employees by category as of 31 December 2020 was as follows:

Status *(number of employees)*	31.12.2020	31.12.2019	Year-on-year change
Management grade	1,824	1,816	0.4%
Non-management grade	906	948	-4.4%
TOTAL	**2,730**	**2,764**	**-1.2%**

The above figures do not include employees of the CNP TI intercompany partnership.

6.10 Management remuneration

The following disclosures present the cumulative remuneration and the remuneration by category of the Chief Executive Officer and the members of the Board of Directors, including the Chairman.

2020

- Short-term benefits: the short-term benefits (salaries, bonuses, directors' remuneration and benefits in kind) paid to the Chairman/Chairwoman and members of the Board of Directors and the Chief Executive Officer in 2020 amounted to €1,503,310.84.
- 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. No provision was recorded because the Chief Executive Officer, the Chairman of the Board of Directors and members of the Board are not entitled to any termination benefits.

  A provision of €4,519,128 was recorded for the current Chief Executive Officer's vested long-term benefit entitlement earned during his period as an employee prior to his appointment.
- Termination benefits: no termination benefits were paid to the Chief Executive Officer or to the Chairman or members of the Board of Directors in 2020. No provision was recorded because the Chief Executive Officer, the Chairman of the Board of Directors and members of the Board are not entitled to any termination benefits.

  A provision of €538,974 was recorded for the current Chief Executive Officer's vested long-term benefit entitlement earned during his period as an employee prior to his appointment.
- Share-based payments: no share-based payments were made by the Company in 2020. No stock options or performance shares were granted to any senior executives or members of the Board in 2020.

2019

- Short-term benefits: the short-term benefits (salaries, bonuses, directors' fees and benefits in kind) paid to the Chairman and members of the Board of Directors and the Chief Executive Officer in 2019 amounted to €1,494,947.
- 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. No provision was recorded because the Chief Executive Officer, the Chairman of the Board of Directors and members of the Board are not entitled to any termination benefits.

  A provision of €4,434,657 was recorded for the current Chief Executive Officer's vested termination benefit entitlement earned during his period as an employee prior to his appointment.
- Termination benefits: no termination benefits were paid to the Chief Executive Officer or to the Chairman or members of the Board of Directors in 2019. No provision was recorded because the Chief Executive Officer, the Chairman of the Board of Directors and members of the Board are not entitled to any termination benefits.

  A provision of €669,801 was recorded for the current Chief Executive Officer's vested termination benefit entitlement earned during his period as an employee prior to his appointment.
- Share-based payments: no share-based payments were made by the Company in 2019. No stock options or performance shares were granted to any senior executives or members of the Board in 2019.

6.11 Premium income by geographic segment

Gross premiums Premium income by geographical segment *(In € thousands)*	31.12.2020	31.12.2019	Year-on-year change
France*	16,095,105	22,729,436	-29.2%
International	226,581	376,876	-39.9%
Italian branch	*51,081*	*96,042*	*-46.8%*
Spanish branch	*835*	*409*	*104.0%*
Germany (premiums written under EU freedom of services directive)	*2*	*(80)*	*-102.8%*
Luxembourg subsidiary	*174,663*	*280,504*	*-37.7%*
TOTAL	**16,321,686**	**23,106,312**	**-29.4%**

* The definition of premium income was revised in 2020 to exclude Fourgous and Eurocroissance transfers effective from 1 January of that year. This change of method was decided to improve the comparability of the Group's financial information with that presented by most other market players and thereby make it more relevant. These transfers represented €913.9 million in 2019 and €3,358.6 million in 2020.

6.12 Fees paid to the Auditors

Fees paid to the Auditors in 2020
(In € thousands)

Audit	Mazars	%	PricewaterhouseCoopers Audit	%
Audit of the financial statements of the Company and the Group (1)	**1,575**	**80%**	**1,585**	**78%**
CNP Assurances	1,575		1,585	
Other audit and special engagements (2)	**393**	**20%**	**442**	**22%**
TOTAL	**1,968**	**100%**	**2,028**	**100%**

(1) Including the audit of the IFRS 9 appendices and information systems migrations
(2) "Other duties and services directly related to the assignment carried out by the Statutory Auditors" include services relating to the issue of debt securities, review of MCEV© calculations, review of Solvency II disclosures, review of the English translation of the Universal Registration Document and other reports, and review of the Non-Financial Performance Statement

NOTE 7
Off-balance sheet commitments

Strategy by type of forward financial instrument *(In € thousands)*	Amounts at 31.12.2020 Commitments received	Commitments given	Remaining life 1 year or less	1 to 5 years	More than 5 years
Yield strategy					
Equity *instruments*					
Purchases of calls and puts	(9,884,494)		(3,203,480)	(6,613,056)	(67,957)
Sales of calls and puts		(5,915,554)	(2,880,999)	(3,034,555)	0
Interest rate instruments					
Purchases of caps	109,751,000		8,150,000	65,178,000	36,423,000
Sales of caps		27,996,900	6,970,000	19,759,000	1,267,900
Swaps					
Receive positions	5,919,976		1,227,341	2,736,897	1,955,738
Pay positions		6,042,907	1,236,160	2,779,307	2,027,441
TOTAL RECEIVED	**105,786,482**		**6,173,860**	**61,301,841**	**38,310,781**
TOTAL GIVEN		**28,124,254**	**5,325,161**	**19,503,752**	**3,295,341**
NET COMMITMENT		**77,662,228**	**848,699**	**41,798,090**	**35,015,439**

NOTE 8
Disclosures related to subordinated debt

REDEEMABLE SUBORDINATED NOTES

Issuance date	Legal form	ISIN	Currency	Total issue *(In millions of issue currency)*	Total issue *(In € millions)*	Interest rate	First call date	Maturity
24.06.2003	Subordinated notes Fixed/ variable rate	Caisse Nationale des Caisses d'Epargne et de Prévoyance	EUR	200	200	4.7825% until 24 June 2013, then Euribor +200 bp	Passed	23.06.2023
15.11.2004	Subordinated notes Fixed/ variable rate	Caisse Nationale des Caisses d'Epargne et de Prévoyance	EUR	90	90	4.93% until 15 Nov. 2016, then Euribor +160 bp	Passed	Undated
15.11.2004	Subordinated notes Fixed/ variable rate	Caisse Nationale des Caisses d'Epargne et de Prévoyance	EUR	93	93	3-month Euribor +70 bp until 15 Nov. 2016, then 3-month Euribor +160 bp	Passed	Undated
07.04.2011	Subordinated notes Fixed/ variable rate	FR0011034065	GBP	300	334	7.375% until Sept. 2021, then 12-month Libor +448.2 bp	30.09.2021	30.09.2041
07.04.2011	Subordinated notes Fixed/ variable rate	FR0011033851	EUR	700	700	6.875% until Sept. 2021, then 12-month Euribor +440 bp	30.09.2021	30.09.2041
05.06.2014	Subordinated notes Fixed/ variable rate	FR0011949403	EUR	500	500	4.25% until June 2025, then *reset* at the 5-year fixed swap rate +360 bp	05.06.2025	05.06.2045
10.12.2015	Subordinated notes Fixed/ variable rate	FR0013066388	EUR	750	750	4.5% until June 2027, then 3-month Euribor +460 bp	10.06.2027	10.06.2047
22.01.2016	Subordinated notes Fixed/ variable rate	FR0013101599	USD	500	407	6% throughout the life of the notes	22.01.2029	22.01.2049
20.10.2016	Subordinated notes Fixed/ variable rate	FR0013213832	EUR	1,000	1,000	1.875% until October 2022		20.10.2022
05.02.2019	Subordinated notes Fixed/ variable rate	FR0013399680	EUR	500	500	2.75% until 2029		05.02.2029
27.11.2019	Subordinated notes Fixed/ variable rate	FR0013463775	EUR	750	750	2.00% until June 2030, then 3-month Euribor +300 bp	27.07.2030	27.07.2050
10.12.2019	Subordinated notes Fixed/ variable rate	FR0013466281	EUR	250	250	0.80% until 2027		15.01.2027
30.06.2020	Subordinated notes Fixed/ variable rate	FR0013521630	EUR	750	750	2.50% until June 2031, then 3-month Euribor +365 bp	30.12.2030	30.06.2051
08.12.2020	Subordinated notes Fixed/ variable rate	FR0014000XY6	EUR	500	500	0.375% until March 2028	08.12.2027	08.03.2028
TOTAL REDEEMABLE SUBORDINATED NOTES				**6,883**	**6,824**			

SUBORDINATED NOTES

Issuance date	Legal form	ISIN	Currency	Total issue *(In millions of issue currency)*	Total issue *(In € millions)*	Interest rate	First call date	Maturity
21.06.2004	Subordinated notes Variable rate	FR0010093328	EUR	250	250	Tec 10 +10 bp, capped at 9%	Passed	Undated
24.09.2004	Subordinated notes Variable rate	FR0010093328	EUR	50	50	Tec 10 +10 bp, capped at 9%	Passed	Undated
11.03.2005	Subordinated notes Variable rate	FR0010167296	EUR	24	24	6.25% until 2009, then 4 times (10-year EUR CMS – 2-year EUR CMS), 9% cap and 2.75% floor	Passed	Undated
11.03.2005	Subordinated notes Variable rate	FR0010167247	EUR	225	225	6.5% until Mar. 2008, then 3% +(10-year CMS * 22.5%)	Passed	Undated
27.06.2005	Subordinated notes Variable rate	FR0010203026	EUR	75	75	7% until June 2010, then 10-year CMS +30 bp	Passed	Undated
16.05.2006	Subordinated notes Variable rate	FR0010318386	EUR	160	160	5.25% until 16 May 2036, then 3-month Euribor +185 bp (including 100 bp step-up at call date)	16.05.2036	Undated
20.12.2006	Subordinated notes Variable rate	FR0010406082	EUR	108	108	3-month Euribor +95 bp until 20 Dec. 2026, then 3-month Euribor +195 bp	20.12.2026	Undated
18.11.2014	Subordinated notes Fixed rate	FR0012317758	EUR	500	500	4% until November 2024 then reset at the 5-year fixed swap rate +410 bp	18.11.2024	Undated
27.06.2018	Subordinated notes Fixed rate	FR0013336534	EUR	500	500	4.75% until 2028 then reset at the 5-year fixed swap rate +391.4 bp	27.06.2028	Undated
TOTAL SUBORDINATED DEBT				**1,892**	**1,892**			
TOTAL SUBORDINATED LIABILITIES				**8,775**	**8,716**			

5.4 Other information

5.4.1 Proposed appropriation of 2020 profit

Net profit for the year ended 31 December 2020 totalled €1,129,887,292.90 and retained earnings brought forward from the prior year amounted to €4,025,939,530.14, resulting in distributable profit of €5,155,826,823.04.

The General Meeting therefore resolves:

- to pay a total dividend of €1,077,991,008.89, shared between all shareholders;
- to transfer of the balance of €4,077,835,814.15 to retained earnings.

The dividend paid on each of the 686,618,477 shares making up the share capital at the date of the General Meeting will amount to €1.57.

The shares will trade ex-dividend on NYSE Euronext Paris as from 21 April 2021 and the dividend will be paid as from 23 April 2021.

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 dividend will be reduced by the amount of dividends not paid on 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.

5.4.2 Five-year financial summary

	31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016
Share capital *(in € thousands)*	686,618	686,618	686,618	686,618	686,618
Number of ordinary shares outstanding	686,618,477	686,618,477	686,618,477	686,618,477	686,618,477
Results of operations *(in € thousands)*					
Premium income excluding tax	16,321,686	23,106,312	21,988,192	22,948,315	24,044,660
Earnings before tax, depreciation, amortisation and provisions (EBTDA)	1,381,950	1,737,577	1,514,500	1,547,557	1,343,167
Income tax expense	252,063	394,189	349,139	405,031	248,283
Net profit	1,129,887	1,343,388	1,165,360	1,142,526	1,094,883
Earnings per share *(in €)*					
Earnings before tax, depreciation, amortisation and provisions (EBTDA)	2.01	2.53	2.21	2.25	1.96
Net profit	1.65	1.96	1.70	1.66	1.59
Dividend per share [(1) (2)]	1.57	0.00	0.89	0.84	0.80
Prepaid payroll costs					
Average number of employees	2,730	2,764	2,757	2,803	2,883
Total payroll and benefits *(in € thousands)*	267,627	282,524	250,416	277,604	273,079

(1) 2020 dividend subject to shareholder approval at the Annual General Meeting on 16 April 2021

(2) In light of the Covid-19 pandemic, at the Annual General Meeting on 17 April 2020, shareholders approved the Board of Directors' proposal to appropriate the total profit for 2019 to retained earnings and to waive payment of the 2019 dividend originally set at €0.94 per share

5.5 Statutory Auditors' report on the Company financial statements

For the year ended 31 December 2020

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.

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of CNP Assurances for the year ended 31 December 2020.

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 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics *(Code de déontologie)* for Statutory Auditors for the period from 1 January 2020 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5 (1) of Regulation (EU) No. 537/2014.

Emphasis of matter

Without qualifying our opinion, we draw your attention to the matter set out in Note 3 "Change in accounting policies" to the financial statements, which describes the change in the method of accounting for transfers of savings contracts.

Justification of assessments – Key audit matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and working from home, have also had an impact on the companies' internal organisation and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

MEASUREMENT OF THE ESCALATING RISKS RESERVE FOR LONG-TERM CARE AND TERM CREDITOR POLICIES

(See Note 4.6 to the financial statements)

Description of risk	How our audit addressed this risk
A reserve for escalating risks is recorded to cover timing differences between the coverage of risks and their financing in the form of insurance premiums. This reserve is constituted prospectively, by comparing the insurer's future commitments with those of the policyholder. French regulations do not specify all of the inputs to be used to calculate this reserve. At 31 December 2020, the escalating risks reserve for long-term care policies amounted to €427 million, while the escalating risks reserve for the Term Creditor Insurance business amounted to €269 million before reinsurance. We deemed this risk to be a key audit matter in view of the sensitivity of the calculation of the escalating risks reserve for long-term care and Term Creditor policies to the choice of the following key assumptions, which require a significant degree of judgement from management: ▪ the discount rate used on the long-term care risk; ▪ the experience-based tables prepared according to observations and analyses established on the basis of portfolio data; ▪ the surrender behaviour of policyholders, in particular given the uncertainty in relation to surrender behaviour caused by the Bourquin amendment to the Sapin II law.	We examined the procedures by which the methodology for determining the escalating risks reserve is implemented. In particular, we carried out the following procedures with the guidance of our internal experts in risks and models: ▪ we examined the mathematical design of the actuarial model to verify that it did not contain any material misstatement that could distort the calculation result, in particular by recalculating the reserves; ▪ we assessed the consistency of the key assumptions used to determine the reserve, which included in particular: – determining homogeneous risk classes (within which the offsetting of positive and negative escalating risks reserves calculated on a case-by-case basis is possible) linked to the segmentation used for pricing, – the principles and methodologies for determining the discount rate, – the principles and methodologies for determining the surrender rate and the related sensitivity tests, – the principles and methodologies for determining the experience-based tables, – the principles for determining escalating risk reserve coefficients and their proper application for case-by-case calculations.

MEASUREMENT OF GENERAL ADMINISTRATIVE EXPENSE RESERVES

(See Note 4.5.2 to the financial statements)

Description of risk	How our audit addressed this risk
General administrative expense reserves are intended to cover future administrative costs of individual savings and pensions policies and Group pensions policies, which are not covered by the loading on premiums or the fees levied on financial products provided for by these policies. At 31 December 2020, the general administration expense reserve amounted to €281 million. We deemed this risk to be a key audit matter due to the sensitivity of these reserves to: ▪ a situation of persistently low yields; ▪ the quality of the underlying data; ▪ the assumptions used to model future results. The main inputs used are as follows: ▪ policy data; ▪ the historical actual costs linked to the management of the activity. The main assumptions concerned: ▪ the level of aggregation used to define groups of contracts with similar characteristics; ▪ estimates of administrative expense and investment income loadings; ▪ investment income; ▪ future contract administration costs; ▪ future surrender rates.	We examined the procedures by which the methodology for determining general administrative expense reserves is implemented. We carried out the following procedures with the guidance of our internal experts in risks and models: ▪ assessing compliance with the requirements of the applicable regulations; ▪ analysing the application scope of the reserves and the assumptions for grouping policies together in order to verify their homogeneity; ▪ verifying the consistency of the assumptions used with the past data and/or data used to project future results (administrative expenses, surrender rates, etc.); ▪ verifying on a sample basis the consistency of the underlying data used for the calculation with the contractual provisions pertaining to fees levied on policies; ▪ analysing the procedures for determining the yield rate curve applied to mathematical reserves in order to determine the forecast investment income; ▪ carrying out, on a sample basis, an independent measurement, for the purpose of assessing the accuracy of the calculations.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements, except as explained below, it being specified that it is not our responsibility to give an opinion on the fair presentation and the consistency with the financial statements of the supervisory information (SCR coverage ratio) taken from the report provided for in Article L.355-5 of the French Insurance Code *(Code des assurances)*.

Concerning the fair presentation and the consistency with the financial statements of the information on supplier payment terms referred to in Article D.441-4 of the French Commercial Code, we have the following matter to report:

As explained in the management report, the information does not include insurance and reinsurance transactions because the Company considers that they do not fall within the scope of the disclosure requirement in accordance with the circular issued by the Fédération Française de l'Assurance dated 29 May 2017.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to remuneration and benefits paid or awarded to 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 the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information given in accordance with the requirements of Article L.22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have no matters to report with regard to this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Other verifications and information pursuant to legal and regulatory requirements

Presentation of the financial statements to be included in the Annual Financial Report

Pursuant to paragraph III of Article 222-3 of the AMF's General Regulations, the Company's management informed us of its decision to postpone the application of the single electronic reporting format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018, to reporting periods beginning on or after 1 January 2021. Accordingly, this report does not contain a conclusion on the compliance of the presentation of the financial statements to be included in the Annual Financial Report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code *(Code monétaire et financier)* with this format.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of CNP Assurances by the Annual General Meetings held on 18 May 1998 for Mazars and on 25 May 2010 for PricewaterhouseCoopers Audit.

At 31 December 2020, Mazars and PricewaterhouseCoopers Audit were in the twenty-third and the eleventh consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;

- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee, which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risk Committee.

Neuilly-sur-Seine and Courbevoie, 3 March 2021

The Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT		MAZARS
Bénédicte Vignon	Frédéric Trouillard-Mignen	Olivier Leclerc

Chapter

6

SHARE CAPITAL AND OWNERSHIP STRUCTURE

6.1 Information about the capital

6.1.1 Share capital, par value of the shares

Amount of fully subscribed and paid-up share capital at 31 December 2020: €686,618,477, divided into 686,618,477 shares with a par value of €1. As allowed by Article L.225-123 of the French Commercial Code, all fully paid-up shares registered in the name of the same holder for an uninterrupted period of two years carry double voting rights.

No custody or administration fees are charged to holders of registered shares recorded in the Company's share register, except for the transmission of buy or sell orders.

The fees charged for the transmission of buy or sell orders by CACEIS Corporate Trust's Investor Relations Department are set out in the securities account contract.

Trading fees have been negotiated with the Company and are subject to VAT at the applicable rate for residents of France and other European Economic Area (EEA) countries.

For buy orders, the *Taxe sur les Acquisitions de Titres* (securities purchase tax) applicable since 1 August 2012 may apply.

6.1.2 Historical changes in share capital

CNP Assurances was originally a public industrial and commercial institution with no share capital within the meaning of the French Act of 24 July 1966. It became an insurance company limited by shares on 9 December 1992. Its share capital has not changed since 28 May 2013, when shares were issued on reinvestment of 2012 dividends.

Consequently, there were no changes in capital in any of the last three years.

6.1.3 Percentage of CNP Assurances' capital held directly or indirectly by employees

Date	
31.12.2018	0.20%
31.12.2019	0.21%
31.12.2020	0.24%

6.2 Information about the Company's ownership structure

6.2.1 Ownership structure

2018 financial year

Number of shares: 686,618,477

Number of theoretical voting rights, gross: 1,224,833,835

Number of voting rights, net: 1,224,235,192

Shareholders	Number of shares	% share capital	% voting rights [1]
Caisse des Dépôts	280,615,140	40.87%	45.84%
Sopassure (La Banque Postale and BPCE holding company)	248,926,986	36.25%	40.67%
French State	7,645,754	1.11%	1.25%
TOTAL SHARES HELD IN CONCERT [2]	**537,187,880**	**78.24%**	**87.76%**
Public, Company employees and other	149,430,597	21.76%	12.24%
of which:			
CNP Assurances (treasury shares)	598,643	0.09%	-
TOTAL CNP ASSURANCES SHARES	**686,618,477**	**100.00%**	**100.00%**

(1) The difference between the percentage share capital and percentage voting rights corresponds to treasury shares that are stripped of voting rights and to double voting rights

(2) The concert shares are the result of the Shareholders' Agreement, the main terms of which are outlined in section 6.2.2 of the 2019 Universal Registration Document. A total of 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 total shares held in concert in the above table correspond to scrip dividends paid on 24 July 2012 and 28 May 2013. These shares are excluded from the definition of "pact shares" in the Shareholders' Agreement signed on 2 September 1998 by the shareholders acting in concert.

To the best of CNP Assurances' knowledge, no other shareholder owns more than 5% of the share capital or voting rights

2019 financial year

Number of shares 686,618,477

Number of theoretical voting rights, gross: 1,224,783,930

Number of voting rights, net: 1,224,278,213

Shareholders	Number of shares	% share capital	% voting rights [1]
Caisse des Dépôts	280,615,140	40.87%	45.84%
Sopassure (La Banque Postale and BPCE holding company)	248,926,986	36.25%	40.67%
French State	7,645,754	1.11%	1.25%
TOTAL SHARES HELD IN CONCERT [2]	**537,187,880**	**78.24%**	**87.76%**
Public, Company employees and other	149,430,597	21.76%	12.24%
of which:			
CNP Assurances (treasury shares)	505,717	0.07%	-
TOTAL CNP ASSURANCES SHARES	**686,618,477**	**100.00%**	**100.00%**

(1) The difference between the percentage share capital and percentage voting rights corresponds to treasury shares that are stripped of voting rights and to double voting rights

(2) The concert shares are the result of the Shareholders' Agreement, the main terms of which are outlined in section 6.2.2 of the 2019 Universal Registration Document. A total of 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 total shares held in concert in the above table correspond to scrip dividends paid on 24 July 2012 and 28 May 2013. These shares are excluded from the definition of "pact shares" in the Shareholders' Agreement signed on 2 September 1998 by the shareholders acting in concert.

To the best of CNP Assurances' knowledge, no other shareholder owns more than 5% of the share capital or voting rights

On 25 June 2019, the AMF granted Caisse des Dépôts, La Poste and La Banque Postale an exemption from a mandatory takeover bid on the shares of CNP Assurances in their project to create a public financial group (AMF ruling No. 219C1022)

2020 financial year

Number of shares: 686,618,477

Number of theoretical voting rights, gross: 812,092,698

Number of voting rights, net: 811,594,945

Shareholders	Number of shares	% share capital	% voting rights (1)
La Banque Postale (directly and indirectly *via* SF 2)	431,489,340	62.84%	68.51%
BPCE	110,590,585	16.11%	13.63%
Public, Company employees and other	144,538,552	21.05%	17.87%
of which:			
CNP Assurances (treasury shares)	497,753	0.07%	-
TOTAL CNP ASSURANCES SHARES	**686,618,477**	**100.00%**	**100.00%**

(1) The difference between the percentage share capital and percentage voting rights corresponds to treasury shares that are stripped of voting rights and to double voting rights.
To the best of CNP Assurances' knowledge, no other shareholder owns more than 5% of the share capital or voting rights

These shareholders' disclosures of changes in their interests were published by the AMF on 9 January (AMF n° 220C0097), 11 March (AMF n° 220C0920) and 29 December 2020 (AMF n° 220C5568) and 6 January 2021 (AMF n° 221C0034).

On 23 June 2020, the AMF granted La Banque Postale an exemption from a mandatory takeover bid on the shares of CNP Assurances (AMF ruling No. 220C2087).

As of 31 December 2020, no agreement was in force between the Company's shareholders (shareholder agreements governed by Article L.233-11 of the French Commercial Code).

6.2.2 Information on factors likely to have an impact in the event of a public offering

Bancassurance agreements with certain partners and certain other agreements entered into by CNP Assurances include a change of control clause which, if triggered, could lead to the agreements being terminated immediately or their terms being amended.

6.2.3 Information on the specific procedures relating to shareholder participation in General Meetings

Every shareholder is entitled to participate in General Meetings under the conditions provided for by law. The rules governing shareholder participation and voting in General Meetings are set out in Article 26 of CNP Assurances' Articles of Association. The notices of meeting published by the Company in the French Legal Gazette (*Bulletin des annonces légales obligatoires* – BALO) prior to each General Meeting also explain how to participate and vote in the Meeting.

In accordance with Article L.225-123 of the French Commercial Code, double voting rights are awarded to fully paid-up shares registered in the name of the same holder for at least two years. The double voting right is automatically lost when the shares are converted to bearer form or sold or transferred, except in the specific cases provided for by law.

6.3 Listing of CNP Assurances shares

CNP Assurances was floated on the Paris Stock Exchange on 6 October 1998.

The shares are admitted to trading on NYSE Euronext Paris, in compartment A (ISIN FR0000120222).

TRANSACTIONS CARRIED OUT ON CNP ASSURANCES SHARES OVER THE LAST 24 MONTHS (SOURCE: BLOOMBERG)

		Trading volume [1] *(In number of traded shares)*	Low [2] *(In €/share)*	High [2] *(In €/share)*
2019	January	5,617,304	17.92	20.40
	February	5,388,655	19.75	20.58
	March	9,040,564	19.40	20.92
	April	6,892,107	19.64	21.72
	May	6,917,836	19.00	21.08
	June	8,316,737	18.96	20.22
	July	7,132,039	18.55	20.82
	August	9,498,717	16.14	18.80
	September	10,360,257	16.34	18.36
	October	7,896,597	16.91	18.45
	November	8,903,701	17.30	18.65
	December	11,374,581	17.04	18.26
2020	January	9,012,850	16.27	18.17
	February	10,374,680	13.90	17.24
	March	32,408,112	5.30	14.30
	April	24,957,280	7.63	10.15
	May	20,250,540	8.25	10.59
	June	31,945,694	9.53	12.75
	July	15,152,101	9.84	11.27
	August	10,840,956	9.78	12.03
	September	12,194,820	9.90	11.61
	October	10,618,322	9.15	11.15
	November	15,031,401	9.64	13.98
	December	10,104,612	12.59	13.92

(1) Monthly volume of traded shares on Euronext Paris
(2) Intraday lows and highs

6.4 Dividends and dividend policy

6.4.1 Appropriation and distribution of profit (Article 28 of the Articles of Association)

"Net income for the financial year, less overheads and other corporate expenses, depreciation and amortisation of assets and all contingency provisions, forms net profit.

1. *Distributable profit consists of profit for the financial year, less prior losses and amounts appropriated to reserves pursuant to the law and the Articles of Association, plus retained earnings brought forward from the prior year.*
2. *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.
3. *The General Meeting may decide to grant each shareholder an option to receive all or part of the dividend or any interim dividend in cash or in shares.*
4. *The terms and conditions of payment of the dividends voted by the General Meeting are set by the General Meeting or, failing this, by the Board of Directors.*

   Nevertheless, dividend payments must be made within a maximum period of nine months after the balance sheet date. An extension of this period may be granted by court decision."

6.4.2 Dividend record

Dividends paid by CNP Assurances for 2017, 2018, 2019 and 2020 were as follows:

Year of distribution	2017	2018	2019	2020
Consolidated earnings per share	€1.80	€1.92	€1.99	€1.91
Dividend per share	€0.84	€0.89	-	€1.57*
Number of shares with dividend rights	686,618,477	686,618,477	686,618,477	686,618,477

* Subject to the approval of the Annual General Meeting of 16 April 2021, the amount paid on each of the 686,618,477 shares outstanding would be €1.57, including an ordinary dividend of €0.77 and a special dividend of €0.80. This would represent a payout rate of 40% for the years 2019 and 2020.

Dividends not claimed within five years are statute-barred and are paid over to the French State.

6.4.3 Dividend policy

At its meeting on 20 February 2019, the Board of Directors approved the following dividend policy:

"The Company's dividend policy is determined by the Board of Directors after reviewing the Group's results, financial position and solvency ratios, the economic environment and any other factors that are considered relevant. When determining its dividend recommendation, the Board of Directors takes into consideration the need to prudently manage the Group's capital, the investments required to develop the business, and the recommended dividend's attractiveness for shareholders.

The Company's priority aim is to match or increase the dividend per share from year to year. CNP Assurances also aims to maintain a payout ratio – defined as the ratio between the dividend per share and earnings per share – of between 40% and 50%."

This dividend policy may change in the future. Dividends are decided by the Board of Directors and by the shareholders in the General Meeting.

6.5 Delegations of competence and financial authorisations

6.5.1 Delegation of competence given to the Board of Directors to issue shares

24th, 25th and 26th resolutions adopted by the Annual General Meeting of 17 April 2020. Expires: 17 June 2022.

6.5.2 Delegation of competence given to the Board of Directors to grant shares

24th resolution of the Annual General Meeting of 27 April 2018. Expires: 27 June 2021.

6.5.3 Summary table of the delegations of competence granted by the Annual General Meeting to the Board of Directors of CNP Assurances

PERIOD OF VALIDITY AND USE IN 2019 AND 2020

Type of authorisation	Purpose	Duration	Ceiling	Use in 2019 and 2020
Rights issue	Issue of ordinary shares with pre-emptive subscription rights	Granted by the AGM of 27 April 2018 21st resolution Duration: 26 months Expires: 27 June 2020	€137.324 million (par value) Included in the blanket ceiling for share issues of €137.324 million (par value)	None
		Granted by the AGM of 17 April 2020 (24th resolution) Duration: 26 months Expires: 17 June 2022		None
	Issue of deeply-subordinated contingent convertible bonds without pre-emptive subscription rights	Granted by the AGM of 27 April 2018 22nd resolution Duration: 26 months Expires: 27 June 2020	Annual ceiling of 10% of share capital (as determined when the authorisation is used). Included in the blanket ceiling for share issues of €137.324 million (par value)	None
		Granted by the AGM of 17 April 2020 (25th resolution) Duration: 26 months Expires: 17 June 2022		None

Type of authorisation	Purpose	Duration	Ceiling	Use in 2019 and 2020
Share buyback programme	Buy and sell CNP Assurances shares	Granted by the AGM of 27 April 2018 (20th resolution) Expires: AGM called to approve the 2018 financial statements Duration: 18 months Expires: 27 October 2019	10% of share capital outstanding at the date of the AGM	At 31 December 2020, 497,753 shares were held in treasury (0.07% of share capital)
		Granted by the AGM of 18 April 2019 (22nd resolution) Expires: AGM called to approve the 2019 financial statements Duration: 18 months Expires: 18 October 2020		
		Granted by the AGM of 17 April 2020 (23rd resolution) Expires: AGM called to approve the 2020 financial statements Duration: 18 months Expires: 17 October 2021		
Employee rights issues, stock options, share grants*	Issue of shares to members of a Company or Group employee share ownership plan without pre-emptive subscription rights for existing shareholders	Granted by the AGM of 27 April 2018 23rd resolution Duration: 26 months Expires: 27 June 2020	3% of share capital outstanding at the date of the AGM included in the blanket ceiling for share issues of €137.324 million (par value)	None
		Granted by the AGM of 17 April 2020 (26th resolution) Duration: 26 months Expires: 17 June 2022		None
	Employee share grants	Granted by the AGM of 27 April 2018 (24th resolution) Duration: 38 months Expires: 27 June 2021	Annual ceiling of 0.5% of share capital (as determined when the authorisation is used)	None

* As of 31 December 2020, employees held 0.24% of the Company's capital, directly and indirectly

2021: DELEGATIONS OF COMPETENCE SOUGHT AT THE ANNUAL GENERAL MEETING OF 16 APRIL 2021

Type of authorisation	Purpose	Duration	Ceiling
Share buyback programme	Buy and sell CNP Assurances shares	Expires at the AGM called to approve the 2021 financial statements Duration: 18 months Expires: 16 October 2022	10% of share capital outstanding at the date of the AGM
Employee rights issues, stock options, share grants*	Employee share grants	Duration: 38 months Expires: 16 June 2024	Annual ceiling of 0.5% of share capital (as determined when the authorisation is used)

* As of 31 December 2020, employees held 0.24% of the Company's capital, directly and indirectly

6.5.4 Transactions carried out in 2020 under the share buyback programme authorised by the Annual General Meeting of 17 April 2020

The Annual General Meeting held on 17 April 2020 renewed the share buyback programme in place since the IPO.

6.5.4.1 Share purchases and sales

The Company purchased (between 1 January 2020 and 31 December 2020) 4,490,336 of its own shares at an average price of €11.45, and sold 4,498,300 treasury shares for an average price of €11.42.

FROM 1 JANUARY 2020 TO 31 DECEMBER 2020

	Aggregate gross amounts		Open positions on the day the prospectus was filed					
	Purchases	Sales	Open buy positions			Open sell positions		
Number of shares	4,490,336	4,498,300	Call options purchased	Put options sold	Futures	Call options purchased	Put options sold	Futures
Maximum average maturity	None	None	None	None	None	None	None	None
Average transaction price *(in €)*	11.45	11.42						
Average exercise price	None	None	None	None	None	None	None	None
Total *(in €)*	51,427,664	51,387,000						

SUMMARY

Treasury share transactions in the period from 1 January 2020 to 31 December 2020	
Percentage of issued capital held by the Company, directly and indirectly	0.07%
Number of shares cancelled in the past 24 months	None
Number of shares held in treasury as of 31 December 2020	497,753
Carrying amount (fair value*)	€6,604,471
Market value*	€6,560,385

* At closing price on 31 December 2020: €13.18

6.5.4.2 Purpose of the transactions

All of the purchases and sales consisted of market-making transactions carried out by an investment services provider. No shares were bought back for allocation to any of the other target categories in the 2020 share buyback programme. All of the shares held as of 31 December 2020 were allocated to maintaining a liquid market in the Company's shares.

6.5.4.3 Cancelled shares

No shares were cancelled.

6.5.5 Authorisation to implement a share buyback programme

The terms of the resolution presented at the Annual General Meeting of 16 April 2021 are as follows:

Having considered the Board of Directors' report on the proposed resolutions and (i) Articles L.22-10-62 and L.225-210 of the French Commercial Code, (ii) the General Regulations of the French financial markets authority (*Autorité des Marchés Financiers* - AMF), particularly Articles 241-1 to 241-7 concerning the market practices allowed by the AMF, (iii) Articles 5 and 13 of the European Market Abuse Regulation 596/2014 dated 16 April 2014, and (iv) the European Commission Delegated Regulation (EU) 2016/1052, the Annual General Meeting, deliberating in accordance with the quorum and majority requirements, resolves:

1. to cancel, with immediate effect, the unused portion of the authorisation for the same purpose given in the 23rd resolution of the Annual General Meeting of 17 April 2020;
2. to adopt the programme described below and, for this purpose, resolves:
   - to authorise the Board of Directors (which may delegate this authorisation), in accordance with Articles L.22-10-62 *et seq.* and L.225-209-2 *et seq.* of the French Commercial Code, to buy back CNP Assurances shares representing up to 10% of the capital as of the date of this authorisation, or up to 5% of the capital for shares bought back for the purpose of being held and delivered at a future date in payment or exchange for shares of another company in a merger, demerger or asset contribution;
   - that the shares may be bought back 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, in accordance with the AMF decision 2018-01 dated 2 July 2018 "AMF establishes liquidity contracts on shares as an accepted market practice",
     - to hold shares for subsequent delivery in payment or exchange in connection with an acquisition, merger, demerger or asset contribution initiated by the Company,
     - to grant or sell shares to eligible employees of the Company or related companies in the CNP Assurances Group, on the basis and by the method provided for by law, including 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, employee share ownership or employee savings plan,
     - to allocate shares upon exercise of rights attached to securities convertible, redeemable, exchangeable or otherwise exercisable for CNP Assurances shares,
     - for cancellation in accordance with the law, provided that an authorisation to reduce the capital is given by the Extraordinary General Meeting;
   - that the maximum purchase price per share shall not exceed €25, excluding transaction costs;
   - that the Board of Directors may adjust the above maximum purchase price in the case of an increase in the shares' par value or a bonus share issue paid up by capitalising additional paid-in capital, reserves or profit, a share split or reverse share split, a capital reduction, a distribution of reserves or other assets or any other corporate action, to take into account the effect of said action on the value of the shares;
   - that the maximum amount invested in the share buyback programme shall not exceed €1.717 billion;
   - that the shares may be bought back on one or several occasions by any method, subject to compliance with the rules set out in the AMF's position/recommendation DOC-2017-04. The buyback programme may be carried out in whole or in part through on-market transactions or block trades and, where applicable, through off-market transactions or the use of options or derivatives other than written puts, in the periods that the Board of Directors considers appropriate subject to the limits set in the applicable securities regulations. The shares bought back pursuant to this authorisation may be retained, sold or transferred in accordance with the applicable regulations, by all methods including through block trades, at any time;
   - to give full powers to the Board of Directors (which may subdelegate such powers) to complete these transactions, to set their terms and conditions, and in particular to:
     - enter into, amend and/or extend the term of any liquidity contract,
     - place all buy and sell orders on- or off-market,
     - adjust the buyback price of the shares in order to take into account the impact of the above-mentioned transactions on the share price,
     - enter into any and 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 any and all publication and other formalities, and
  - generally, do whatever is necessary to use this authorisation;
- that this authorisation shall be given for a period ending at the Annual General Meeting to be called to approve the financial statements for the year ending 31 December 2021 or for 18 months, whichever is shorter;
- that this authorisation will be suspended as from the date on which a third party files a proposed public tender offer for CNP Assurances, until the end of the offer period.

In accordance with Article L.225-211, paragraph 2 of the French Commercial Code, the Board of Directors will report to the Annual General Meeting on transactions carried out pursuant to this authorisation.

6.5.6 Authorisation to issue and buy back bonds, notes or other debt securities

The Board of Directors' decision made at the meeting of 16 February 2021 is reproduced below:

The Board of Directors decides to renew the financial authorisations given to the Chief Executive Officer as presented. In particular, the Chief Executive Officer is authorised to:

- issue sureties, bonds and other guarantees in the Company's name for up to €100 million annually;
- issue guarantees to CNP Caution up to a maximum cumulative amount of €11 billion, less the total amount of guarantees issued by CNP Assurances in relation to commitments made by CNP Caution to its commercial partners which are still in place;
- issue bonds with an aggregate face value of up to €2 billion and buy back bonds with an aggregate face value of up to €1.5 billion (authorisation also given to the second person effectively responsible for running the Company);
- trade in the Company's shares, subject to a maximum buyback price of €25 per share;
- answer written questions submitted by shareholders.

A summary of the financial authorisations given by the Board of Directors to the Chief Executive Officer and details of the permanent restrictions on the Chief Executive Officer's powers will be attached to the minutes of the 16 February 2021 Board meeting.

6.6 Additional information about the Company's capital

6.6.1 Guarantees and endorsements

See Note 27 to the consolidated financial statements – "Commitments given and received" (Chapter 5).

6.6.2 Discretionary and statutory profit-sharing plans

Discretionary profit-sharing plans

The amounts awarded to employees under discretionary profit-sharing plans are based on collective performance objectives. The Company does not make any matching payment under these plans.

AMOUNTS AWARDED TO EMPLOYEES OF CNP ASSURANCES UNDER DISCRETIONARY PROFIT-SHARING PLANS OVER THE LAST FIVE YEARS

Year	Total discretionary profit-sharing	Number of recipients
2016	€7,768,293.58 *	3,144
2017	€7,033,436.17	3,092
2018	€8,065,163.81 *	2,999
2019	€7,104,015.13	2,999
2020	€4,422,575.36	2,969

* Data adjusted to include the additional profit share

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 out immediately, 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 June of the payment year) or in an employee share ownership plan (PEG) or pension savings plan (PERCO), both of which are managed by Epsens. Funds paid into a blocked current account or the employee share ownership plan, are blocked for five years. Funds paid into a PERCO pension savings plan are blocked until the employee concerned retires 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 PEG employee share ownership plan.

Year	Total statutory profit-sharing	Number of recipients
2016	€19,541,409.00	3,011
2017	€20,946,469.00	2,967
2018	€22,683,460.00	2,892
2019	€23,969,282.00	2,908
2020	€21,526,393.00	2,892

6.6.3 Employee stock options

Not applicable.

Chapter

7

CORPORATE SOCIAL RESPONSIBILITY

including the Non-Financial Performance Statement NFPS

7.1 Business model NFPS

This section is presented in Chapter 1 of this Universal Registration Document.

7.2 Corporate Social Responsibility approach

7.2.1 A history of CSR commitment

Since its creation, CNP Assurances has been committed to upholding both human and citizens' rights as defined in the Universal Declaration of Human Rights. More specifically, it has consistently complied with the principles of the International Labour Organization (ILO) as well as the national labour laws of each of its host countries. In pledging to uphold the United Nations Global Compact in 2003, CNP Assurances reaffirmed its commitment to respecting these fundamental principles, to combating corruption and protecting the environment. Caixa Seguros Holding in Brazil, CNP UniCredit Vita in Italy and CNP Partners in Spain have also pledged to adhere to the Global Compact.

As a responsible investor, CNP Assurances joined the United Nations Principles for Responsible Investment (PRI) in 2011.

Reflecting its responsibility as an insurer, CNP Assurances also adhered to the United Nations Principles for Sustainable Insurance in 2020. Caixa Seguros Holding signed them in 2015.

Over the last five years, CNP Assurances has made strong commitments in the fight against global warming. A signatory of the Montreal Carbon Pledge, it published the carbon footprint of its portfolio of directly held listed equities in December 2015, and undertook to reduce it. On joining the Net-Zero Asset Owner Alliance in 2019, CNP Assurances pledged to achieve carbon neutrality in its investment portfolio by 2050.

The CNP Assurances Group's Corporate Social and Environmental Responsibility (CSR) approach is based on four pillars:

- commitments in line with the UN Sustainable Development Goals (SDGs);
- governance structures;
- stakeholder dialogue;
- promotion, awareness and training initiatives for employees and policyholders.

7.2.2 Commitments in line with the UN Sustainable Development Goals

To respond effectively to environmental and social challenges, CNP Assurances seeks to align its interests with those of society by contributing to the transition to a carbon-free and inclusive economy. The Group's investment policy contributes to sustainable economic growth, particularly through its commitment to the environmental and energy transition (EET), while its insurance products and services help provide as many people as possible with solutions that protect all life paths. This is how CNP Assurances contributes to achieving the Sustainable Development Goals as part of the UN's 2030 Agenda, and six of them in particular:

- good health and well-being (SDG 3);
- gender equality (SDG 5);
- decent work and economic growth (SDG 8);
- reduced inequalities (SDG 10):
- climate action (SDG 13);
- peace, justice and strong institutions (SDG 16).

This active involvement has been an integral part of the Group's CSR approach for several years. It is built around the following four commitments:

- be a responsible insurer;
- be a responsible purchaser;
- have a positive impact on society;
- have a positive impact on the environment.

7.2.3 CSR governance structures

CNP Assurances' Corporate Social and Environmental Responsibility department reports directly to the Group Administrative Officer, who is a member of the Executive Committee. They then, in turn, report to the Chief Executive Officer and the Board of Directors on the main Environmental, Social and Governance (ESG) challenges and risks, as well as the implementation of the Group's CSR approach.

Liaison officers are appointed in the departments most involved in the process (Human Resources, Investment, Working Environment, Purchasing and Strategic Marketing, Communications and Sponsorship), as well as in each subsidiary.

The subsidiaries develop CSR policies in line with Group principles: Regular exchanges are organised between head office and the CSR liaison officers in the subsidiaries to coordinate the approach and exchange best practices at Group level.

7.2.4 Stakeholder dialogue

CNP Assurances maintains regular dialogue with its main stakeholders, and conducts regular surveys.

In defining its corporate mission, CNP Assurances opted for a process of co-construction with its main internal and external stakeholders. Between May and December 2020, CNP Assurances conducted:

- 15 individual interviews with members of the Board of Directors and Executive Committee of CNP Assurances;
- seven working groups with 75 French, European and Latin American employees;
- an online consultation of all of the Group's 5,300 employees in Europe and Latin America;
- 20 individual interviews with external stakeholders: partners, free float shareholders, indirect public shareholders, the French Insurance Federation (FFA), the Monitoring and Proposal Committee of the AERAS Convention (which aims to help people with an aggravated health risk obtain insurance and credit), associations and NGOs;
- two working groups with 20 individual policyholders in life, term creditor and death/disability insurance.

This phase of consultation allowed CNP Assurances to gather the expectations of its stakeholders and prioritise the social and environmental issues to which it intends to contribute in the coming years as it rolls out its corporate mission.

Participation in market bodies

CNP Assurances plays an active role in the work of the French Insurance Federation on CSR issues, notably as a member of the Sustainable Development Committee, the ESG-Climate working group and the Non-financial Reporting working group. It also participates in the MEDEF working group on non-financial reporting. CNP Assurances is a member of:

- ORSE, a French CSR think-tank, and its Finance Club, which brings together companies and stakeholders (NGOs and unions);
- Finance for Tomorrow, a Paris Europlace initiative aiming to make green and sustainable finance a driving force for the development of the Paris financial centre;
- Novethic's circle of institutional investors, a forum focusing on sustainable finance;
- B4B+ (Business for Positive Biodiversity), a club bringing together companies committed to protecting biodiversity through CDC Biodiversité.

CNP Assurances launched *La Fabrique d'Assurance* in 2015. Inspired by Fab Labs, *La Fabrique d'Assurance* aims to be a crossroads and a forum for multidisciplinary dialogue to address changes in the insurance sector. It aims to spur a collaborative and innovative process geared towards anticipating the demands of tomorrow and meeting people's real needs. Based on the dual principle of collaboration and cross-functionality of professions, *La Fabrique d'Assurance* is a think-tank bringing together experts from the world of insurance and the social and solidarity economy (mutual insurers, other insurers, associations, researchers, academics, institutions, etc.). *La Fabrique d'Assurance* has set itself the task of formulating innovative recommendations for the insurance sector by integrating the challenges of the social and solidarity economy. These recommendations are then passed on to industry players, the professional press, and public authorities, in order to get the ball rolling.

The international subsidiaries also participate in local professional bodies.

Dialogue with partners and clients

This point is described in the Challenge: "Commit to customer satisfaction".

> The www.cnp.fr website, which is accessible to all, had close to 650,000 unique visitors in 2020, 54% of which on pages aimed at individuals. CNP Assurances also encourages interaction with stakeholders on social networks (Twitter, LinkedIn, Facebook).

Dialogue with employees

This point is described in the Challenge "Undertake to offer favourable working conditions – Non-compliance with regulations and commitments in relation to the health and well-being of employees" of the Non-Financial Performance Statement.

Dialogue with associations and NGOs

CNP Assurances engages in dialogue with various associations and NGOs. This dialogue allows it to better grasp stakeholder expectations, and in turn to make stakeholders aware of its social and environmental responsibility initiatives. This diverse range of associations and NGOs includes:

- associations representing sick people as part of its term creditor insurance activity;
- environmental associations and NGOs as part of its climate policy;
- associations working to reduce social inequalities in terms of access to healthcare as part of the work carried out by Fondation CNP Assurances;
- associations helping entrepreneurs and vulnerable people as part of its open access policy to insurance cover.

Several subsidiaries have partnerships with associations involved in recycling waste, protecting the environment, supporting people with AIDS, training young entrepreneurs, or helping disadvantaged communities.

Moreover, the Caixa Seguradora Institute, which oversees the private social investment and corporate sponsorship activities of the Brazilian subsidiary, has cooperation agreements with UNODC (United Nations Office on Drugs and Crime) and a contract with NGO Iniciativa Verde to offset carbon emissions.

7.2.5 Awareness-raising and training initiatives on sustainable development challenges

Awareness-raising and employee training

Sustainable development challenges are the subject of awareness-raising and training initiatives in order to embed them into the corporate culture and the everyday actions of employees:

- in France:
  - in 2019, CNP Assurances signed a new incentive bonus agreement with three representative union organisations covering the 2019-2021 period. Incentive bonuses are an important feature of CNP Assurances' HR policy. They make a link between the Company's performance and each employee's individual contribution. The Company has always used initiatives aligned with its strategic objectives as indicators to define the calculation of bonuses. The 2019 agreement includes Corporate Social and Environmental Responsibility indicators. The indicator for 2020 is the reduction of CO_2 emissions linked to digital storage,
  - following discussions with employees in 2019, CNP Assurances launched the internal programme "*GreenActions, tous acteurs du changement*" (GreenActions, all actors of change) in 2020, with the aim of reducing the environmental footprint of internal operations through an approach geared towards reducing consumption. Several initiatives have been carried out based on three themes: encouraging waste sorting, reducing the use of single-use plastic and reducing digital pollution. An awareness-raising campaign took place throughout the year for all employees (poster campaign, organisation of expert talks, articles posted on social networks),
  - in conjunction with European Disability Employment Week in November 2020, a series of videos on the theme recognising disabled workers was posted on internal social networks,
  - as part of Responsible Finance Week in October 2020, an internal awareness-raising campaign was carried out in the form of short videos streamed on the intranet, enabling employees to understand how CNP Assurances' teams implement its responsible investment policy in various areas (property, infrastructure, funds, etc.);
- several initiatives were rolled out in the Group's subsidiaries to raise employee awareness about CSR issues:
  - in Brazil, Caixa Seguros Holding raises employee awareness on waste sorting via an annual electronic waste donation campaign,
  - in Argentina, the "Multiplicar" programme, established in 2015, aims to reinforce responsible employee behaviour through awareness raising and training. In 2019, the reduction of inequalities (SDG 10) in the insurance and finance businesses was introduced into the programme. The subsidiary also continues to support sustainable mobility, training on recycling and reducing the consumption of single-use plastics,

- in Italy, CNP UniCredit Vita has set up a programme to reduce the use of single-use plastics in the workplace and at the events it organises. Training on diversity and well-being at work is offered regularly, and a mandatory training programme on the value of diversity was organised for all employees in 2020.

Customer awareness-raising

- Each year, CNP Assurances expresses its commitment to upholding the United Nations Global Compact and promoting its responsible investing strategy through more than ten million letters sent to policyholders (by post or online). In 2020, CNP Assurances prepared a brochure on responsible savings and posted it on its website. It provides an informative overview of CNP Assurances' responsible savings offers for policyholders and the general public, with emphasis on the various categories of green, responsible and solidarity-based unit-linked funds, as well as responsible investment through traditional savings contracts.
- In Brazil, Caixa Seguros Holding describes the social and environmental challenges it is facing and presents its results on its website. For several years, it has provided its policyholders with information on responsible consumption through its different social networks. Caixa Seguros Holding places the "Carbon Free" seal on its printed materials, thereby informing its policyholders that the CO_2 emissions of its operations are offset.
- In Argentina, CNP Assurances Compañía de Seguros uses social networks and commercial events to raise awareness among policyholders and brokers on the issues of prevention and health, as well as sustainable mobility and protecting the environment.
- In Italy, CNP UniCredit Vita is continuing with its commitment to plant a tree for each new contract signed online. A page dedicated to responsible investment has been added to the company's website.

7.2.6 Measures implemented against the backdrop of the Covid-19 crisis

Throughout 2020, the CNP Assurances Group took various measures to support its customers, employees and society, and help them cope with the health and economic crisis.

7.2.6.1 For customers

As a major responsible insurer, the CNP Assurances Group acted quickly to support all its customers:

- the Group made remote contact resources available to its customers via online spaces, telephone, e-mail and digitised mail so as to be available to respond to any requests. In view of the travel restrictions imposed during lockdown, the Group made it easier to subscribe to contracts remotely with its partners, notably by adopting the widespread use of electronic signatures. For its customers, access to guarantees was simplified and stepped up to enable them to meet any liquidity needs. In this respect, it should be noted that the e-beneficiary site, which enables beneficiaries of death benefits to send the various supporting documents, was used a great deal over the period: its rate of use peaked at more than 40% in April 2020, compared with just over 20% before lockdown;
- CNP Assurances made it easier for French companies to access the government-guaranteed loans distributed by its banking partners by simplifying and speeding up the associated term creditor insurance formalities;
- going beyond its contractual obligations provided for in the corporate collective protection contracts, the Group dedicated €30 million to cover employee absences for reasons such as childcare;
- at CNP UniCredit Vita, all claims related to Covid-19 were paid to beneficiaries, even in cases where there was a causal link with a previous illness. For the flagship My Selection single premium product, entry fees were cancelled for the period from June to November 2020;
- similarly, Caixa Seguros was one of the first Brazilian insurers to extend its life insurance cover to claims relating to Covid-19;
- CNP Assurances offered its most vulnerable customers the possibility of deferring premium payments, without suspending guarantees;
- living under the threat of a pandemic generates unprecedented needs in terms of protection. To meet these needs, CNP Assurances is exploring new solutions for its offer, services and customer relationships.

7.2.6.2 For employees

As a responsible employer, the CNP Assurances Group supported all of its employees:

- CNP Assurances took swift measures to introduce working from home for its employees so as to limit the risk of contamination by Covid-19 and ensure business continuity. Nearly all employees were able to work from home during the two lockdowns in France, and everything was done to ensure that the few employees present on site to maintain certain activities and infrastructure did so in complete safety. It was in the same spirit that CNP Assurances elected not to put its employees on furlough schemes;
- the new agreement on the quality of life at work signed in July 2020 by CNP Assurances and the trade unions drew on the lessons learned from the first lockdown: employees who wish to do so can now work from home for up to three days a week;
- at all subsidiaries, employees were able to work from home after being provided with computers and other equipment, and business continuity was ensured through various working arrangements;
- in Italy, CNP UniCredit Vita rolled out new health, death and disability insurance, offering its employees a range of guarantees in the event that they are hospitalised due to Covid-19, plus access to a toll-free number for free psychological assistance by phone;
- in Brazil, Caixa Seguros Holding strengthened the medical service team and purchased nearly 3,000 rapid tests for its employees. To help them get a WiFi connection, each employee was given R$120 (nearly €20). Caixa Seguros Holding guaranteed its employees that no redundancies would be made during the period. The senior executives and the Chief Executive Officer waived their merit-based pay increases and the corresponding sums will be reallocated to employees;
- from the outset of the pandemic, CNP Assurances and its subsidiaries implemented the measures recommended by the health authorities to limit the risk of contamination in all work spaces. Employees are required to wear masks and use hand sanitiser upon arrival to the premises, and physical distancing measures are imposed.

7.2.6.3 For society

The CNP Assurances Group committed to a range of solidarity and sponsorship initiatives to support the people and companies most affected by the health and economic crisis:

- CNP Assurances contributed €25 million to the solidarity fund set up by the French government to support very small businesses and self-employed professionals faced with administrative closure during lockdown;
- CNP Assurances contributed €300 million to the €2 billion investment programme put in place by French insurers, under the supervision of the FFA, to help small and medium-sized businesses bounce back. This long-term programme will also support the health sector by creating a dedicated fund. CNP Assurances will be one of the leading investors in these funds dedicated to equity or debt financing for listed and unlisted SMEs and mid-sized companies;
- to show its support and gratitude to healthcare professionals in the spring of 2020, CNP Assurances made a €100,000 donation to the *"Un bon repas pour bien soigner"* programme offering them "a good meal for good care", launched by the Paris Public Hospitals Foundation. It also donated €200,000 to medical research on Covid-19;
- in March 2020, following the French authorities' appeal to businesses, CNP Assurances donated 400,000 masks to hospitals and doctors;
- for the most vulnerable people, such as women at risk of domestic violence, students without a stable income and isolated elderly people, CNP Assurances stepped up its financial support to associations through philanthropic initiatives. It also donated computer equipment to underprivileged families in the Angers region, thereby contributing to the fight against the digital divide and helping keep young people in school;
- during the first lockdown, CNP Assurances and Open CNP, its corporate venture fund, took an active part in the national effort by supporting H4D during an experiment with the Consult Station® for the Red Cross. Consult Station® is a medical booth that was set up in the centre of Villeneuve-la-Garenne to ensure continuity of care and provide a response to the problem of medical deserts. Following the experiment, the Red Cross decided to keep the booth for local residents;
- in April 2020, CNP Assurances officially supported the European Green Recovery Alliance aimed at establishing a European stimulus plan geared towards stepping up the transition to carbon neutrality and helping protect ecosystems;
- in Italy, CNP UniCredit Vita made a donation for the purchase of medical equipment for the hospital in Bergamo and to help isolated elderly people in Milan. It also donated refurbished computers to students in need of computer equipment to allow them to take part in remote learning. During the festive season, employees got involved in an employee-employer fundraising campaign through a local charity to help people who had recently fallen into vulnerable situations;
- in Brazil, Caixa Seguros Holding supported two emergency projects: it donated R$500,000 (nearly €80,000) for the creation of beds in hospitals and R$400,000 (nearly €60,000) for a home for the elderly;
- in Ireland, CNP Santander helped the elderly by donating masks and hand sanitiser to a charity.

7.3 Non-financial risks and challenges NFPS

Pursuant to the European directive on non-financial reporting, CNP Assurances publishes this Non-Financial Performance Statement, in which it sets out its non-financial challenges and risks.

The policies and action plans associated with each of these risks and challenges are in line with regulations implemented in recent years, including Article 173 of France's law on Energy Transition for Green Growth, the French Transparency, Anti-Corruption and Economic Modernisation bill (Sapin II), and the EU's General Data Protection Regulation (GDPR) and Sustainable Finance Disclosure Regulation (SFDR).

The analysis also incorporates a dynamic dimension to anticipate risks and challenges that may be material in the short, medium or long term. Digitisation, increasing life expectancy, new consumption patterns and climate change are changing the personal insurer profession. Therefore, CNP Assurances strives for agility to preserve the lasting success of its business model.

The non-financial risk analysis methodology is based on three defining steps to which CNP Assurances' internal stakeholders contributed and on which they were consulted:

1. starting from a generic universe of non-financial risks built around international standards and benchmarks, a limited risk universe was defined, consistent with the Group's business sector, geographical location and challenges. This involved interviews with several departments (Risk, Human Resources, Compliance, Investments, etc.) and subsidiaries;
2. each non-financial risk was then rated based on two criteria: the level of severity (for CNP Assurances' activities, employees or policyholders), and the probability of occurrence;
3. CNP Assurances' non-financial risks were subsequently prioritised on the basis of the various "severity-probability of occurrence" pairs.

This analysis resulted in the identification of **11 main risks in 9 priority challenges** for the Group, its business, its employees, its customers and, more generally, its stakeholders.

The mapping of non-financial risks was updated in 2020 and approved by the Executive Committee of CNP Assurances.

Commitments	Priority and other challenges	Main risks identified	SDG
BE A RESPONSIBLE INSURER	NFPS **Keep pace with social and societal developments**	**Failure to match insurance products and services with the consequences of longer life expectancy and to provide support for policyholders with health problems** The personal insurance business involves taking social and societal developments into account and monitoring them. Increasing life expectancies, the greater prevalence of chronic diseases and the spread of Covid-19 have repercussions on the daily lives of policyholders and their relatives. The inability to match insurance products and support services with these changes would represent a risk in terms of both market positioning and policyholder satisfaction.	3 GOOD HEALTH AND WELL-BEING; 10 REDUCED INEQUALITIES
	NFPS **Integrate ESG issues into the insurance business**	**Absence of or failure to take ESG issues into account in the insurance business (product creation, underwriting, reinsurance)** The absence of or failure to take ESG issues into account in the insurance business would pose a risk in terms of both market positioning and policyholder satisfaction. Moreover, in view of recent and future regulatory developments, the risk of non-compliance with ESG regulations applicable to insurance contracts could materialise in the form of significant fines.	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES

Commitments	Priority and other challenges	Main risks identified	SDG
BE A RESPONSIBLE INSURER	**Offer products that are affordable for all**		10 REDUCED INEQUALITIES
	NFPS **Commit to customer satisfaction**	**Inability to maintain and improve customer satisfaction (customer experience, responses to requests, handling of complaints, sub-optimal use of digital technology in the services provided to customers, lack of transparency of offers)** Failure to place a central focus on customer satisfaction and to maintain a relationship of trust and proximity could undermine the Group's value creation. Moreover, it is crucial to provide customers with the best, clearest and most transparent information. The products offered by the Group and the contractual and marketing documents presented to customers must be legally watertight and provide policyholders with clear information about the content and scope of the purchased cover or insurance proposal. Lack of transparency with customers in relation to products could result in regulatory risk, and may also hamper the proper implementation of the Group's strategy.	10 REDUCED INEQUALITIES
	NFPS **Ensure good business ethics**	**Corruption, conflict of interest, tax transparency** **Fraud, money laundering and terrorist financing** Regulatory changes mean that the risks associated with corruption, conflicts of interest, tax transparency, fraud, money laundering and terrorist financing could result in significant fines and criminal prosecution. They could also have a negative impact on the Group's image or reputation.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	NFPS **Protect personal data and strengthen cybersecurity**	**Failure to protect personal data, cybersecurity breaches** In view of recent regulatory developments, particularly within the European Union, regulatory risk resulting from a lack of protection of policyholders' or employees' personal data could result in significant fines and undermine the Group's brand image and reputation. Moreover, the risk of vulnerability of information systems in terms of cybersecurity could result in leaks of personal data, the interruption or slowdown of services provided to policyholders, temporary or permanent unavailability of certain computer applications, demands for ransoms or external fraud. It could also have a negative impact on the Group's image or reputation.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
BE AN ATTRACTIVE EMPLOYER	**NFPS** **Attract and retain talent in line with the business strategy**	**Lack of attractiveness and inability to retain talent, unsuitability of employees' skills with the needs of the various business lines as they transform and develop** Inability to attract and retain talent and develop the skills of employees would threaten the continuation of the Group's activity at a time when the profession of personal insurer is undergoing profound change.	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH

Commitments	Priority and other challenges	Main risks identified	SDG
BE AN ATTRACTIVE EMPLOYER	NFPS **Undertake to offer favourable working conditions**	**Non-compliance with regulatory requirements and commitments regarding equal opportunity and discrimination** **Non-compliance with regulations and commitments in relation to the health and well-being of employees** The risk of workplace harassment, discrimination, non-compliance with regulations on working hours and the protection of employee health and safety, particularly against the backdrop of the health crisis linked to Covid-19, could result in significant fines or criminal prosecution. It could also have a negative impact on the Group's image or reputation as an employer.	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH
HAVE A POSITIVE IMPACT ON SOCIETY	NFPS **Make ESG challenges part of the investment business**	**Absence of or failure to take ESG challenges into account in the investment business** The absence of or failure to take ESG challenges into account in the investment business would pose a risk to the long-term performance and valuation of assets.	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Be a responsible purchaser		8 DECENT WORK AND ECONOMIC GROWTH
	Develop social initiatives in the field		3 GOOD HEALTH AND WELL-BEING
	Respect human rights		10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
HAVE A POSITIVE IMPACT ON THE ENVIRONMENT	NFPS **Fight climate change**	**Absence of or failure to take climate change challenges into account in all activities (investment, insurance, internal operations)** Risks related to the effects of climate change may take several forms, including physical risks, transition risks and liability risks. These risks may have an impact in the short, medium or long term on all of the CNP Assurances Group's activities: valuation and profitability of its investments, premium income and loss ratio under its insurance contracts, and adaptation of its internal operations.	13 CLIMATE ACTION
	Protect biodiversity		15 LIFE ON LAND
	Reduce our environmental footprint		12 RESPONSIBLE CONSUMPTION AND PRODUCTION

7.3.1 Be a responsible insurer

Since its creation in 1850, CNP Assurances has consistently developed the innovative risk management and insurance solutions needed to guarantee the resilience of the Company and people in the face of challenges such as increasing life expectancy, the greater prevalence of chronic illnesses, protection against illness and accidents, preparation for retirement and change in social protection schemes.

CNP Assurances regularly adapts its products and services to the ever-expanding expectations of a rapidly changing world, and strives to make them accessible to as many people as possible by pooling risks.

The integration of Corporate Social Responsibility challenges into its insurance operations is based on:

- support for social and societal change;
- integration of ESG issues in the insurance business;
- commitment to the satisfaction of its customers and transparency of its offers;
- good business ethics and respect for the principles of the United Nations Global Compact;
- protection of personal data and the strengthening of cybersecurity.

7.3.1.1 Keep pace with social and societal developments NFPS

Risk of failure to match insurance products and services with the consequences of longer life expectancy and to provide support for policyholders with health problems

CNP Assurances is stepping up its strategic diversification, in terms of partnerships and product mix, and also in terms of geographic reach in Europe and Latin America.

CNP Assurances has been a benchmark in the personal protection market in France for many years and has established solid relationships with a large number of social protection providers. To respond more effectively to the challenges created by increasing life expectancy, the greater prevalence of chronic diseases, changes in the pension system, the introduction of new rules governing supplementary social protection insurance and the impact of the current economic environment on public finances, as well as the finances of employers and employees, the Group has set up a dedicated Social Protection business unit.

It offers a wide range of personal insurance, customer relationship management, service, assistance and support solutions through companies, local authorities, employee benefits institutions and mutual insurers (covering the public sector, associations, brokerages, self-employed people and veterans).

Because the challenges related to increasing life expectancy and care for people with health problems (such as dependence or loss of autonomy) have major repercussions on the daily lives of policyholders and their families, CNP Assurances' goal is to continue to improve its range of offers and facilitate access and readability.

The PACTE law, which entered into force in May 2019, aims to develop the French market for personal retirement savings by harmonising and simplifying the products offered to individuals and businesses. CNP Assurances is playing a driving role in the implementation of the PACTE law, in partnership with its various distributors. New Retirement Savings Plans (PERs) were unveiled at the end of 2019 and were launched in 2020 to help policyholders prepare for their retirement. CNP Assurances PERs offer financial management on a time-based horizon, transferability of rights and the possibility of choosing to convert savings into a life annuity or to take the accumulated capital on retirement.

Since 1 January 2020, new rules guaranteeing the full refund of all medical expenses have facilitated access to healthcare and services for its French policyholders. To this end, CNP Assurances has already adapted its insurance offers and contracts to the new system. It seeks to properly understand the current and future needs of its customers, and to develop insurance products, support services and prevention initiatives that take these challenges into account.

Living under the threat of a pandemic generates unprecedented needs in terms of protection. To meet these needs, CNP Assurances is exploring new solutions for its offer, services and customer relationships.

Indicators	2019	2020	Scope
Number of people covered by personal risk/protection insurance	38 million	36 million	Group
Assets in retirement plans	€37.8 billion	€37.7 billion	CNP Assurances
Term creditor insurance rejection rate ✓	0.2%	0.2%	CNP Assurances
Number of customers receiving home services from the Âge d'Or network	40,000	39,000	Âge d'Or
Number of beneficiaries to whom Filassistance services are offered	Over 8 million	Over 8 million	CNP Assurances

STUDY OF POLICYHOLDERS' CURRENT AND FUTURE NEEDS

To remain attuned to its stakeholders, and above all its policyholders, CNP Assurances and its main subsidiaries regularly conduct qualitative and quantitative studies to anticipate the consequences of social and demographic developments for its personal insurance business.

CNP Assurances has had a digital platform since 2017. Known as the "You and Us" community, it allows exchanges with 300 active members on the uses and expectations of different generations (Y, X, and baby boomers). It is a forum for listening and co-creation in order to identify emerging trends that reflect societal development.

In 2019, CNP Assurances organised a co-construction day bringing together customers, employees and partners. Its purpose was to identify what information customers need to know a few years before retirement and trial ideas for support services to help them prepare their finances for retirement.

Examples

Dependence and increasing life expectancy, two themes which are central to the Group's thinking

CNP Assurances was among the first insurers to create cover against the loss of autonomy. The emergence of this risk, which is a major challenge, is the subject of discussions and consultation workshops with its customers and partners.

Long-term care is regularly among the issues employers have to deal with in the social protection provided to their employees. CNP Assurances has a comprehensive offer combining a basic group insurance policy and services, plus individual guarantees to suit everyone's needs.

In 2020, the French government announced the creation of a fifth branch of the social security system dedicated to autonomy, which is a significant step forward. Admittedly, its funding and the associated terms have yet to be set, but its creation marks the kick-off of a long-term care reform. While support networks and facilities will need to be developed and employment promoted in the medium term, the public finances will not be able to cover the costs related to the loss of autonomy among all citizens, and families will not all have sufficient financial resources to cover the out-of-pocket expenses of their elders.

These challenges undeniably justify using insurance-based solutions as a backup. That is why CNP Assurances supports the idea of universal long-term care cover, with a comprehensive range of support and insurance products to maintain autonomy and support carers. The idea of universal long-term care cover makes perfect sense as a means of ensuring that no family is left behind when the time comes. CNP Assurances supports this joint proposal by the French Insurance Federation and Mutualité Française. Based on intergenerational solidarity, insurance of this nature could be combined with supplementary health insurance to bring people into long-term care programmes as soon as they need them, by pooling of contributions to help guarantee the system is affordable to all.

Universal coverage would also spur the need for additional offers aimed at protecting the elderly, in terms of both primary guarantees and options. A public-private partnership must be constructed. It involves implementing a standard system which is common to all operators and understandable by all policyholders. CNP Assurances is keen to play a key role in this project.

In Argentina, CNP Assurances Compañía de Seguros sees longer life expectancy as a key driver of product development and updating. It is a variable that is always present in the concerns of business partners, explaining why CNP Assurances Compañía de Seguros consistently strives to meet their needs. In 2019, the company started work to increase the age at which its products expire from 75 to 90. Products intended for seniors have been extended, especially in the personal accident segment. All the main distribution channels have an offer for seniors.

Targeted assistance and prevention services offering genuine support for policyholders

Making life-long support for policyholders its mission, in 2003 CNP Assurances pioneered the integration of targeted assistance and prevention services in life insurance and long-term care insurance contracts. Three examples illustrate this approach:

- 66% owned by CNP Assurances, Filassistance International is also continuing to develop its range of local personal assistance services. More than eight million people currently benefit from this offering, which includes an extensive range of assistance, from the most mainstream to the most innovative, combining new information and communication technologies with Filassistance International's expertise and strategic focus on human relations. This is a practical example of Filassistance International's role as a "life facilitator", harnessing a network of 10,000 service providers selected for their efficiency, skills and welcoming service. An in-house medico-psycho-social team comprising psychologists, social workers and doctors provides comprehensive care to members calling on their services. Filassistance also offers insurance against cardiovascular risks and the loss of autonomy, not to mention listening and support services for carers and for people with long-term illnesses or cancer.

  Filassistance International continues to enhance its offers by integrating new options rounding out its assistance services. Teleconsultation, which was particularly useful during the health crisis, is a prime example. In addition, exclusions relating to pandemics in certain contracts were lifted during lockdown to allow policyholders to receive care, and a psychological assistance service was made available widely. Lastly, Filassistance International is digitising its offerings by creating, developing and promoting websites for its partners. These sites use simple and clear language that enable policyholders to find out what services they are entitled to in just a few clicks, offering them greater transparency and clearer information on their contracts;
- the Âge d'Or brand has been CNP Assurances' personal services subsidiary since 2001. It comprises roughly 100 regional franchises offering a range of services suited to the needs of 39,000 elderly people who are keen to grow old in the comfort of their own homes, with all the confidence and safety that support of this nature brings.

  In 2019, the subsidiary reaffirmed its position in support of seniors and extended it to carers, whether they are close or distant. At the same time, it joined forces with nearly a quarter of franchisees for a vast plan designed to revitalise and refresh its brand (with the Âge d'Or Family offer dedicated to carers), its offer, with the creation of two new services (coordination and prevention), and its practical dimension, with the roll-out of a new more modern website adapted to the recruitment of new franchisees;
- the Lyfe digital platform offers health and well-being and ageing services geared towards facilitating access to healthcare (access to information, geographical and economic access). Designed for participants in benefits schemes set up by mutual insurers, employee benefits institutions, employees of partner companies and CNP Assurance customers, Lyfe proposes an innovative set of complementary services for health insurance and death/disability insurance products, and also adds to the assistance services offering.

A service offering that can be adapted to individual health risks

CNP Assurances draws on its exceptional understanding of risks, acquired over its many years of 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 individual policyholders, is to accept and pool disability and incapacity cover wherever possible. In addition, since 2012, the conditions of eligibility for the premium cap applicable to low-income borrowers have been relaxed. Its term creditor insurance rejection rate has been stable at 0.2% for over ten years.

CNP Assurances is fully committed to ensuring that anyone representing an aggravated risk in France has access to credit and insurance in line with the provisions of the AERAS Convention. Disability cover is offered on the terms laid down in the convention to customers who have been denied incapacity or disability cover under standard policies. In addition to these regulatory obligations, CNP Assurances offers disability cover to civil servants and self-employed workers.

CNP Assurances has also been involved in the implementation of the revised AERAS Convention to incorporate the provisions of the January 2016 French Health Act on the "right to be forgotten". 2016 marked a decisive turning point for cancer patients, with the legal recognition of the "right to be forgotten" and the adoption of a grid standardising the conditions governing their access to insurance by professional bodies. In the future, these new schemes should, under certain conditions, prevent them from having to declare a previous disease that has since been cured, thereby saving them from higher premiums or exclusions. As such, when taking out term creditor insurance, former cancer patients are covered in accordance with the general conditions of the contract, without being subject to a higher rate or being excluded, five years after the end of the treatment protocol for cancers diagnosed in people aged under 18, and ten years after the end of the treatment protocol for other cancers. Health questionnaires have been modified so as to draw customers' attention to this scheme. Moreover, CNP Assurances applies a reference grid, modified in June 2019, allowing it to bring the rates offered to people having been affected by certain diseases, including cancer, closer to the standard rate, and is working with other insurance companies to broaden its scope.

Caixa Seguros Holding offers a product which includes a regular health check-up, with a free of charge annual preventive visit to a gynaecologist belonging to an accredited network present in the major capitals of the Brazilian states.

7.3.1.2 Integrate ESG issues into the insurance business NFPS

Absence of or failure to take ESG issues into account in the insurance business (product creation, underwriting, reinsurance)

The absence of or failure to take ESG issues into account in the insurance business would pose a risk in terms of both market positioning and policyholder satisfaction. Moreover, in view of recent and future regulatory developments, the risk of non-compliance with ESG regulations applicable to insurance contracts could materialise in the form of significant fines.

In September 2020, CNP Assurances signed the Principles for Sustainable Insurance (PSI), thereby committing to integrate ESG criteria into its decision-making processes, to raise awareness of their rollout among its customers and partners, and to cooperate with public authorities, regulators and all stakeholders to promote them throughout society.

Dedicated to upholding the principles of the Global Compact, CNP Assurances refrains from developing any commercial activity in 123 countries due to corruption, absence of tax transparency and breaches of democracy or freedoms.

When it comes to personal insurance, direct action by policyholders in support of the environment and a sustainable economy is reflected in their resolve to invest their savings or their pension in responsible unit-linked funds, which have been available for many years in each of the flagship policies available in the individual insurance offerings from CNP Assurances. In anticipation of France's PACTE law, an SRI-labelled unit-linked fund has been available since 2019 in all of CNP Assurances' unit-linked life insurance contracts, supplemented by an offer of GreenFin- and Finansol-labelled unit-linked products in some contracts. In accordance with the European SFDR regulation, CNP Assurances publishes its policy for integrating sustainability risks into insurance advisory services on its website.

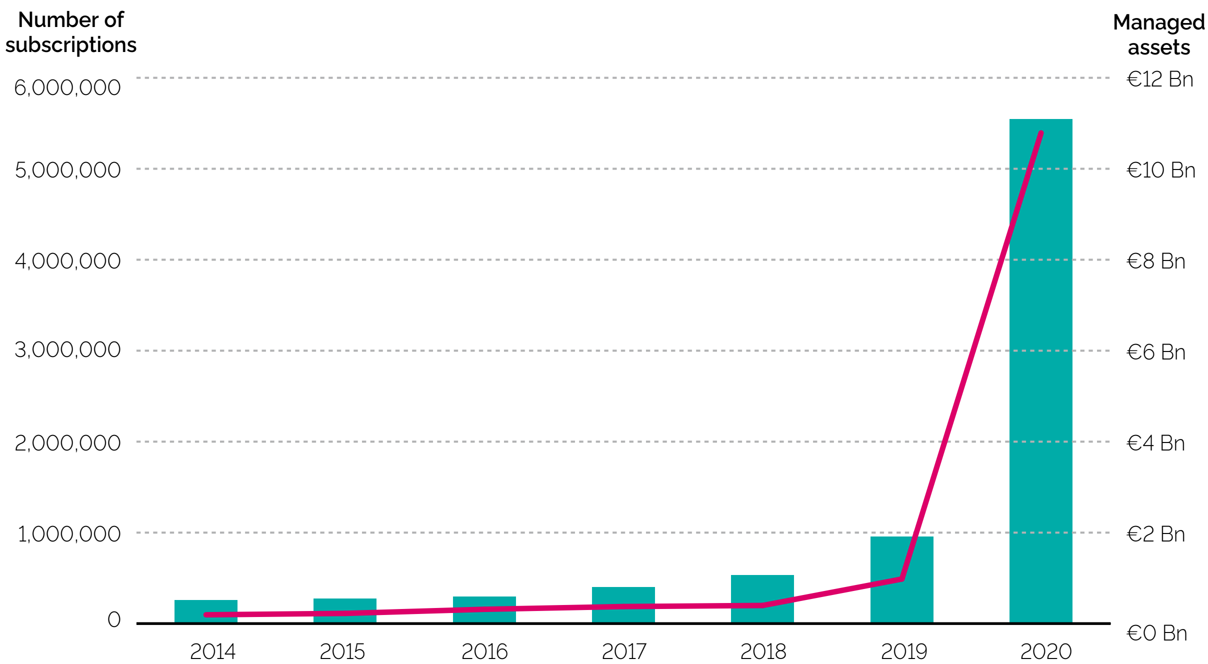
Indicators	2019	2020	Scope
Percentage of unit-linked assets managed according to ESG criteria [1]	8%	42%	CNP Assurances
Unit-linked assets managed according to ESG criteria [2] ✓	€1,916 million	€11,096 million	CNP Assurances
Of which unit-linked assets with the SRI (Socially Responsible Investment) label ✓	€1,670 million	€10,941 million	CNP Assurances
Of which unit-linked assets with the GreenFin (Green Finance) label ✓	€588 million	€930 million	CNP Assurances
Of which unit-linked assets with the Finansol (Solidarity Finance) label ✓	€203 million	€235 million	CNP Assurances

(1) Unit-linked products corresponding to UCITS
(2) A unit-linked product can benefit from several labels, so the amounts in the table cannot be added together

Examples

In 2020, CNP Assurances policyholders invested €3 billion in responsible unit-linked products. At the end of 2020, CNP Assurances' life insurance policies represented more than five million subscriptions to responsible unit-linked products. They represent assets of €11.1 billion, five times more than at the end of 2019. This very substantial increase is attributable both to demand from policyholders for responsible savings vehicles and to the efforts of management companies, notably LBPAM and Ostrum, to label and integrate a responsible investment strategy into existing funds.

Unit-linked products managed according to ESG criteria in CNP Assurances contracts



In Italy, 19% of unit-linked investments are managed with regard to ESG criteria; they represent assets of €2 billion. CNP UniCredit Vita is gradually moving the assets underlying unit-linked products into securities issued by companies that meet ESG criteria. A choice of responsible unit-linked products is now offered in CNP UniCredit Vita's flagship contract, My Selection, as well as in the new My Selection Smart contract.

In Spain, CNP Partners and Tressis, a leading independent asset management company, have integrated socially responsible investment criteria into their pension plans. This means that investment decisions now factor in environmental, social and corporate governance aspects, with the aim of maintaining an ethical and responsible commitment. As well as financial criteria, pension plans integrate environmental protection, health protection, tax transparency and the protection of human rights.

On top of its responsible savings offers, CNP Assurances conducts awareness-raising initiatives for policyholders and partners:

- in France each year, CNP Assurances expresses its commitment to upholding the United Nations Global Compact and promoting its responsible investing strategy through more than ten million letters sent to policyholders (by post or online);
- in 2020, CNP Assurances published a brochure on its website to explain how responsible savings work. It promotes CNP Assurances' responsible savings offers to policyholders and the general public, highlighting the various types of green, responsible and solidarity-based unit-linked products, as well as the responsible investor approach it implements in the traditional savings contract. The guide also helps the general public understand the technical jargon and acronyms used (SRI, ESG, exclusion, etc.), and find their way among the various labels (SRI, GreenFin, Finansol);
- in 2020, CNP Assurances ran an initiative in partnership with Reforest'Action through which it undertook to plant a tree for every new membership to the online customer space of its Amétis network. The project enables its customers to participate in a responsible project aimed at planting 50,000 trees in Peru and France. This is part of CNP Assurances' contribution to the fight against global warming, protecting biodiversity and its commitment to enabling the populations

most affected by those issues to benefit from sustainable projects;

- meanwhile, CNP Vita is committed to protecting the environment and raising its customers' awareness about climate change: the company has undertaken to plant a tree for each new contract.

7.3.1.3 Offer products that are affordable for all

This commitment stems from the determination to avoid financial exclusion through the pooling of risks and to offer products and services that:

- are accessible to customers in every income bracket;
- select risks in a manner suited to each person's health;
- include social benefit guarantees;
- focus on preventive healthcare.

In France, an offer aligned with the needs of people on low incomes

CNP Assurances is committed to offering savings solutions which are accessible to as many people as possible: certain life insurance policies distributed in France require a minimum subscription of just €75.

CNP Assurances has been proposing mutualised dependency contracts for several years. These pay-as-you-go contracts are characterised by their great accessibility. Thanks to inter-risk and inter-generational pooling, cover is offered to all members of the insured group without the need for medical examination (only risks that have already materialised are excluded). Pricing based on the entire population covered and by broad age groups brings contributions down to moderate amounts within the reach of all budgets. This type of system guarantees a first level of protection against the loss of autonomy.

CNP Assurances is a founding member of the Entrepreneurs de la Cité foundation, which aims to help microentrepreneurs obtain insurance. It is also one of the co-insurers for the foundation's basic insurance kit contracts *(Trousse première assurance)* offering death/disability and health cover.

Since 2016, ATD Quart Monde and CNP Assurances offer a funeral insurance contract for people living below the poverty line. Having been drawn up with the help of the people concerned, this contract takes into account their real needs, offering a range of guarantees necessary to finance dignified funerals. The challenge is to set a monthly fee within the budgets of very poor people (€0.50 per month for young people up to 30 years old, €13 per month for people aged over 70). Unlike conventional contracts, the monthly payments do not change according to the policyholder's age. People aged up to 80 can take out this insurance, and the guarantee comes to an end when the policyholder turns 90, when the solidarity fund created for the contract takes over.

Innovative microinsurance products in subsidiaries

In Brazil, the Caixa Seguros Holding group was the first insurer to enter the Brazilian funeral microinsurance market: the Amparo contract was launched in 2011 and now covers more than 500,000 people. The Group also offers two products for people on low incomes: a retirement product with monthly payments of R$35 (approximately €6), and home insurance at a reduced rate. Similarly, CNP Cyprus Insurance Holding offers specific car and home insurance at a reduced rate.

Social benefit guarantees

Under certain individual term creditor insurance contracts, CNP Assurances offers support for policyholders at important moments in their lives throughout their loan: family guarantees are granted to cover big events, such as the birth or adoption of a child, or during hard times, such as support for people caring for a sick child or a dependent parent.

Loss of employment insurance has been marketed in La Banque Postale's borrower offer since 2017. It offers effective support that is easily combined with the subsidies offered by French employment agency *Pôle emploi,* and is not subject to any waiting period. Providing close support for customers, the guarantee ensures payment for a maximum duration of 18 months, thereby offering additional security for specific situations. The guarantee covers 60% of the monthly loan repayment, well above the rates of many of its competitors, which are closer to 50%.

Among subsidiaries, Caixa Seguros Holding allows policyholders in the late stages of a critical illness to claim benefits without reducing the capital built up under their policy, plus free medication in the event of hospitalisation or emergency care. In 2017, it released its "Caixa Fácil" range, which can be taken out with electronic distributors, offering funeral services, discounts on drugs and dietary assistance. The Group's offers have been rounded out by multiple pregnancy cover and job loss protection to maintain the family's pension cover.

7.3.1.4 Commit to customer satisfaction NFPS

Risk of inability to maintain and improve customer satisfaction (customer experience, responses to requests, handling of complaints, sub-optimal use of digital technology in the services provided to customers, lack of transparency of offers)

As a personal insurer, the Group naturally places great importance on the satisfaction of its professional and individual customers, as well as that of its distribution partners, maintaining a relationship of trust and proximity while continually reviewing its practices and offers.

Meeting the needs of policyholders is one of CNP Assurances' strongest commitments for a sustainable society. Satisfaction has to be a hallmark of the customer relationship at all stages, through Group policies and procedures for handling complaints, as well as actions taken within the Group for:

- listening to the needs of policyholders, in particular process digitisation;
- assessing customer satisfaction;
- following up policyholder questions and requests.

The digital transformation represents both a challenge and an opportunity for CNP Assurances to transform the services provided to policyholders by offering them solutions that better match their expectations. It has more impact in terms of customer experience, making it easier than ever to customise protection.

The ramp-up of digitisation is having a clear impact on people, their ways of life and their jobs. This force for change has led to a rethink of personal protection solutions and the design of new types of services and new methods of delivering them.

The digitisation of the policyholder experience, the diversification of distribution channels and the development of a customer-centric approach are the three cornerstones of the business units' action plans. This approach is helping to drive the Group's transformation and is itself being driven by numerous participative innovation initiatives designed to create value for policyholders and employees alike. It also goes hand-in-hand with the energy efficiency efforts of the infrastructure created to support the Group's digital strategy.

In view of the CNP Assurances business model in France, presentations of life insurance operations are generally prepared by the partner networks.

The products offered by the Group, as well as the pre-contractual, contractual and marketing documents presented to customers must be legally watertight and provide policyholders with clear information about the content and scope of the purchased cover or insurance proposal. In addition, with the Group's range of insurance products being progressively digitised, it is particularly important to provide customers with the information they need in a clear and transparent manner. Lack of product transparency could hinder the proper implementation of the Group's strategy and damage its image, among professional and individual customers alike, while undermining the protection provided to customers by providing offers that do not meet their needs.

CNP Assurances' product launch procedures accordingly include checks to ensure that the product and the marketing process are fully compliant with regulatory requirements.

Indicators	2019	2020	Scope
Average satisfaction score in customer surveys*	3.7/5	4.3/5	CNP Assurances
Average satisfaction score of users of the e-beneficiaries website, e-beneficiaire.cnp.fr ✓	4.0/5	4.2/5	CNP Assurances
Percentage of customers who have made a complaint to CNP Assurances	0.1%	0.1%	CNP Assurances
Percentage of opinions issued by the FFA mediator confirming CNP Assurances' position following a complaint	73%	67%	CNP Assurances
Percentage of disputes won by CNP Assurances in the first instance	70%	72%	CNP Assurances
Percentage of disputes won by CNP Assurances on appeal	78%	72%	CNP Assurances
Percentage of disputes won by CNP Assurances in Supreme Court	100%	100%	CNP Assurances
Training rate of eligible sales personnel on the Insurance Distribution directive (IDD)	94%	99%	CNP Assurances

* Scope of the survey differs from year to year

Examples

Listening to the needs of its policyholders and measuring satisfaction

CNP Assurances carries out various types of surveys either continuously or periodically, not only with customers (prospects, policyholders and beneficiaries) but also with partner-distributors, so as to gain a comprehensive picture of customer satisfaction. A programme to roll out new surveys is currently underway with the ultimate aim of covering all the main customer journeys.

CNP Assurances stepped up its ambitions in terms of customer satisfaction with the creation of a Customer Experience department in 2020. The department's brief includes the implementation of a cross-cutting approach within the Company through the use of systems to measure the customer experience, to analyse the results and guarantee that they are correctly taken into account, and to structure the collection of customer expectations.

In 2020, semantic analysis methodology was developed and pilot-tested on the customer statements in two continuous surveys. This analysis provides a qualitative assessment of the level of customer satisfaction by studying emotions. The aim is now to apply semantic analysis to all surveys.

In 2020, CNP Assurances used its scoring system (continuous surveys, one-off surveys and barometers) to assess the level of satisfaction of more than 44,000 respondents. The average satisfaction score was 4.3/5.

The dashboard made available to the Group's various entities in 2019 to share the level of customer satisfaction was expanded in 2020.

Caixa Seguros Holding conducts monthly customer satisfaction monitoring and analysis surveys. Assessments concerning the relationship centre (interactive voice server, web chat and WhatsApp): the criteria evaluated are response times, clarity of information, problem solving, the Customer Satisfaction Score, the Customer Effort Score and the Net Promoter Score.

Satisfaction surveys were also conducted by CNP Partners and CNP Assurances Compañía de Seguros.

At CNP Partners, an annual satisfaction survey is carried out with distributors. Since March 2020, a satisfaction survey has also been conducted with all customers taking out life insurance via an insurance aggregator. The 306 surveys conducted had a participation rate of 12.7% and yielded an NPS of +33 (between -100 and +100).

Monitoring claims and disputes

The definition of complaints adopted by CNP Assurances covers any expression of discontent by a customer as regards the perceived quality of a product or service, whether justified or not. CNP Assurances has undertaken to respond within two months of a complaint being made. Nonetheless, each one is analysed in order to understand how the Group can improve service quality and reduce processing times. The number of complaints remains low, representing less than 0.1% of CNP Assurances policyholders.

The Group has teams dedicated to handling complaints. Systems have been deployed to refine complaint monitoring and analysis processes. In accordance with the marketplace decision, mediation involving CNP Assurances is provided by the French Insurance Federation (*Fédération Française de l'Assurance* – FFA). In 2020, the FFA mediator issued 273 proposals for solutions on files presented by CNP Assurances policyholders, upholding the Group's position in 67% of cases.

There were 1,643 ongoing disputes at CNP Assurances at the end of 2020. 72% percent of cases were won in the first instance in 2020, 72% on appeal and 100% on submission to the highest court of appeal.

Tools to improve customer satisfaction

A letter redesign project undertaken in 2019 is continuing with the aim of improving communication with customers in terms of both form (structure and visual appearance of letters) and content (letters written in a simpler and more compassionate style). By the end of 2020, 75% of the letters used to assist beneficiaries of life insurance policies in their efforts to claim their rights (via the dedicated web portal or via printed letters) had been redesigned.

In addition, La Banque Postale has set up dedicated branches for dealings with the legal representatives of protected adults. They mediate the relationship with legal representatives and they send all documents digitally.

Launched in 2019, the Customer Journey Committee aims to simplify processes for customers while strictly complying with the various regulatory obligations which insurance companies are subject to. It combines the business units and Group functions (legal, compliance, risk). The decision has already been made to simplify five aspects, and the Committee also came out in favour of measures to make distance selling more flexible during lockdown.

In response to customer concerns, which were heightened during the health crisis, a Customer Communication Committee was set up in April 2020. It meets at least once a week to define the communication strategies for employees who are in direct contact with customers (sales advisors, back office, telephone support).

It has pooled and resolved some 60 situations ranging from a case involving 50,000 people to one involving a single person. It made it possible to set up a system for maintaining customer contact via call centres to make up for the closure of bank branches and continue to deal with customer requests. It also provided a customer callback system for Amétis network advisors by retrieving the contact information of customers who were unable to get through due to high call volumes.

In Italy, at the request of the Italian regulator through a market letter issued in March 2018, a technical round table coordinated by ANIA (Italian National Association of Insurance Companies) was set up in 2018 with representatives of the biggest consumer associations and insurance intermediaries to draft guidelines for the simplification of insurance contracts.

The guidelines lay down a new reference contractual structure, which is more seamless and clear, and advocate the use of plain language to make contracts easier to read and understand, thereby giving policyholders capacity for a more agile exercise of their own rights and reducing the possible sources of conflict in the event of a claim.

The dates indicated in the market letter were as follows:

- for new insurance contracts marketed, application no later than 1 January 2019;
- for insurance contracts taken out in earlier years, application in 2019.

In 2019, CNP UniCredit Vita brought 89% of its products up to standard. The products that have not been reviewed are two individual pension plans for which alignment with the guidelines is optional. In 2020, the subsidiary adopted the new criteria in the way it writes contract terms and conditions and pre-contractual documents; as such, all new products offered in 2020 met clarity and transparency criteria.

A quality certification policy

In January 2019, the Amétis network became the first network of advisors to boast a certified commercial approach. The label awarded by certification body SGS attests to compliance with a charter of 13 commitments providing customers with proximity, availability, support, personalised assistance, advice and compliance with ethical rules, skills and listening. The framework governing the certification will be disclosed to customers. In Brazil, Quality Management System evaluation audits are performed periodically by a certification firm to assess the compliance of processes and services with the model laid down and associated with the rules of the ABTN ISO 9001 technical standards.

CNP Assurances Compañía de Seguros was recertified in 2019 under ISO 9001 certification for the management process of its life insurance business.

Speed up the settlement of benefits to policyholders and beneficiaries

Successive regulatory developments and the improvement of death cover have ushered in an effective system for the payment of death benefits to beneficiaries designated in the clauses of life insurance contracts.

Transfers of funds to the Caisse des Dépôts ten years after being informed of the death and a tighter rein on the volume of deaths over a year have made it possible to increase the effectiveness of death management services as regards services to policyholders and beneficiaries.

Today, efforts are being focused on automating processes, with the effect of speeding up benefits payments, and improving information and satisfaction for policyholders and beneficiaries.

The e.beneficiaire.cnp.fr online platform has been accessible since June 2018. The service allows a beneficiary, a trusted third party or a financial advisor to complete the various steps online, thereby ensuring that the benefits due under the life insurance contract are paid quickly. In 2019, the first automatic payments were implemented for surviving spouses, using automatic document recognition modules. Over 172,000 files have been processed via the platform since its launch.

Offer transparency with customers

Product launch procedures were revised in 2018 in light of the Insurance Distribution directive. This directive makes customer protection central to the insurer's concerns so that contracts offered to the public meet the specific needs of their target market throughout the product lifecycle. For instance, CNP Assurances' procedures for new products and significant modifications to existing products include work to ensure that the product does not have an adverse impact on customers. Another objective is to foster the proper management of conflicts of interest. Tests are carried out before introducing these products to the market or making significant adjustments to them, or if the target market has changed significantly.

They include a search, in the complaints received from customers, for any misunderstanding linked to the presentation of guarantees in the contractual documents of similar products already marketed. The review of complaints of this nature can be used, as appropriate, to redraft the contractual documents to make them easier to read.

In personal risk, tests can consist in checking whether the proposed guarantees overlap with those of another product held by the policyholder, or whether the contract will adapt to the customer's life events, such as change in his or her marital or family situation.

CNP Assurances provides its distributors with all the relevant information on insurance products and the product validation process, including the target market and distribution strategy.

CNP Assurances checks with its distributors whether its products actually go to customers belonging to the predefined target market, and regularly reviews the insurance products it offers or markets. In doing so, it takes into account any event which is likely to significantly influence the potential risk on the defined target market in order to assess whether the product at least continues to meet the needs of the defined target market and whether the planned distribution strategy is still appropriate.

The creation of products adapted to the needs of the market and the continuous monitoring of their appropriateness is a strategic challenge, essential for preserving the trust of customers and partners, and for safeguarding CNP Assurances' reputation.

This can involve calling on both end customers and partners upstream of the project. From the expression of needs to the user experience, CNP Assurances pays great attention to the opinions of and feedback from its end customers.

CNP Assurances is committed to verifying the compliance of contractual, commercial and advertising documents. Dedicated teams, working closely with legal experts, ensure that insurance products are compliant, and that changes in the legal framework are taken into account.

Product compliance

The workstations used by the distribution partners of the Group's entities enhance the quality and efficiency of policyholder services, while incorporating the duty to provide advice.

To better inform customers and insure their futures, CNP Assurances aims to provide full access to information for everyone. On the cnp.fr website, information sheets on its products and the customer needs they cover are regularly made available to policyholders, as well as frequently asked questions drafted in response to actual questions from customers and beneficiaries.

Digital tools to improve customer service, from subscription to the provision of services

- CNP Patrimoine provides its partners with a portal offering access to a new range of services including an online subscription tool with an electronic signature tool, 360° customer vision, support for sales and even data management.
- In 2014, CNP Assurances launched iQS, its iHealth questionnaire, with an electronic signature to support the digitisation of banking processes in the field of mortgage and consumer loans. It allows people looking for term creditor insurance to fill in their health questionnaires and complete membership formalities online, before uploading the contractual documents and signing electronically. The system makes customers' lives easier, allowing them to complete their health formalities 24/7 without having to go to their bank. At the end of 2019, CNP Assurances offered this portal to its partners' customers, BPCE networks, BPE and mutual insurers, as well as Boursorama Banque and BPI France. For some of its partners, all applications are completed online and signed electronically by prospective policyholders.
- With @dèle, an online declaration website for term creditor insurance applications, which has been rolled out to all term creditor insurance customers of La Banque Postale, Crédit Immobilier de France, Boursorama Banque and ING Direct, all stages of the process are now completely digital. Used initially to simplify the first claim for compensation after an illness or accident resulting in an inability to work, disability or death, the site has continued to be developed in line with user feedback. In 2020, almost 180,000 visitors accessed the @dèle site (browsing and/or consultation) and more than 5,200 users claimed support by opening a file. In addition, 93% of health questionnaires were returned via the CNP Net platform.
- The e-beneficiary website is an innovative online service enabling beneficiaries of a CNP Assurances life insurance contract to prepare and monitor their file until the benefit is paid. Online assistance is available to respond to any user questions. For CNP Assurances employees, it means a simplified process, secure files and faster processing of beneficiaries' requests.
- In 2020, with a view to improving customer satisfaction, Amétis enhanced the services available in its Customer Space, notably by allowing customers to make selfcare purchases, make an appointment with an advisor, make online requests, or complete their personal information. The scope of the product has been expanded, as has the level of information provided, to give policyholders greater access to information and optimise this communication channel. The service offering has also been extended by means of a mobile application available on IOS and Android.

Online offers and solutions

- In September 2016, Caixa Seguros Holding became Brazil's first insurer to launch full-online distribution of auto insurance, comprehensive home-owner insurance and personal risk insurance through Youse, a 100%-digital insurance platform. A real commercial success since its launch, Youse has already won over 160,000 customers.
- EasyBourse, La Banque Postale's online broker, has teamed up with CNP Assurances to launch *EasyVie*, a fully-online life insurance product. Customers can also be assisted by an EasyBourse advisor when subscribing and carrying out all their operations via screen sharing. Advisors are available by phone Monday to Saturday. The product, which has been on sale since February 2018, consists of a modular contract with a choice between investor-led or manager-led investment strategies. This fully digital contract relies on a "robo-advisor" developed by Advize, a fintech. It determines the customer profile (investment objective, financial situation and assets, financial knowledge and experience, and risk aversion) and recommends a management style and asset allocation accordingly. Prior to the launch, CNP Assurances tested customers' understanding of the subscription pathway through a collaborative platform.
- In 2019, CNP Assurances and BPE, the private bank of the La Banque Postale group, launched Émeraude. Customers can consult their contract online and receive related information and documents in their secure space. All documents intended for CNP Assurances are transmitted digitally by BPE.

7.3.1.5 Ensure good business ethics NFPS

Risk of corruption, conflict of interest, absence of tax transparency

By working to ensure good business ethics, CNP Assurances is committed to protecting the interests of its stakeholders (employees, suppliers, delegated management service providers, distribution partners and asset managers) and respecting the general interest.

It has accordingly reiterated its commitment to combating corruption in all its forms, including extortion and bribery. In view of regulatory developments in the countries where the Group operates, the risk of corruption, influence peddling or conflicts of interest in relationships with third parties may result in significant fines and criminal prosecution against CNP Assurances and its managers.

That is why the C@pEthic Group code of conduct, translated into each language in which CNP Assurances operates and published on its website, stresses the principle of zero tolerance to acts of corruption and influence peddling. Group policies to combat corruption, prevent conflicts of interest and manage gifts and/or benefits have been circulated to all Group employees in France and internationally. Subsidiaries can add their own local procedures to it.

CNP Assurances has trained its employees on these subjects and has a robust system in this area.

Since 2003, CNP Assurances has been a member of the United Nations Global Compact, affirming its commitment to respect fundamental values, and in particular to combat corruption.

The CNP Assurances Group is a benchmark in the French personal insurance market. Operating in 13 tax jurisdictions in Europe and Latin America, CNP Assurances strives to adopt a transparent and responsible position with regard to tax issues.

To ensure compliance with standards relating to the fight against tax evasion, CNP Assurances has enacted its own tax policy. It aims to harmonise tax practices at Group level and to ensure that the Group's rules comply with the tax laws of the countries where CNP Assurances operates. The tax policy includes the following key principles:

- compliance with the tax laws applicable to the Group's activities in accordance with national laws and tax treaties;
- implementation by CNP Assurances of a tax policy in keeping with its responsible development strategy, plus implementation of operations in accordance with the intentions of the legislator.

To guarantee compliance with tax policy, the Group's Tax department provides supports for the operational teams in the exercise of their activities. It performs an analysis of tax risks in order to adopt a position in compliance with the applicable tax laws.

Lastly, CNP Assurances applies a strict policy aimed at ensuring that none of the Group's establishments are authorised in any of the states appearing on the internal list of countries considered to be unsuitable for carrying out business. This list notably contains the official French list of Non-cooperative States and Territories (NCST).

CNP Assurances has invested in implementing regulations aimed at ensuring better tax transparency on behalf of its customers (Foreign Account Tax Compliance Act and Common Reporting Standard) and on its own account (country-by-country declaration). CNP Assurances is also carrying out the work necessary to implement the recommendations of the OECD's BEPS (Base Erosion and Profit Shifting) plan and the DAC 6 (Directive for Administrative Cooperation) tax disclosure rules.

The Group's tax policy was circulated to all subsidiaries in late 2019 and posted on the cnp.fr website in early 2020.

Indicators	2019	2020	Scope
Rate of anti-corruption training provided to the target population* ✓	79%	53%	CNP Assurances
Corporate income tax ✓	€784 million	€689 million	Group
Of which corporate income tax in France ✓	€374 million	€339 million	France
Of which corporate income tax in Latin America ✓	€383 million	€315 million	Latin America
Of which corporate income tax in Europe excluding France ✓	€27 million	€35 million	Europe excl. France

* Target population in 2019: total workforce (2,873 employees). Target population in 2020: new arrivals (189 employees)

Examples

C@pEthic, CNP Assurances' code of conduct, which was overhauled in 2018, is one of the Group's tools for fighting corruption and influence peddling. It contains rules governing gifts and benefits within the Company. It can be accessed on the cnp.fr website and on the intranet, as well as in the letter "Commitment to business ethics" sent to third parties, signed by the CEO and the CNP Assurances Group Compliance Officer.

All new employees are required to read all compliance codes and policies, and to complete all compulsory compliance training modules.

Specific codes and procedures can also be implemented operationally. For instance, a purchasing ethics guide offers a practical reminder of the principles of action for key situations in the purchasing business.

CNP Assurances' internal communication process provides for the distribution of monthly briefs setting out the main rules and the right behaviour to adopt via the intranet. Since 2019, digital comic strips have been published on the fight against corruption, the fight against money laundering and terrorist financing, rules set by the governing bodies on gifts and benefits, conflicts of interest, the fight against fraud, and data protection. More will be brought out on compliance-related areas in 2021.

Since 2018, the whistleblowing system has been rolled out throughout the Group and translated into all the languages used in its subsidiaries to allow all employees, in accordance with the requirements of the Sapin II law, to report any perceived breaches to the compliance officer. At the employee's discretion and in accordance with local legislation, alerts can be issued anonymously or using their name. No cases of corruption or influence peddling have been detected since the system was put in place.

To make its systems more effective in the fight against conflicts of interest, CNP Assurances launched a campaign among all of its employees in France, asking them to declare conflicts of interest. It obtained a response rate of 83%, and the rate is improving regularly.

This ethical vigilance is also reflected in the management of CNP Assurances' investments: the country corruption index measured by Transparency International is one of the ESG exclusion criteria. The fight against corruption is also reflected in a standard clause providing for the joint commitment of CNP Assurances and the third party to act against corruption, including among its own suppliers and subcontractors.

CNP Assurances participates in philanthropic and sponsorship initiatives supervised closely by Executive Management, always in accordance with the Group code of conduct and the values it shares with third parties. A sponsorship agreement with an anti-corruption clause is in place.

Lobbying by the Group's entities consists not only in taking part in professional events in the insurance sector and meetings within the framework of French diplomatic representations for international subsidiaries, but also in asserting CNP Assurances' positions with the French government. The Group helps 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 joined Finance for Tomorrow (Paris Europlace) and the Net-Zero Asset Owner Alliance in 2019. Some employees take part in working groups for these initiatives, one of the objectives of which is to exchange with governments to encourage the implementation of public policies in support of the environmental and energy transition.

CNP Assurances acts on its own behalf or through industry organisations, in particular the French Insurance Federation (*Fédération Française de l'Assurance* – FFA) and European bodies in the insurance sector (Insurance Europe). Expert directors sit on specific commissions of these industry bodies.

None of the Group's entities makes donations to political parties. Lastly, and in the interests of constant transparency, CNP Assurances is registered with the *Haute Autorité pour la Transparence de la Vie Publique* (HATVP); as such, it complies with the requirement of sending a statement to the authority each year.

The Group is also registered on the European Union Transparency Register, a database listing the organisations that seek to influence the legislative process and the implementation of the policies of European institutions. It allows the public to monitor the actions and activities of interest representatives. Being listed in the transparency register binds CNP Assurances to a shared code of conduct.

All of the Group's subsidiaries in France and internationally are required to adhere to compliance policies.

Risk of fraud, money laundering and terrorist financing

The fight against money laundering and terrorist financing is a major challenge. The various risks linked to financial security, including the risks of money laundering, terrorist financing and fraud, can result in significant fines, serious financial losses and criminal prosecution, but also significant damage to the Group's reputation and image.

These risks concern all of CNP Assurances' stakeholders: suppliers, distribution partners, asset managers and, above all, employees.

As a financial player, the CNP Assurances Group is heavily involved in the fight against money laundering, terrorist financing and fraud through Group policies applied to CNP Assurances' activities in France, and those of its subsidiaries in France and internationally. In line with its commitment as a responsible insurer and investor, and its status as a public company, CNP Assurances has drawn up a list of countries to be excluded from its investments, including those prohibited as part of the fight against money laundering and terrorist financing, those under embargo or subject to financial sanctions, non-cooperative countries in tax matters and those identified as tax havens based on the Tax Justice Network analysis.

Indicators	2019	2020	Scope
Percentage of new employees trained in the fight against money laundering ✓	87%	59%	CNP Assurances
Percentage of exposed employees trained in the fight against money laundering*	88%	n/a	CNP Assurances
Percentage of employees who have received anti-corruption training	n/a	80%	CNP Assurances

* Training is provided every two years

Examples

The business model adopted by CNP Assurances for its activities in France, in which a lot of transactions are performed by its distribution partners, has shaped the control mechanisms implemented in the fight against money laundering and terrorist financing (AML-CFT), and fraud. The tasks performed by partners on the Group's behalf are described in the distribution agreements between CNP Assurances and its partners. Specialised committees meet regularly with the two major partners, LBP and BPCE, to monitor their proper application.

With the support of a network of roughly 30 people, the Group Compliance Department's Financial Security Unit is responsible for the rollout, steering and proper implementation of CNP Assurances' AML-CFT and anti-fraud systems. Group policies and procedures in terms of financial security are reviewed, regularly updated and accessible to all employees on the Intranet. Similar arrangements are in place in the subsidiaries, in compliance with local constraints and the standards laid down by the Group. For example, CNP Partners has an Anti-Money Laundering Committee and has established an alert line allowing any employee to report incidents arousing suspicion of fraud, while Caixa Seguros Holding has a money laundering and terrorist financing risk management policy and manual, plus a fraud prevention policy.

In the context of frequent and numerous regulatory developments, CNP Assurances continues to acquire significant resources to continue strengthening its AML-CFT system jointly with all of its partners. The main aims are to consolidate the organisation of transaction controls and to implement the new regulatory requirements. As such, since 2017, most of the system's components (procedures, tools, resources, training plan) have been reviewed.

Information and training for its employees is one of the key components of CNP Assurances' AML-CFT and anti-fraud systems. To this end, the CNP Assurances Group Compliance department has been spearheading a communication campaign since 2019. Work on this innovative campaign, which takes the form of digital comic strips covering the various aspects of compliance, continued throughout 2020. In October 2019, a digital comic strip was released on the fight against money laundering and terrorist financing. This was the first step in the launch of a comprehensive training campaign targeting all employees. April 2020 saw the release of an issue dedicated to the fight against fraud, and a further two issues forming a mini-series on the theme of abuse of vulnerability, a subject of great concern for CNP Assurances as part of its role in protecting its customers, came out at the end of 2020. At the end of 2019, CNP Assurances completely overhauled its e-learning modules, designed in collaboration with the French Insurance Federation, the Banking Profession Training Centre and several major local insurers for AML-CFT training. In the spring of 2020, CNP Assurances designed a specific anti-fraud training module and conducted a training campaign for all employees.

At CNP Partners, all employees sign the Company's code of conduct, including the fraud prevention policy. The company has a Risk Control department tasked with listing and analysing all fraud prevention activities. In accordance with Spanish regulations, the company has established a dedicated Anti-Money Laundering Committee.

CNP Cyprus Insurance Holding has an AML-CFT policy that includes objectives for preventing money laundering and terrorist financing. Exposed employees and the branch network are trained annually in regulatory obligations and the appropriate procedures.

7.3.1.6 Protect personal data and strengthen cybersecurity NFPS

Risk of failure to protect personal data, cybersecurity breaches

Following the entry into force of the General Data Protection Regulation (GDPR) in 2018, the CNP Assurances Group has implemented a policy for the protection of personal data. The Group policy is applicable to all entities of the CNP Assurances Group, both inside and outside the European Union.

It contains elements on the fundamental principles of the protection of personal data and its governance. It has been approved by the CNP Assurances Executive Committee, and adapted and adopted by all of the Group's subsidiaries. The principles of this policy apply, by law and/or under agreements, to all of the Group's subcontractors, including its agents and partners.

In 2020, major work was undertaken to update the policy. The revised Group policy goes back to the basic rules and principles for the protection of personal data. Operational subjects are taken into account in a procedure specific to each Group entity, and adapted to their specific organisation and features, thereby rounding out the system already in place.

The Group's policy on the protection of personal data notably includes the following themes:

- compliance with the basic principles of personal data protection laid down in the GDPR;
- the security of personal data as well as the main principles in the event of a personal data breach (declaration to the regulator and/or to the data subjects when necessary, documentation of cases);
- the framework for cross-border data transfers and processing;
- the supervision of operations presenting particular risks for data subjects. By way of example, the processing of personal data that reveals racial or ethnic origin, or religious or philosophical beliefs is prohibited, as is the processing of genetic data for the purpose of uniquely identifying a person or data concerning a person's sexual life or orientation;
- the governance of personal data protection within CNP Assurances;
- raising the awareness of people dealing with personal data;
- aspects relating to reporting and controls.

All of these principles are then set out in a framework procedure and procedures specific to each subject (e.g., procedure for exercising the rights of data subjects, procedure in the event of personal data breaches, procedure for the qualification of and contracting with third parties, and procedure for internal control by the DPO).

Cyber risk is defined as any risk of financial loss, business interruption or damage to the Company's reputation due to a failure of information systems (IS). CNP Assurances continuously monitors cyber risk, and its coverage is regularly challenged by dedicated experts in order to adapt with agility to a shifting environment.

To that end, the cyber risk coverage system was strengthened in 2020. New preventive measures were adopted, in particular:

- the approval of a data classification policy allowing the level of criticality of the data (public, private, confidential) to be specified;
- the restriction of incoming and outgoing flows by blocking USB ports and access to personal messaging, anonymising data and encrypting audio communications;
- appointing a security liaison officer in each business unit to harmonise the distribution and reporting of information with greater granularity, using the eBIOS Risk Manager risk analysis method and implementing of a clean desk policy.

Indicators	2019	2020	Scope
Rate of training provided to the target population* on personal data protection ✓	67%	62%	CNP Assurances
Percentage of employees who have received training in personal data protection	89%	80%	International subsidiaries
Rate of certification of internal user accounts ✓	100%	100%	CNP Assurances

* Target population in 2019: total workforce (2,873 employees). Target population in 2020: employees not trained in 2019 (901 employees)

Examples

Protecting personal data

Aware of the importance of protecting the information assets of its policyholders and employees, CNP Assurances appointed a Data Protection Officer in 2006, giving them the resources to carry out their duties within the Group. Actions taken in recent years have served to establish personal data protection governance, to create and formalise the associated processes, to respond diligently to the exercise of the rights of policyholders, and to make people working in the Group aware of the need to protect personal data.

A special medical data protection policy has been in place since 2008, which involves the encryption of all sensitive data in storage to ensure better security.

The entry into force of the new regulation on 25 May 2018 was the subject of a wide-ranging compliance process within CNP Assurances. This project was steered directly by the CEO between 2017 and 2019 and it drew on input from over 150 people working in all relevant areas: IT, Legal, Human Resources, Customer Centres, Marketing, Actuarial Services and Communication.

For personal data governance, Data Protection Officers (DPOs) were appointed within each subsidiary in May 2018 to continue and extend the GDPR compliance process across the Group. CNP Assurances also appointed a Group Data Protection Officer in 2018 who is tasked with managing compliance with personal data protection rules within the Group. The DPO reports to the Group Chief Compliance Officer, but works under the supervisions of the Director of Customer Experience and Information Systems.

In addition, the Group DPO sits on numerous bodies overseeing risks and data processing, such as the Information Systems Security Committee, chaired by the Information Systems Security Manager, and the Management and Subcontracting Quality Committees. The Group DPO was also involved in the work on the merger with La Banque Postale.

A committee dedicated to the protection of personal data (Cap Privacy) met regularly, chaired by the Group Chief Compliance Officer and the Director of Customer Experience and Information Systems. Its tasks are to monitor the implementation of resolute action and to ensure its overall consistency, to make decisions on the points raised and to approve the main guidelines quarterly. The Information Systems Security Manager, the DPO and the Chief Data Officer are permanent members.

Lastly, the DPO's activity report is presented annually by the Group Chief Compliance Officer to the Audit and Risk Committee and by the DPO to the Social and Economic Committee (SEC).

Personal data compliance processes within the Group now subject all new documents involving the collection of such data, ranging from membership forms to administrative or financial riders, to a process of prior validation by the DPO, who examines the proportionality and nature of the data collected, and ensures that the rights of policyholders are clearly displayed on the documents or online subscription screens. This process ensures that data collection and processing is limited to the purposes declared to data subjects, and that their explicit consent is sought wherever necessary (e.g., in the event of the collection of health data for term creditor insurance). This is also the case for the general terms and conditions of contracts, which have included personal data protection clauses to ensure transparency for a long time.

To guarantee transparency in respect of data subjects, the information included in all collection documents complies with the provisions of Article 13 of the GDPR.

Privacy by Design, which seeks to integrate personal data protection requirements from the design phase of offers and services, is also applied to innovative digital projects.

All new processes are also subject to risk analysis validated by the DPO, as well as a legal compliance check before being referenced in the register of processing activities, as required by the GDPR. For example, in 2020, the DPO reviewed the questionnaires sent to employees to study the impact of the move to the new head office on commuting and the future catering strategy.

In addition, agreements with third parties consistently take into account the protection of personal data through the establishment of qualification and contract processes compliant with GDPR principles.

As regards the exercise of the rights of data subjects (policyholders, employees, etc.), CNP Assurances systematically responds to messages from policyholders seeking to use their right to access, rectify or delete their personal data, or to oppose their use within the legal deadline. To this end, it centralises all such messages and coordinates the people responsible for managing personal data within the Company. Requests of this nature have been facilitated since 2018 by the possibility of contacting the DPO via the institutional portal and by email at dpo@cnp.fr.

Similarly, a process of validating internal and external satisfaction surveys, and printed and email mailshots is in place. It systematically offers the prospects and customers solicited the right to oppose the use of their data.

An e-learning programme to raise awareness on the protection of personal data was rolled out in 2019 and ended in July 2020. A new module is planned for 2021. Specific training has also been provided for Data Protection Officers to allow them to improve their personal data protection skills.

Events were also held, including talks by representatives from France's National Agency for Information Systems Security (ANSSI) and the National Commission for Data Processing and Liberties (CNIL) on International Privacy Day.

For the first time, the control system was rolled out across the data protection scope within CNP Assurances. First-level business controls giving rise, where necessary, to the implementation of action plans monitored by the DPO have been put in place. They are rounded out by the permanent control system. These developments have resulted in the updating of risk and control mapping. Regular internal audits have also been put in place.

Lastly, the DPO team, in collaboration with the CNIL, the FFA and other insurers, carry out monitoring work and reflection on various issues, including the use of personal data in the context of fraud, transfers outside the European Union and the "Pack Assurance".

Protect the personal data of its subsidiaries

The French and European subsidiaries each have a DPO. If necessary, they also have liaison officers to guarantee compliance with the GDPR. All subsidiaries must also comply with the Group policy on the protection of personal data.

They contribute to the Group's awareness-raising and compliance initiatives. They are subject to careful and regular monitoring, notably in the form of monthly conference call updates with the Group's DPO team, face-to-face meetings, reports and regular visits. In 2020, face-to-face meetings were replaced by videoconferencing due to the health crisis. This framework for exchanges with the subsidiaries also guarantees regular communication on the Group's positions on the protection of personal data to promote the harmonious implementation of the Group's personal data protection policy within the Group.

Strengthen cybersecurity

The cyber risk management strategy is overseen by several committees:

- an inventory of cyber risks is presented to the Board of Directors each year;
- a Cyber Risk Monitoring Committee meeting is held with each business unit every two months;
- a cybersecurity dashboard is presented to the Executive Committee on a monthly basis;
- an IT Security Committee meeting is held every month between the Information Systems Security Manager (ISSM) and the Group Risk Management department to discuss cyber events within the Group;
- a Security Monitoring Committee meeting is held every month between the ISSM and the IT production teams.

Meetings with Caisse des Dépôts and La Poste take place on a regular basis in order to share best practices and pool efforts to guard against this risk within the French public finance sector.

In addition, a monthly report is distributed within the Customer Experience and Information Systems department on the security situation of applications (vulnerabilities, anonymity, support for technical bases, directory back-up).

CNP Assurances strives to certify 100% of its internal user accounts each year, thereby limiting the risk of intrusion into its information systems via obsolete user accounts.

At the same time, an insurance policy against cyber risk has been in place since 2016. In 2020, the terms of the policy were modified in order to take into account both CNP Assurances' changing risk profile and the risk mitigation measures it has implemented over the past several years.

An audit plan has been set up for partners and subsidiaries, with quarterly monitoring. They have also been offered a safety package. The information security policy at Caixa Seguros Holding is updated annually, with all information and data categorised by level of confidentiality to ensure adequate differentiation depending on their specific nature. CNP Assurances Compañía de Seguros has created a best practice guide on confidentiality databases. CNP Partners has updated its data security policy as a continuation of compliance measures undertaken in view of the GDPR. At CNP UniCredit Vita, the data security policy adopted in 2018 is updated annually, and the Information Security Committee meets at least once every six months. In 2020, a two-hour cybersecurity training course was provided to all employees.

Under the Open CNP corporate venture programme launched in 2016, CNP Assurances aims to devote €100 million to investing in the equity of start-ups. The aim is to provide innovative companies with the financial backing they need to grow their business, while also developing partnerships with them in areas that are of interest to the Group, such as e-health, fintech, insurtech and the development of offers and technologies that respond to emerging personal insurance needs. At end-2020, Open CNP had invested in 12 start-ups, three of which are in the field of cybersecurity:

- **YesWeHack,** which brings together a community of 12,000 ethical hackers and companies via a bug bounty programme;
- **CybelAngel,** which offers a data and document leakage detection solution for companies;
- **Tehtris,** which develops a solution for automatic detection and response to computer attacks.

Strengthen the ethics of artificial intelligence

CNP Assurances has set itself five rules of conduct to strengthen the ethics of artificial intelligence (AI):

- ensure the transparency of AI tools;
- keep a watchful eye on the fairness of AI tools by fighting prejudice and discrimination;
- use AI in a responsible manner by controlling its reliability and impacts;
- protect data and respect private life;
- make human values key in its tools and processes.

To ensure that all business lines comply with these principles, CNP Assurances has established a governance system, with the appointment of an AI ethics officer and the establishment of a multi-disciplinary AI Ethics Committee.

In 2020, CNP Assurances won the bronze trophy for technological innovation for its ethical artificial intelligence by design platform, which makes the use of artificial intelligence totally traceable by allowing its real-time monitoring via customisable and accessible dashboards, under optimal security and sharing conditions. The platform meets the Company's commitments in terms of ethics, and is in line with its values.

7.3.2 Be an attractive employer

At a time when the profession of personal insurer is undergoing profound change due to falling interest rates and the increasing digitisation of its environment, the CNP Assurances Group needs to attract and retain talent and develop the skills of its employees as a means of sustaining its business development.

The responsible employer promise is also reflected in the quality of work life policy. That is why the CNP Assurances Group is committed to fighting all forms of discrimination and promoting equal opportunity for everyone in terms of professional development. For many years, CNP Assurances has pursued a policy of integrating young people into the workplace, supporting people with disabilities and promoting professional equality between men and women.

7.3.2.1 Attract and retain talent in line with the business strategy NFPS

Risk of lack of attractiveness and inability to retain talent, unsuitability of employees' skills with the needs of the various business lines as they transform and develop

At a time of transformation sweeping across all its businesses, CNP Assurances makes the professional development of each of its employees central to its value creation process. With balanced management of the workforce, the Group continuously ensures that the resources, expertise and skills available to it are aligned with its development plans. At a time when the profession of personal insurer is undergoing profound change, the ability to attract new talents and retain them by developing their skills is an essential growth driver for the Group.

In France, the Human Resources planning agreement lists the commitments made by CNP Assurances to develop skills essential to the implementation of its strategy. With a view to rejuvenating the age pyramid, it contains measures to strengthen managerial development, as well as new resources (tools, procedures) to support employees throughout their careers.

Procedures, career development policies and performance programmes are in place in subsidiaries to support this major challenge for the Group.

Indicators	2019	2020	Scope
Percentage of vacancies for permanent positions filled through internal mobility or recruitment	66%	70%	CNP Assurances
Number of training hours ✓	102,224	72,186	Group
Number of hours of training per employee per year	19	14	Group
Percentage of employees who received training	87%	93%	Group
Training budget as a percentage of payroll	3.6%	3.0%	Group
Turnover rate ✓	9%	8%	Group
Percentage of employees who received annual performance reviews	94%	95%	Group
Percentage of employees receiving career interviews	26%	31%	CNP Assurances
Internal mobility rate	8%	8%	CNP Assurances

Examples

Dynamic workforce management

The CNP Assurances Group had a total of 5,156 employees at 31 December 2020, representing a 3.7% decrease compared with 2019.

Employees by entity	Country	2019	2020	Change
CNP Assurances	France	2,873	2,841	-1%
Caixa Seguros Holding Group	Brazil	1,496	1,326	-11%
CNP UniCredit Vita	Italy	182	189	+4%
CNP Cyprus Insurance Holding	Cyprus, Greece	320	318	-1%
CNP Partners	Spain, Italy	193	181	-6%
MFPrévoyance	France	69	68	-1%
CNP Luxembourg	Luxembourg	10	20	+100%
CNP Santander Insurance	Ireland, Italy	109	108	-1%
CNP Assurances Compañía de Seguros	Argentina	101	105	+4%
CONSOLIDATED TOTAL – GROUP		**5,353**	**5,156**	**-3.7%**

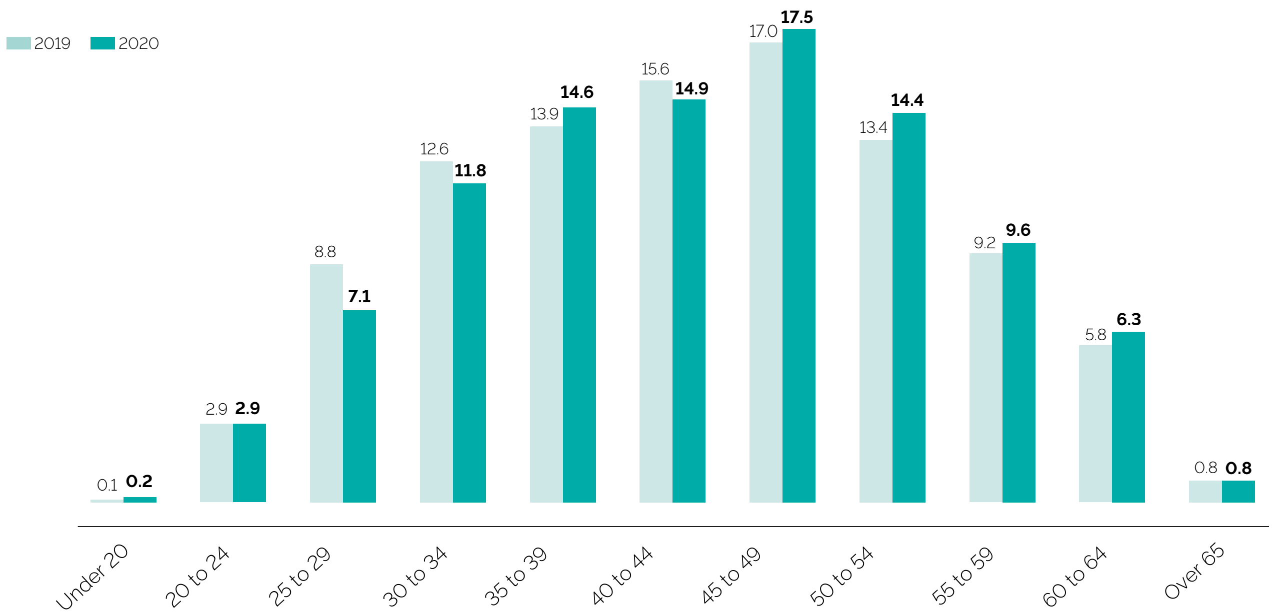
At CNP Assurances, the Human Resources planning process, promoted by a Company agreement, is behind a number of HR policies, in terms of both employment management and the development of skills and career paths. At the end of 2020, CNP Assurances' permanent workforce was 2,595. The change in the number of permanent employees results from contrasting trends as part of attentive management of the workforce:

- a persistently sizeable number of retirements in view of the age structure and changes in regulations relating to pensions;
- vigilance in replacing people who leave, depending on transformations within the Company, in a constrained and swiftly changing economic environment;
- an enduringly active policy of internal mobility, with most vacant positions filled by internal candidates;
- external hires targeted on skills that are lacking (commercial, regulatory and digital), focusing wherever possible on the rejuvenation of the age pyramid, thereby enhancing the Group's capacity to continue growing in a manner consistent with its strategy.

As in 2019, the use of temporary work fell sharply in 2020 (down 33%), bringing the total reduction to nearly 50% of the volume over the last three years. CNP UniCredit Vita, CNP Luxembourg and CNP Assurances Compañía de Seguros all increased their workforces in 2020, reflecting the business growth of the three subsidiaries.

	2019	2020	Change	Scope
Percentage of employees with permanent employment contracts	96%	96%	Stable	Group
Percentage of women	59%	59%	Stable	Group
Average age of permanent employees	44	44	Stable	Group

Age pyramid of CNP Assurances Group employees *(in %)*



With the permanent employee age pyramid showing a mean age of 47 in France and 44 in the Group as a whole, CNP Assurances strives to ensure both youth employment and the retention of older workers in their jobs. Young people (under 35) account for 22% of the Group's workforce, and older people (over 55) accounting for 17%.

51 Caisse des Dépôts employees are on secondment at CNP Assurances. Managers represent 64% of the workforce. The average length of service within the Group is 13 years, identical to that of 2019.

Remuneration

At CNP Assurances, €7.1 million was paid out under the discretionary profit-sharing plan in 2020, €24.0 million under the statutory profit-sharing plan, and €0.3 million in profit-related bonuses to seconded civil servants. All CNP Assurances and MFPrévoyance employees are covered by supplementary health and death/disability insurance, a separate long-term care insurance policy, a time savings account (CET) and a group retirement savings plan (PERCO), as well as an additional defined contribution pension scheme which is partially funded by the employer.

At the end of 2020, CNP Assurances employees (excluding seconded civil servants) had invested €193.3 million in employee savings and PERCO plans. A total of 1,262 employees held registered shares, of whom 1,571 via the Group employee savings plan, representing 0.24% of CNP Assurances' share capital.

Since 2017, the Group's compensation policy has incorporated the "fit" and "proper" standards laid down in the Solvency II directive.

Average gross salary (permanent employees)	Country	2019	2020	Change
CNP Assurances	France	€65,212	€65,589	1%
Caixa Seguros Holding Group	Brazil	R$105,722 *(or €23,973)*	R$122,384 *(or €20,763)*	+16% (in local currency)
CNP UniCredit Vita	Italy	€59,665	€62,422	5%
CNP Cyprus Insurance Holding	Cyprus, Greece	€39,511	€39,264	-1%
CNP Partners	Spain, Italy	€54,408	€55,695	2%
MFPrévoyance	France	€46,756	€48,969	5%
CNP Luxembourg	Luxembourg	€95,285	€85,032	-11%
CNP Santander Insurance	Ireland, Italy	€71,826	€73,017	2%
CNP Assurances Compañía de Seguros	Argentina	N$1,350,000 *(or €25,056)*	N$1,836,000 *(or €22,654)*	+36% (in local currency)

Close attention to the balance between internal mobility and external recruitment for rewarding career paths

For several years, the employment policy has been focused on promoting internal mobility. Its twofold aim is to combine the need to manage the workforce, while at the same time capitalising on knowledge and expertise, with a determination to promote inspiring internal career paths. It results in the vast majority of vacancies being filled with skills available internally, putting the focus for external recruitment on new skills (high-end commercial, digital skills) or those required to meet mounting regulatory requirements.

Most vacant positions are filled by internal candidates. In 2020, this was the case for 70% of the permanent positions available at CNP Assurances. In addition, 809 employees – nearly a third of the workforce – benefited from career support.

External recruitments are targeted on rare or new areas of expertise, in line with changes in the Company's business model. These external hires help to rejuvenate the age pyramid, as young candidates are favoured wherever possible. In 2020, 50 young people under 35 were hired, with almost 50% of hires on permanent contracts. The policy is in line with the strengthened combined work-study programme.

Across the Group, 95% of employees had a performance review in 2020. The performance review offers a special opportunity for managers to meet with their employees, serving to underscore the results obtained, to highlight employees' strong points and areas for improvement on the basis of a skills framework that reflects the transformations in its businesses, and to align expectations with goals for the coming year.

	2019	2020	Change	Scope
Number of new hires	773	393	-49%	Group
Percentage of new hires with permanent employment contracts	74%	64%	-10 pp	Group

Sustained investment in developing the key skills of tomorrow

Developing its employees' skills is a priority for CNP Assurances.

This challenge is reflected in the amounts devoted to training (4.3% of the payroll in 2020), and the proportion of employees trained (96% of CNP Assurances employees took at least one training course in 2020).

In 2020, the skills development plan contributed to supporting the transformation of jobs and working methods by proposing training paths that enable employees to play an active role in their skills development.

The main initiatives have focused on:

- the launch of new managerial training and support actions in the form of exchanges of practices or resource platforms;
- core business training in customer relationships, taxation or insurance;
- regulatory training, such as the fight against fraud, respect for personal data and the Insurance Distribution directive (IDD) for sales personnel;

- the development of a new English offer with an online platform to support digitisation and encourage new ways of learning based on the individual level, any time and anywhere, at your own pace and on any device (PC, tablet and smartphone);
- training to support new uses and new ways of working (working from home, protective measures, personal development or training in communication).

The health crisis and huge increase in working from home have spurred change in teaching methods and promoted the organisation of distance learning in the form of virtual classes, thereby making it possible to continue to meet the needs of the business lines, employees and managers.

Individual support for employees in the context of mobility, job changes or organisational adjustment was another area of professional training, on an individualised basis extending to managerial coaching where necessary. There is an extensive training system in place for tutors in charge of assisting employees given new jobs or those employed under combined work-study programmes. 21 employees were able to work towards a diploma, with a view to achieving professional goals aligned with the Company's development.

Elsewhere in the Group, more people received training overall in 2020. Individual training requirements are generally collected during annual performance reviews and during the process of drawing up the collective skills development plan.

In 2020, CNP UniCredit Vita continued to provide mandatory training on issues including IT security, valuing diversity and the fight against money laundering. In regard to health and safety at work, compulsory training was organised to give all employees an overview of the health protocol adopted by the company to deal with the pandemic, and to explain the new behaviours to adopt to limit the risk of spreading the virus. Managerial training continues to be offered, covering both technical skills essential to the insurance profession and soft skills, with a view to developing the behavioural competencies necessary for professional development, including emotional intelligence, stress management, trust and communication.

CNP Assurances Compañía de Seguros carried out numerous training courses as part of its digital transformation this year. It also continues to provide training on the basics of agile methods, communication and teamwork, as well as in the prevention of money laundering and the financing of terrorism.

As they do each year, CNP Partners employees received individual training programmes. All employees have been trained in money laundering prevention systems. After lockdown, when resuming on-site work, all employees received training entitled "Measures for resuming work after Covid-19" in accordance with the public health measures recommended by the authorities and laid down in the law on the prevention of occupational risks.

At Caixa Seguros Holding in Brazil, training included behavioural issues (non-violent communication and emotional intelligence), creativity and innovation, and ethics.

In Cyprus, CNP Cyprus Insurance Holding held a training course dedicated to sales personnel on the Insurance Distribution directive in 2020. It also provided training on skills development.

7.3.2.2 Undertake to offer favourable working conditions NFPS

Risk of non-compliance with regulatory requirements and commitments regarding equal opportunity and discrimination

In an environment marked by far-reaching transformations, CNP Assurances' responsible employer promise is also reflected in its policy in favour of quality of work life. The CNP Assurances Group is committed to fighting all forms of discrimination and promoting equal opportunities for all employees at all stages of their careers.

In July 2020, CNP Assurances signed a three-year agreement on the Quality of Work Life for 2020-2023 that reflects the various aspects of this proactive policy.

For many years, CNP Assurances has pursued a policy of integrating young people into the workplace, supporting people with disabilities and promoting professional equality between men and women. It constantly strives to prevent any risk of discrimination, on any grounds whatsoever, through several internal mechanisms: a discrimination and harassment officer, a structure dedicated to internal social mediation to support and deal with situations of professional risk, and the implementation of awareness-raising and training initiatives for employees, managers and human resources teams.

To maintain its commitment on these challenges, CNP Assurances decided to include an indicator linked to the rate of employee training on a new module designed to overcome stereotypes and prejudices and prevent discrimination as a criterion in the 2020 discretionary profit-sharing scheme.

Indicators	2019	2020	Scope
Number of employees with a disability	7%	7%	CNP Assurances
Percentage of women management-grade staff	51%	51%	Group
Percentage of female senior executives ✓	32%	37%	Group
Percentage of women on the Executive Committee	25%	36%	CNP Assurances
Percentage of women on the Board of Directors	44%	50%	CNP Assurances
Gender wage equality index	99/100	99/100	CNP Assurances
Average men/women income ratio by category*	107%	105%	Group
Number of young people on combined work-study programmes or apprenticeships	109	111	CNP Assurances
Number of interns	227	139	Group
Number of people under the age of 25 hired on permanent contracts	10	11	CNP Assurances
Number of seniors hired on fixed-term contracts	19	20	CNP Assurances
Number of seniors hired late in their careers	8	8	CNP Assurances
Percentage of young people (under 35) in the workforce	24%	22%	Group
Percentage of seniors (over 55) in the workforce	16%	17%	Group

* Excluding CNP Santander Insurance and CNP Luxembourg

Examples

Promoting gender equality in the workplace

Gender equality in the workplace is a fundamental focus for CNP Assurances, and a factor of progress within the Company. Therefore, since 2005, the date of its first agreement on gender equality in the workplace, CNP Assurances has been constantly striving to improve the gender balance in all functions and at all levels of the Company, and to reduce any differences in pay and promotion between men and women.

The score of 99/100 obtained by CNP Assurances on the gender wage equality index for the third consecutive year confirms the Company's maturity in this area. At the end of 2020, women accounted for 50% of the members of the Board of Directors and 36% of the Executive Committee.

The new agreement on the Quality of Work Life for 2020-2023 aims to maintain these positive results, while setting out new commitments such as improving the gender balance in management and senior management positions, and increasing support for employees in vulnerable situations.

Integrating employees with disabilities

The subject of disability is firmly integrated into CNP Assurances' human resources management. Overall management is provided by Mission Handicap, which coordinates and manages all stakeholders working on this issue.

The disability policy, defined in the agreement on Quality of Work Life for 2020-2023, extends the Company's commitment to the integration and continued employment of people with disabilities, with the aim of improving its employment rate. In support of this objective, CNP Assurances organised an awareness-raising campaign on disability recognition procedures, and also distributed a series of videos to help employees better understand the status of disabled workers and discover the measures to which they have access during European Disability Employment Week.

2020 also saw the implementation of new working from home measures, including funding to adapt home workstations for employees with disabilities.

In Brazil, the Caixa Seguros Holding group frequently uses organisations that promote the employment of people with disabilities to circulate job offers. It develops awareness initiatives to help teams welcome these employees, and has also established partnerships with institutions that support their integration. In Italy, employees with disabilities again represented 5% of the workforce at CNP UniCredit Vita this year.

Fighting age discrimination

CNP Assurances makes every effort to support youth employment. The Human Resources planning agreement sets out the Company's commitments to employ young people for permanent positions and on combined work-study programmes. In addition, the Mandatory Annual Negotiations agreement signed in 2020 doubled the target for recruiting young people. At the end of 2020, CNP Assurances had 111 young people on work-study contracts, continuing its efforts in this area which date back several years. CNP Assurances also hosted 47 interns in 2020. In 2020, CNP Assurances recruited 50 young people under the age of 35 on permanent contracts, thereby offering several people finishing combined work-study programmes the chance to pursue their career within the Group.

The 2019 Human Resources planning agreement extends the Company's action in terms of keeping employees aged 55 and over in employment. CNP Assurances seeks to ensure that this population's access to skills development initiatives is comparable with that of everyone else in the Company. In addition, over 100 employees had benefited or will benefit from end-of-career measures at the end of 2020.

Raising employee awareness of diversity issues

The internal communications plan for diversity is reviewed every year. Continuous information and Intranet-based information campaigns and training courses are regularly conducted to combat stereotypes, prejudice, and discriminatory remarks and attitudes, and to convince people of the advantages of having a diversity policy.

A commitment applied across the Group

The commitment to fighting discrimination is shared across the Group, and features in the Caixa Seguros Holding group's Code of Ethics and Conduct. It is also the subject of specific training modules.

At CNP UniCredit Vita, the company agreements now include a Generation Pact, which allows senior staff to scale down gradually to part-time work over the three years prior to retirement, under certain conditions. In 2020, CNP UniCredit Vita once again renewed its membership to two inter-company networks:

- Valore D, which focuses on gender diversity and careers for women;
- Parks Diversity, which is an advocate for LGBT inclusion in the workplace.

Risk of non-compliance with regulations and commitments in relation to the health and well-being of employees

As soon as lockdown was announced in March 2020, the CNP Assurances Executive Committee decided to introduce working from home measures for all employees, The first lockdown ended with a gradual and limited return to site in June 2020, in compliance with the terms laid down in the collective bargaining agreement (fixed-term agreement dated May 2020). Working from home nevertheless remained the norm for all teams until the end of August 2020.

In practice, the organisation of across-the-board working from home was built on the system which was tested under the February 2017 agreement on the Quality of Work Life, and maintained by the July 2020 Quality of Work Life agreement.

In application of the new government measures, the CNP Assurances Executive Committee imposed a second period of working from home at the end of October 2020. It was subsequently extended until the end of 2020.

At the same time, a modified organisation was implemented in order to continue discussions with employee representatives and trade union partners. The use of digital tools made it possible to maintain fruitful social dialogue, as eight collective bargaining agreements were negotiated and signed over the period. The Health, Safety and Working Conditions Committee (HSWCC) of the CNP Assurances Social and Economic Committee (SEC) was regularly informed of the risk prevention measures implemented within the Company to ensure the safety of employees, notably through the regular updating of the single occupational risk assessment document.

The new agreement on the Quality of Work Life signed in 2020 commits to:

- promote an environment which is open to ideas and to each other (enhance manager/employee collaboration, act in line with sustainable development);
- ensure there is a place for everyone (professional equality, inclusion of people with disabilities, work-life balance, risk prevention and occupational health);
- facilitate "working together" in the spirit of joint development and cooperation (environment, new working conditions and conditions of working from home extended up to three days, right to disconnect).

Negotiations for this agreement began in early 2020, and the social partners had to incorporate new forms of remote dialogue in order to comply with the restrictions and lockdown measures imposed in response to Covid-19. The lessons learned from the health emergency were incorporated into the agreement.

Indicators	2019	2020	Scope
Number of requests for internal social mediation during the year under review	20	13	CNP Assurances
Percentage of employees working part time	10%	9%	Group
Percentage of employees who worked overtime	16%	17%	Group
Percentage of employees enjoying flexible working hours	60%	57%	CNP Assurances
Percentage of employees working from home between 1 and 3 days a week*	52%	79%	CNP Assurances
Percentage of employees covered by a collective bargaining agreement	97%	97%	Group
Absenteeism rate (excluding maternity leave) ✓	4.4%	3.9%	Group
Lost-time incident frequency rate	1.2%	0.5%	Group

* Excluding employees of the Amétis network and outside periods of lockdown

Examples

Work-life balance

Annual working time within the Group ranges from 1,575 to 2,400 hours, depending on local legislation. For example, a full-time workload represents 1,575 hours a year at CNP Assurances and MFPrévoyance.

All employees who work part time within the Group's entities choose to do so. At Group level, part-time employees represent 9% of the workforce, and 16% at CNP Assurances. At CNP Assurances, part-time employees are entitled to the same benefits as full-time employees.

CNP Assurances has implemented several schemes geared towards facilitating the balance between professional life and personal life and the organisation of working time in line with professional constraints. They include personalised working hours, enjoyed by 57% of CNP Assurances employees, as well as voluntary part-time work. In 2020, the Quality of Work Life agreement made working from home a permanent feature as a new working arrangement. Almost 79% of employees work from home on a regular basis, between one and three days a week, outside periods of lockdown. Working from home brings new flexibility in organising individual and collective work, aligned with ongoing transformations and emerging lifestyle changes.

By including support measures for people encountering specific personal difficulties in the Quality of Work Life agreement, CNP Assurances is increasing its support for employees facing significant family constraints, which makes it harder to reconcile personal and professional life.

In Italy, CNP UniCredit Vita offers employees several schemes including flexible working hours, voluntary part-time work, working from home and smartworking (a new working arrangement aimed at making the company more welcoming and working conditions more flexible in order to bolster employee commitment and involvement in the life of the company).

Employee representation and protection

Almost all employees (97%) are covered by local insurance industry collective bargaining agreements. Exceptions are consistent with local rules governing the sector: 108 employees in Ireland, 23 in Argentina and 20 in Luxembourg.

Social dialogue is a constant throughout the CNP Assurances Group. There is at least one employee representative in all subsidiaries except CNP Santander Insurance, acquired in 2014, which has 108 employees. The Caixa Seguros Holding group now has two employees sitting on the Board of Directors of the Federal Insurance Employees' Union as employee representatives. A total of 105 meetings between employees and management were held at the Group's various entities.

Working with employee representative bodies

The Human Resources department maintains regular, high-quality dialogue with the various employee representative bodies and union representatives, giving due consideration to the roles of everyone involved and taking regulatory developments into account.

The "Macron" orders of 2017 and the 2018 law ratifying them fundamentally changed the organisation and functioning of employee representation and dialogue bodies. To integrate these reforms into its existing agreements, CNP Assurances began an overhaul process which resulted in the conclusion of two agreements, both signed unanimously by the Company's representative trade union organisations: the October 2019 agreement on the establishment and operation of the Social and Economic Committee (SEC) and the December 2020 agreement on employee dialogue. In the latter agreement, the parties are asked to limit travel by using remote communication tools for negotiations, working groups, internal trade union meetings and discussions with members.

Agreements to improve working conditions

CNP Assurances has agreements on the main issues in the Company, namely adaptation, working time, disability, union resources, retirement planning, employee savings, Quality of Work Life and the Human Resources planning agreement.

In 2020, ten new agreements were signed at CNP Assurances: Mandatory Annual Negotiations and purchasing power, an amendment to the Company collective bargaining agreement establishing an additional defined contribution pension plan, measures related to the lifting of lockdown at CNP Assurances, an amendment to the incentive agreement, a new agreement on the Quality of Work Life, two amendments to the agreements relating to the compulsory basic collective health care plan (executive and non-executive) and two amendments to the agreements relating to the mandatory supplementary collective health care costs plan (executive and non-executive), plus an agreement on employee dialogue.

In 2020, CNP Partners signed an agreement on the resumption of on-site work after lockdown measures were lifted.

MFPrévoyance concluded several agreements in 2020 on wages, employee representative institutions and the exercise of trade union rights, as well as three amendments to agreements on incentive bonuses, the pension savings plan (PERCO) and working from home.

In 2020, CNP UniCredit Vita renewed the funded training agreement. In terms of training, it has been a member of the national inter-professional joint training fund for the continuous training of employees of companies operating in the Credit and Insurance sector for several years, which works for member companies and their employees by financing training plans, in agreement with employers and unions. It operates on a mutualised basis, with sums redistributed to companies in proportion to the amount of contributions paid by them.

Across the Group, spending on social matters for employees represented 1.7% of the 2020 payroll.

Health protection

The CNP Assurances Group is committed to ensuring the health and safety of its employees. Numerous health improvement programmes have been established by Group entities. CNP Assurances has an autonomous occupational health service on its main sites, covering all employees. Those requiring it receive close medical attention.

In 2020, in addition to the widespread adoption of working from home during lockdown, the Group's companies created several training courses to help employees manage the Covid-19 health crisis (training in protective measures, procedures for resuming on-site work after lockdown, stress management during lockdown) and provided their employees with protection kits (hand sanitiser, masks).

In the Caixa Seguros Holding group, an evaluation of the Workplace Hazard Prevention Programme and the Occupational Medical Health Check is held weekly. There is also an internal accident prevention commission. Its purpose is to identify risks and preventive actions to implement. An internal health and accident prevention week is also organised every year.

CNP Assurances continued several initiatives that are part of the Quality of Work Life agreement to help prevent absenteeism. The Lyfe platform provides access to health advice. Since 2018, it has offered employees the possibility of online medical consultations 24/7. Employees returning to work after long-term sick leave was the focus of work on the practices of the various players (HR experts, occupational physicians, social workers, managers and employees), with a view to providing better and more coordinated support tailored to the needs of each employee. An external website guiding employees through their return to work, as soon as their health permits, is scheduled to go live in early 2021. Lastly, since the beginning of 2019, managers have received a quarterly overview of absenteeism indicators in their entities: on the basis of an analysis shared with the HRD, this facilitates the implementation of individual or collective initiatives.

In 2020, the Occupational Health team provided special support for employees in managing the health crisis (implementing health protocols, managing vulnerable people, individual monitoring of suspected and contact cases), thereby avoiding the emergence of any clusters within the Company. The CNP Assurances Mission Handicap also helped people with disabilities equip their home for work.

CNP Cyprus Insurance Holding 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.

A mutual insurer covers occupational risk prevention measures for CNP Partners employees. In view of the health situation, all employees received training on the measures to be taken when returning to work after the Covid-19 crisis.

CNP UniCredit Vita implemented numerous training initiatives in the field of well-being (movements, posture and ergonomics, mind-body balance) and related to stress management and work safety.

Ongoing prevention of psychosocial risks

Many mechanisms and actions contribute to creating an environment that helps limit risks. They come into play at one of the three levels of prevention: primary, secondary and tertiary. Extending the 2017 Quality of Work Life (QWL) agreement, the 2020 agreement provides an overarching structure for all of them.

Primary prevention, focusing on the conditions and organisation of working from home, establishes this method of functioning as a new working arrangement. Secondary prevention is aimed at developing aptitudes, skills, know-how and interpersonal knowledge, and is embodied in the introduction of a new range of training and awareness-raising courses (aimed at managers and employees) focusing above all on soft skills, i.e., behavioural and relational skills that everyone can acquire or develop.

On the boundary between secondary and tertiary prevention, the initiatives undertaken with a view to balancing work and family life offer greater comfort, security and mutual aid, which at certain moments in life can become a key factor in preserving employees' health, and personal and family balance.

For many years, several internal systems have been available to all employees to help them in the event of personal, family or social hardship, particularly in situations of professional risk linked to the deterioration of their working conditions (deterioration of relationships, difficulties performing their work, loss of meaning, stress, suffering at work, unhappiness, etc.). These psychosocial risk prevention measures are put in place by the Occupational Health unit and Mission Handicap. The in-house mediation system for preventing and dealing with situations of harassment, discrimination, suffering at work and conflicts in everyday life based its work in 2020 on skills in "change management". Rounding out a tertiary "in crisis situations" prevention method, the aim is to act as far upstream as possible to strengthen the role of primary and secondary prevention, notably by providing assistance in the form of support and advice for managers, and by developing collective mediation. In 2020, the internal mediation system received 13 requests, mainly covering relational difficulties, but extending, in some cases, to alleged harassment. Lastly, all employees also have 24/7 access all year round to a toll-free hotline (Filassistance) if they need to talk to someone.

In 2020, CNP Assurances conducted four surveys measuring employee sentiment during periods of lockdown and working from home. Several themes relating to the QWL were discussed, including work-life balance, workload, team communication and the right to disconnect. These surveys also gave employees an avenue to request specific HR support.

At CNP UniCredit Vita, a survey on the social climate was carried out at the end of 2020 which will give rise to an assessment of psychosocial risks.

Caixa Seguros Holding has set up preventive training on moral and sexual harassment in the workplace. It features talks by a specialised psychologist for employees. For company executives, the legal team has provided specific training for each Board of Directors.

As part of its Corporate Social Responsibility policy, a liaison officer tasked with preventing harassment has been appointed at MFPrévoyance.

7.3.3 Have a positive impact on society

As a responsible investor and purchaser, CNP Assurances endeavours to have a positive impact on society as a whole.

As a responsible insurer and investor, CNP Assurances also joined the United Nations Principles for Responsible Investment in 2011. Over the last five years, CNP Assurances has made compelling commitments in favour of the environmental and energy transition (EET) and the fight against global warming. A signatory of the Montreal Carbon Pledge, it published the carbon footprint of its portfolio of directly held listed equities in December 2015, and undertook to reduce it. On joining the Net-Zero Asset Owner Alliance in 2019, CNP Assurances pledged to achieve carbon neutrality in its investment portfolio by 2050.

Having pledged to uphold the United Nations Global Compact, CNP Assurances systematically promotes its commitment to human rights among subcontractors and suppliers.

7.3.3.1 Integrate ESG issues into the investment business NFPS

Absence of or failure to take ESG challenges into account in the investment business

CNP Assurances Group entities are primarily personal insurance companies and long-term investors. Its entities manage investments on behalf of their policyholders and shareholders, either directly or indirectly through asset management companies.

CNP Assurances firmly believes that taking Environmental, Social and Governance (ESG) criteria into account when assessing an investment contributes to value creation and optimises the yield-to-risk ratio over time, and has applied a responsible investment strategy within the various asset classes since 2006. This strategy is managed in large part thanks to the non-financial expertise of management firms Ostrum AM and LBPAM, it reflects CNP Assurances' commitments to the Global Compact, the Principles for Responsible Investment (PRI) and the Net-Zero Asset Owner Alliance.

CNP Assurances' responsible investment strategy aims to protect the assets backing its commitments to its policyholders, and also create financial and non-financial value for all CNP Assurances stakeholders. It is also reflected in the implementation of an ESG exclusion policy covering certain countries or companies.

The principles and governance of the responsible investment strategy are described in various documents available on the cnp.fr website, namely the responsible investment report, the policy for integrating sustainability risks into investment decisions and the shareholder engagement policy.

Indicators	2019	2020	Scope
Percentage of assets managed according to ESG criteria	82%	88% [(1)]	CNP Assurances
Assets managed according to ESG criteria ✓	€296 billion	€345 billion [(1)]	Group
Of which assets meeting the specifications of the SRI or GreenFin label [(2)] ✓	n/a	€42 billion	Group
Of which assets managed according to other ESG criteria [(2)] ✓	n/a	€303 billion	Group
Number of General Meetings at which CNP Assurances voted	85	110	CNP Assurances
Number of resolutions on which CNP Assurances voted	1,671	2,133	CNP Assurances
Percentage of resolutions for which CNP Assurances cast a negative vote	17%	25%	CNP Assurances
Number of direct dialogues with companies	14	11	CNP Assurances
Number of countries excluded from its investment portfolio due to lack of tax transparency, corruption or breaches of democracy or freedoms	94	123	Group

(1) The methodology used to calculate this indicator changed between 2019 and 2020
(2) New indicator monitored from 2020

Examples

The financial management of MFPrévoyance and CNP Caution assets is delegated to CNP Assurances and benefits from the same ESG approaches. The other subsidiaries are responsible for the financial management of their assets, while applying Group policies.

The responsible investment approach implemented within CNP Assurances cannot be applied uniformly to all asset classes held in the portfolio (corporate bonds, sovereign bonds, funds, unlisted assets such as real estate or infrastructure). At the end of 2020, 88% of CNP Assurances' financial assets were managed according to ESG criteria on the scope of traditional savings and unit-linked portfolios (91% on the scope of traditional savings portfolios).

ESG exclusion policy

Exclusion of companies on the basis of ESG criteria:

- since 2008, CNP Assurances has excluded manufacturers of cluster bombs and land mines from its investment portfolio;
- since 2015, it has gradually adopted an exclusion policy to the thermal coal sector. CNP Assurances has completely disinvested in companies that derive over 20% of their revenue from thermal coal, ruling out any further investment in companies:
  - deriving over 10% of revenue from thermal coal,
  - having thermal coal-fired power generation capacity exceeding 5 GW,
  - producing over 10 million tonnes of thermal coal per year,
  - or developing new coal-fired power plants, coal mines or infrastructure contributing to the use of thermal coal;
- since 2018, CNP Assurances has stopped all new investments in the tobacco sector. In 2020, CNP Assurances formalised this commitment by signing the Tobacco-free Finance Pledge;
- CNP Assurances benefits from alerts on companies' ESG risks. When the alert corresponds to a serious breach of the fundamental principles of the Global Compact, CNP Assurances asks the management company to engage with the company in question. When this dialogue fails to identify scope to remedy the situation quickly, the Investment Committee is called on to decide whether or not to exclude it. Five companies are currently excluded for serious and repeated breaches of the Global Compact.

Exclusion of countries on the basis of ESG criteria:

- CNP Assurances has drawn up a list of 123 countries that are excluded from its investment portfolio due to lack of transparency, corruption or breaches of democracy or freedoms. Country exclusions apply to all shares and bonds issued by companies or public issuers registered in those countries, as well as all real assets (real estate, infrastructure) located there.

Shares

The responsible investment approach is based on best-in-class management of the equity portfolio, meaning that preference is given to companies with the best ESG ratings within their sector. Quarterly monitoring provides an opportunity for an exchange of views with Ostrum AM and LBPAM ESG analysts on securities with ESG risks and the main issues in terms of sustainability.

In 2020, equity portfolio management focused on investment opportunities based on certain major ESG trends.

As such, several themes were covered through investments made, namely healthcare, access to treatment and healthcare equipment, and the development of medicine that integrates new technology. Investments in the fossil fuels sector were substantially reduced in favour of companies offering credible alternatives as part of low-carbon solutions.

Since 2005, CNP Assurances has followed a policy of shareholder activism by systematically voting at the General Meetings of listed companies in its portfolio. The policy is submitted to the CNP Assurances' Chief Executive Officer for approval. The principles set out in the voting policy aim to not only defend the rights of CNP Assurances as a minority shareholder, but also promote the sustainable development of companies, by supporting development strategies which take into account the impacts on all stakeholders, be they customers, employees and suppliers or the environment.

In 2020, CNP Assurances voted at 110 General Meetings of 103 companies in 10 countries. These companies account for 95% of the equity portfolio assets held directly by CNP Assurances. It voted on 2,133 resolutions, approving 75% and opposing 25% of them. Its negative votes were predominantly in response to the excessive remuneration of certain executives and insufficient gender balance on certain Boards of Directors. A breakdown by theme of the votes cast by CNP Assurances in 2020 is available in the 2020 shareholder engagement policy.

2020 was marked by continued direct engagement (11 instances) with companies on issues relating to governance, climate and biodiversity. CNP Assurances took part in one collective and two collaborative engagement campaigns. In addition, in 2020 CNP Assurances asked all of the companies to which it is directly exposed to publish, by 2021, a plan for their withdrawal from thermal coal by 2030 in the countries of the European Union and the OECD, and by 2040 in the rest of the world, based on their closure as opposed to the sale of the assets.

CNP Assurances' shareholder engagement policy and the Annual Report on its implementation are available on the cnp.fr website.

Bonds

ESG analysis of bonds is integrated into the credit analysis carried out by Ostrum AM and LBPAM. In addition, the exclusion criteria requested by CNP Assurances must be respected.

For several years, CNP Assurances has invested in bonds that have a social impact, such as social bonds and sustainable bonds. These bonds address major social issues, measure their social impact and contribute to creating sustainable value for all stakeholders. At the end of 2020, the amounts invested by CNP Assurances in social impact bonds totalled €1.2 billion.

Property

Before purchasing a property asset, CNP Assurances conducts technical, environmental and public health analysis in order to help identify any risks specific to the building and to assess the amount and feasibility of work needed to meet its requirements. Non-feasibility can result in withdrawing from a project and the estimated cost of upgrades can have an impact on the purchase price.

CNP Assurances entrusts the management of its real estate portfolio to specialised management companies on the basis of strict specifications that address environmental and safety issues (Sustainable Property Management Charter taking into account the impact of the building on the environment and the health and safety of users, "green works" charter). CNP Assurances expects management companies to manage sustainability challenges in a manner fitting to the materiality of those challenges.

The safety of assets and users is a major issue for CNP Assurances, which since 2016 has conducted health, safety and environmental (HSE) analyses on a large proportion of its directly owned properties. Some 145 audits have been carried out and progress in dealing with observations as of 31 December 2020 averaged 40%.

Woodland

Société Forestière, which manages CNP Assurances' woodland assets, implements sustainable and environmentally friendly forestry management. In 2001, Société Forestière adopted an ISO 9001 certified sustainable woodland management manual, which incorporates the main themes of ESG analysis: governance, management and organisation of relations with customers and other stakeholders, and implementation of practices to develop and care for forests (silviculture) taking into account habitats and unique species. At the end of 2020, 100% of the woodland held by CNP Assurances either had or was in the process of obtaining PEFC certification.

The 2020 update to the management agreement between CNP Assurances and Société Forestière served to intensify the integration of ESG criteria within a sustainable forest management charter. It commits CNP Assurances and Société Forestière to ambitious objectives for the protection of biodiversity, water, soil and people.

Private equity and infrastructure funds

Social information has been used to manage private equity and infrastructure investments since 2010. ESG ratings are awarded based on the due diligence process carried out ahead of investment in a new private equity fund. Accordingly, 13 new private equity funds were rated in 2020.

Reporting on ESG information is also required for all new infrastructure investments. In 2020, 78% of its infrastructure funds responded to the request for reporting or voluntarily provided their own CSR Reporting.

Listed equity funds

For dedicated CNP Assurances funds, CNP Assurances requires that its own exclusion policy apply to the fund's underlying assets, in the same way as for its direct holdings.

For funds open to all subscribers, CNP Assurances is not able to impose its ESG approach. It ensures consistency between the fund's ESG approach and its own by means of an ESG questionnaire sent to each management company during the due diligence phase prior to investment, and then at regular intervals every two years. This ESG questionnaire broadly addresses the fund's responsible investment approach and ESG rating, with a more specific focus on the rules in place on controversial weapons, embargoes, tax havens, thermal coal and climate risks.

At the end of 2019, 96% of the management companies that CNP Assurances works with had signed the Principles for Responsible Investment (PRI). This proportion has been steadily increasing for several years.

At the end of 2020, 64% of the listed securities funds held by CNP Assurances were managed according to ESG criteria.

CNP Assurances also had investments in a total amount of nearly €200 million in several social impact funds at 31 December 2020. Examples include financing small businesses that have trouble raising capital due to social barriers, supporting SMEs in temporary difficulty, financing the social and solidarity economy, and providing accommodation for vulnerable people.

7.3.3.2 Be a responsible purchaser

CNP Assurances' CSR principles are also put into practice by the Purchasing department. All buyers are made aware of CSR standards. The Group's Ethical Purchasing Charter and the code of ethics govern purchasing practices.

Societal and environmental clauses in contracts

Having pledged to uphold the United Nations Global Compact, CNP Assurances systematically promotes its commitment to human rights among subcontractors and suppliers. Contractual clauses on the protection of workers are included in the standard contracts offered to suppliers and in CNP Assurances' general purchasing conditions.

The Caixa Seguros Holding group also includes CSR clauses in its supplier contracts based on the Global Compact principles (ILO, the fight against organised crime and drug trafficking, the environment, combating fraud and money laundering).

CSR assessment of suppliers

Nearly all of CNP Assurances' suppliers of goods and intellectual or other services are based in France.

To monitor the environmental, social and ethical performance of its suppliers in overall terms, CNP Assurances has formed a partnership with EcoVadis. A CSR assessment of key suppliers is performed by EcoVadis. Information is compiled on a collaborative platform that includes 150 business sectors and 95 countries.

Following the audit, suppliers receive detailed feedback on their CSR practices, including a rating in four categories (environment, social, ethics, and responsible purchasing), plus a list of their strengths and areas for improvement.

The suppliers in the Top €200k (suppliers deriving more than €200 thousand in revenue including VAT from CNP Assurances, representing a total of approximately 260 in 2020) are subject to an EcoVadis assessment. In 2020, 114 suppliers representing roughly 80% of the total amount of purchases in the scope processed by the Purchasing department were evaluated. The average of the evaluations is 59.5/100 for these suppliers, well above the average of the companies rated by EcoVadis, which is 43.2/100.

Since 2020, CNP UniCredit Vita has carried out a CSR assessment on essential service providers and all new contracts equal to or greater than €75 thousand.

7.3.3.3 Develop social initiatives in the field

Pursue local development through a corporate philanthropy policy

Corporate philanthropy is carried out in partnership with associations, NGOs and local authorities in France for projects carried out by CNP Assurances and its subsidiaries, the CNP Assurances Foundation, the Institut Caixa Seguradora or the Group's employees.

Providing assistance for support initiatives sponsored locally

CNP Assurances is committed to the PAQTE approach in support of priority areas in urban planning policy. It works in vulnerable neighbourhoods, focusing particularly on:

- training: active work-study policy from high school leavers to masters students;
- awareness: Re'pairs Santé, a health education programme where young people doing community service with Unis-Cité, a partner of the CNP Assurances Foundation, pass on information to other young people and help raise their awareness;
- hiring: non-discrimination policy in the recruitment phase;
- purchasing: purchasing policy from companies that have signed the PAQTE charter.

In addition, Fondation CNP Assurances is a partner of *Alliance pour l'éducation*-United Way and its youth challenge programme, which supports young people throughout middle and high school. The programme promotes closer links between companies and schools in priority neighbourhoods.

For more than 10 years, Fondation CNP Assurances has been encouraging local authorities to install defibrillators in public areas and to raise awareness of first aid in a socially responsible manner, with the aim of bringing first aid to as many people as possible in local public spaces.

The Caixa Seguros Holding group has developed a social technology and applied it to the *Jovem de Expressão* programme, which develops community-based communication, creative economy and youth health initiatives within its outreach programme. It has also provided several years of support for people with AIDS, as well as prevention initiatives aimed at young people. In 2019, it continued its *Embaixadores da Juventude* training programme for young people on sustainable development goals. Caixa Seguros Holding's actions are rounded out by extensive cultural and artistic patronage.

In Argentina, CNP Assurances Compañía de Seguros partnered its Multiplicar programme with *Comedor la Esperanza* in 2015, an association working in poor neighbourhoods of Buenos Aires, providing ongoing donations of school supplies.

In September 2020, the second edition of the CNP Start programme was completed, supporting entrepreneurs by providing help, advice, accommodation and funding. The company is looking forward to launching the third edition in 2021.

More broadly, CNP Partners sponsors an association working with people with intellectual disabilities, their families and loved ones.

CNP Santander employees carry out solidarity actions each quarter. In Cyprus and Luxembourg, they compete in solidarity races. CNP UniCredit Vita set up a skills sponsorship programme in 2018, and supports associations in which its employees are personally involved.

Measures in favour of training and research

CNP Assurances has developed a partnership with the Foundation of the French Academy of Medicine covering a cycle of debates on the theme of society and ageing.

As a major player in personal insurance in France, CNP Assurances aims to contribute to and support general interest think tanks working on a range of economic approaches, and whose work improves understanding and knowledge of the economic, social and societal context in which CNP Assurances operates.

CNP Assurances maintains close relationships with schools and universities related to its various business lines (actuarial, insurance and finance) by increasing its presence in forums and by directly contacting students at special events.

Against the backdrop of the health crisis, CNP Assurances' corporate philanthropy supported the Foundation for Medical Research as part of the Flash ANR Covid-19 appeal.

CNP UniCredit Vita has developed a partnership with a university in Milan and is a partner in the "Finance: instrument, market and sustainability" master's programme. It offers a scholarship and a six-month internship to the most deserving student.

CNP Assurances Corporate Foundation: reducing social inequalities in healthcare and saving lives

CNP Assurances has made a significant commitment to health through its corporate foundation for several years now. Extended for three years in 2019, its new €2.4 million multi-year action programme is devoted exclusively to the projects it supports in two areas.

A foundation aimed at helping reduce social inequalities in healthcare:

By promoting prevention and better health and focusing on education, which is one of its key social determinants, the Foundation aims to help foster better living and health among young people at risk of social vulnerability. In this context, the Foundation has adopted a dynamic approach to the joint development of national projects with partner organisations such as Unis-Cité, Bibliothèques Sans Frontières, FAGE and the Alliance for Education *(Alliance pour l'Éducation)* United Way, and the Foundation for Vocation *(Fondation pour la Vocation).*

Following a call for projects, Fondation CNP Assurances Foundation and *Bibliothèques Sans Frontières* chose CRIPS Ile-de-France (Regional Centre for Information and Prevention of AIDS and for the Health of Young People) for its third Health Ideas Box in 2020 (after Boulogne-sur-Mer and Sarcelles). CRIPS Ile-de-France will use this innovative prevention mechanism to offer young people, primarily from priority neighbourhoods, activities centred on emotional and sexual relationships and access to rights and care.

A foundation committed to helping save lives

Fondation CNP Assurances promotes the installation of defibrillators in public places and public awareness of life-saving gestures. Over the past ten years, the Foundation's support has helped equip 3,000 local communities with more than 4,500 defibrillators.

In this area, over the past year, Fondation CNP Assurances has been involved with SAUV Life, an association that is drawing on the contribution of new technologies to set up a community of volunteer rescue workers to support the emergency services. Fondation CNP Assurances has also supported the Sam-Sauv scheme, launched by the association during the Covid-19 crisis, which sends trained health professionals to the homes of people who call the emergency services in order to facilitate their referral for treatment or even hospitalisation.

A foundation close to CNP Assurances employees

For several years, the Fondation CNP Assurances has launched projects aimed at CNP Assurances employees, by supporting projects in which they are personally involved. In 2020, 12 projects were established in the fields of prevention and the promotion of health and well-being, through educational means or the creation of social bonds.

In addition, in 2020, a large number of employees coached high school students in priority districts to help them write their cover letters to the Parcoursup higher education selection body. The high schools concerned are involved in the Alliance pour l'éducation-United Way Youth Challenge programme, supported by Fondation CNP Assurances.

CNP Assurances employees are also given the chance to attend workshops to raise awareness of life-saving gestures carried out by emergency service instructors, devoted to simple and useful gestures that can be used everywhere, in both professional and personal contexts.

Employees have the opportunity to carry out skills sponsorship work with Fondation CNP Assurance's four main partners, namely: *Unis-Cité, Alliance pour l'éducation*-UW, *Bibliothèques Sans Frontières* and FAGE.

7.3.3.4 Respect human rights

On joining the United Nations Global Compact in 2003, CNP Assurances and its main subsidiaries pledged to respect the following fundamental values: to promote and respect international human rights law, and refuse to be party to human rights violations.

Internally, its commitment is reflected in a range of ways:

- in the integration of environmental, social and governance criteria in investment management strategies. Respect for human rights is one of the criteria used to select investments (see: "Integrate ESG issues into the investment business");
- in procedures that promote respect for civil rights: internal codes and regulations, agreements on the right to organise and the personal data protection policy (see "Protect personal data and strengthen cybersecurity"). Employees are all covered by an insurance industry collective bargaining agreement (excluding Ireland, Luxembourg, and certain categories of employees in Argentina due to local regulations);
- in communication with employees: CNP Assurances' dedicated Human Resources Intranet informs them about their rights, and includes sections on the collective bargaining agreement, social dialogue, professional diversity and stress management. A union section on the Intranet allows the unions to communicate to staff on a continuous basis;

- in communication with regard to stakeholders: special attention is given to forced labour and child labour in the purchasing policy, with CNP Assurances and the Group's subsidiaries not directly involved (see "Be a responsible purchaser"). In addition, in supplier relations, the standard CSR clause in CNP Assurances' purchase contracts stipulates that the supplier must undertake to combat human rights violations, notably by upholding the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child, as well as the conventions of the International Labour Organization (ILO);
- compliance with the ILO's fundamental conventions is reflected in the Group's relations with suppliers and sub-contractors (see "Be a responsible purchaser"), and in the integration of societal criteria into the management of investments and real estate assets.

7.3.4 Have a positive impact on the environment

Every year, when renewing their membership of the UN Global Compact, CNP Assurances and its main signatory subsidiaries confirm their determination to manage their impact on the environment.

The Group's commitment to its surrounding environment is reflected in a number of concrete measures: the implementation of environmental policies, exhaustive reporting on its environmental footprint and the annual follow-up on greenhouse gas emissions.

The CNP Assurances Group is committed to supporting the energy and environmental transition towards an economy that does not deplete natural resources, either in terms of the Company's own management (digitisation, operating buildings), its insurance activities or its investment activities.

Its commitment in this area is based on:

- monitoring the environmental impact of the Group's business;
- taking actions to reduce it.

7.3.4.1 Fight climate change NFPS

Absence of or failure to take climate change challenges into account in all activities (investment, insurance, internal operations)

Financial risks associated with the effects of climate change to which the CNP Assurances Group is exposed can be analysed along three lines:

- investment business;
- insurance business;
- internal processes.

These risks may take several different forms:

- physical risks, i.e., risks resulting from damage caused directly by climate phenomena;
- transition risks, i.e., risks resulting from the effects of deploying a low-carbon business model. This notably includes regulatory risk (linked to a change in government policies: ban or restrictions on certain activities, for example by imposing quotas; introducing carbon taxes, fines, environmental taxes or other new tax measures), technological risk (linked to the introduction of innovations or disruptive technologies that help combat climate change), market risk (changes in the balance of corporate and consumer supply and demand);
- liability risk (increase in complaints and disputes) and reputational risk (changed customer and stakeholder perception of the Company).

As an insurance company, CNP Assurances has an impact on climate change primarily through the choice of assets held in its investment portfolio. The focus of this section is therefore on the financial risks associated with the effects of climate change arising from CNP Assurances' investments.

In 2015, CNP Assurances rounded out its responsible investment strategy with a low-carbon strategy in favour of the energy transition. In 2019, CNP Assurances committed to aiming for carbon neutrality in its investment portfolio by 2050 by joining the Net-Zero Asset Owner Alliance. In 2020, it adopted a plan for the definitive exit from thermal coal: it is committed to achieving zero exposure to thermal coal in its investment portfolio by 2030 in the countries of the European Union and the OECD, and by 2040 in the rest of the world. These commitments are intended to protect the assets backing its commitments to its policyholders, as well as creating financial and non-financial value for all CNP Assurances stakeholders.

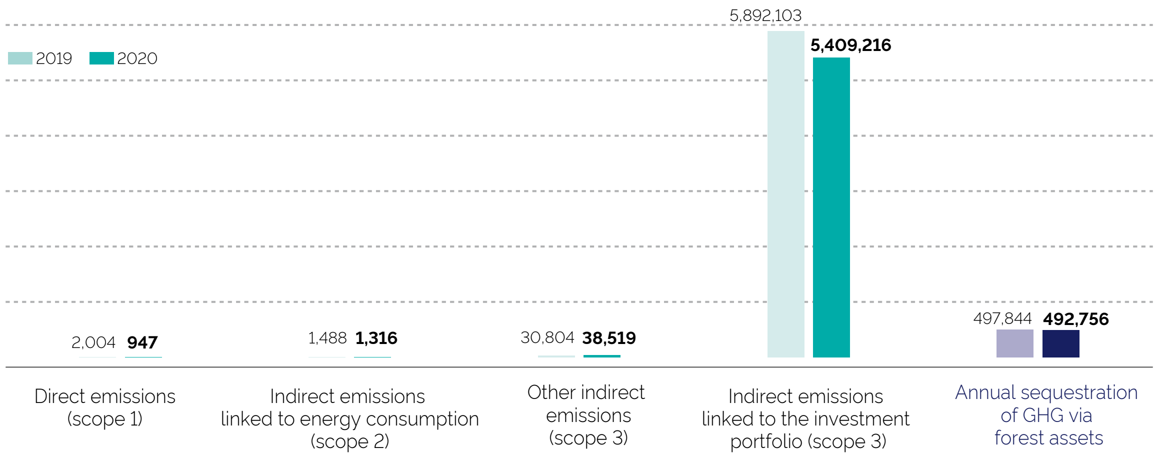
CNP Assurances is aware of the compelling need to reduce the effects of climate change and set up a Climate Risk Committee in 2019. The Committee meets each quarter to review the roadmap to be implemented to manage climate risks across all aspects of the business. Its members bring together the General Secretariat, the Risk department, the Investment department, the Technical department and the CSR department.

The principles and governance of climate risks adopted by CNP Assurances are described in the Responsible Investment Report.

TCFD | INDICATORS AND OBJECTIVES

Indicators	2019	2020	Scope
Carbon footprint of the directly held equity portfolio	227 kgeqCO_2 per thousand euros invested	217 kgeqCO_2 per thousand euros invested	CNP Assurances
Rate of achievement of the objective to reduce the carbon footprint of the directly held equity portfolio by 47% over the period 2014-2021 to 250 kgeqCO_2/€k invested in 2021	110%	115%	CNP Assurances
Carbon footprint of the directly held real estate portfolio ✓	19 kgeqCO_2 per sq.m	18 kgeqCO_2 per sq.m	CNP Assurances
Rate of achievement of the target to reduce the carbon footprint of the directly held real estate portfolio by 40% over the period 2006-2021 to 18 kgeqCO_2/sq.m in 2021	93%	102%	CNP Assurances
Green investment AUM	€14.4 billion	€17.2 billion	CNP Assurances
Rate of achievement of the objective of having €20 billion in green investments by the end of 2023	72%	86%	CNP Assurances
Outstanding green bonds issued by CNP Assurances	€750 million	€750 million	CNP Assurances
Annual GHG emissions (scopes 1, 2 and 3 excluding emissions linked to the investment portfolio and purchases of services) ✓	12,197 teqCO_2	8,817 teqCO_2	CNP Assurances
Annual GHG emissions (scope 3: emissions linked to purchases of services) ✓	22,099 teqCO_2	31,965 teqCO_2	CNP Assurances
Annual GHG emissions (scope 3: emissions linked to the equity and corporate bond portfolios)	5,892,103 teqCO_2	5,409,216 teqCO_2	CNP Assurances
Annual sequestration of GHG via forest and woodland assets	497,844 teqCO_2	492,756 teqCO_2	CNP Assurances

CNP Assurances' GHG emissions and sequestration (teqCO_2)



Examples

TCFD | GOVERNANCE

CNP Assurances' Climate Risk Committee met four times in 2020. It examined the following main items:

- the EU Action Plan for Financing Sustainable Growth;
- work with ACPR on climate stress tests;
- mapping of climate risks in CNP Assurances' liabilities;
- preparing for the implementation of the EU's Sustainable Finance Disclosure Regulation;
- CNP Assurances' participation in the work of the Net-Zero Asset Owner Alliance;
- the definitive exit plan from thermal coal;
- discussions led by CNP Assurances with companies to encourage them to adopt a plan for the definitive exit from thermal coal.

The first Group Climate Risk Committee meeting bringing together the main subsidiaries was held at the end of 2020. For each of them, an action plan was drawn up to measure and monitor climate risks.

7.3.4.1.1 Climate risks within the investment business

7.3.4.1.1.1 Exposure to physical risks within the investment business

TCFD | RISK MANAGEMENT

CNP Assurances strives to analyse the exposure of its forests to physical risks. Its forestry assets are located mainly in France and their exposure to physical risk is therefore limited. CNP Assurances aims to achieve a high level of geographic diversification throughout France, in order to limit the effects of extreme climate events such as storms and drought. Some areas subject to significant natural hazards have been avoided (south-east France, for instance, due to the risk of fires). The Group has recently purchased woodland in Scotland, to further improve the level of geographic diversification.

The analysis of physical risks associated with its property portfolio, based on the two scenarios proposed by the Intergovernmental Panel on Climate Change (IPCC), provided a snapshot of the assets giving rise to a high level of exposure to climate risks. For most of the risks, CNP Assurances' exposure is weak or non-existent. Only buildings located around the Mediterranean and in cities that are prone to urban heat islands have a higher risk of heatwave or increased average temperatures by 2050. CNP Assurances aims to reduce this exposure by encouraging its management companies to propose mitigating measures.

Lastly, several examinations of the physical risks associated with its equity, corporate and government bond portfolios that were launched in 2018 and 2020 provided CNP Assurances with insight into the exposure and vulnerability of certain companies' production resources (factories, offices, etc.) to various climate risks.

7.3.4.1.1.2 Exposure to transition risks within the investment business

TCFD | RISK MANAGEMENT

The value of CNP Assurances' assets is potentially exposed to environmental and energy transition risks, including regulatory, technological, market, liability and reputational risks.

CNP Assurances uses several approaches to manage transition risks:

- calculation of the carbon footprint of the portfolio of directly held equities and corporate bonds. This calculation is used to highlight the companies most exposed to transition risk, i.e., those with the most carbon-intensive businesses;
- calculation of the carbon footprint of the portfolio of directly held properties; and the greenhouse gas emissions avoided by renovation work undertaken on these properties since 2012;
- 2Dii performed an audit of the equities and corporate bond portfolios' alignment with the objective of limiting global warming to 2°C. The study is based on a "Beyond 2°C" scenario (B2DS) corresponding to a 50% chance of limiting the rise in average temperature to 1.75°C. It analyses a scenario for five sectors: fossil fuels, automotive, cement & steel, aviation & maritime transport and electricity production on the basis of different energy sources (coal, gas, renewables, oil);
- continuation of prospective analysis tests, such as measuring the temperature of financial portfolios (two methods tested between 2018 and 2020) and measuring the financial impact of climate risks on the value of companies held in the portfolio in 2020.

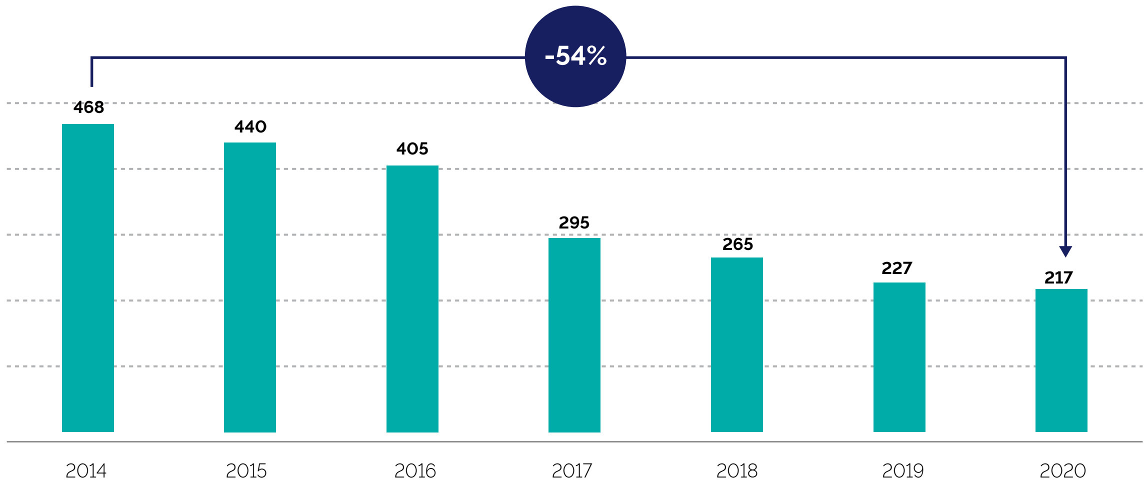
In order to reduce the investment portfolio's exposure to transition risk, CNP Assurances has set several key guidelines.

Targets for reducing the investment portfolio's carbon footprint

TCFD | INDICATORS AND OBJECTIVES

Objective to reduce the carbon footprint of the directly held listed equity portfolio by 47% over the period 2014-2021 to 250 kgeqCO_2/€k invested in 2021.

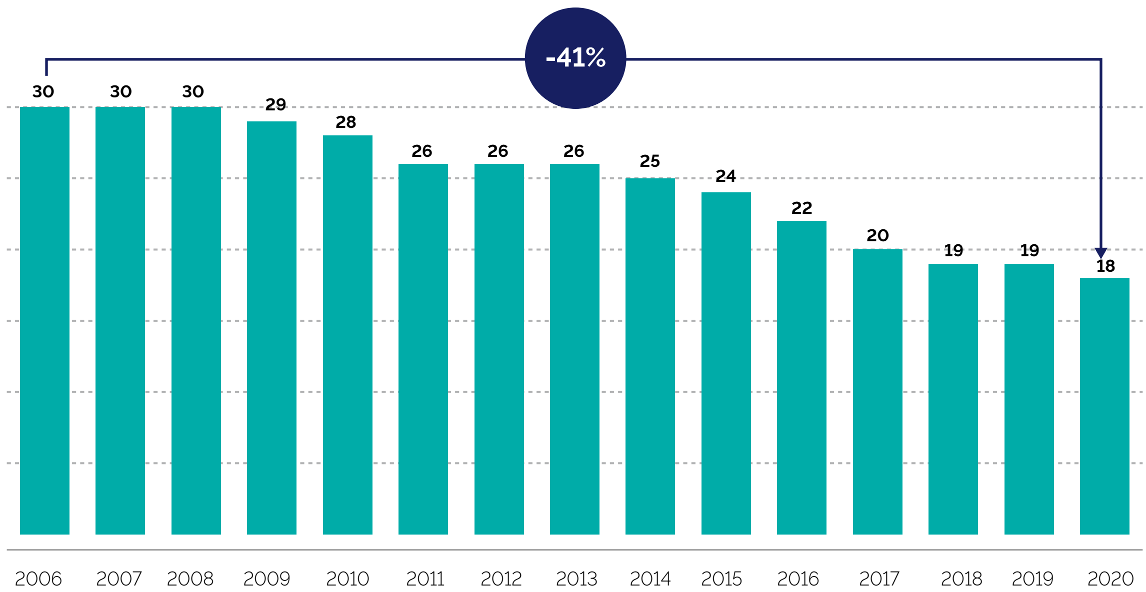
Carbon footprint of the directly held equity portfolio (kgeqCO_2/K€ invested)



As of end-2020, this objective had been 115% met; the portfolio's carbon footprint at that date was 217kgeqCO_2/€k invested, representing a 54% reduction compared to 2014 levels. The commitment to reduce the carbon footprint of the equity portfolio allows CNP Assurances to strengthen its role as a responsible shareholder and to reinforce dialogue with issuers. In keeping with its shareholder engagement policy, CNP Assurances engages in discussions with the management of the companies emitting the most greenhouse gases to ensure that they are aware of the risks and opportunities associated with the energy transition, and to help them as long-term shareholders in this transition towards a carbon-neutral economy.

Objective to reduce the carbon footprint of the directly held real estate portfolio by 40% over the period 2006-2021 to 18 kgeqCO_2/sq.m. in 2021.

Carbon footprint of the directly held real estate portfolio (kgeqCO_2/K€ sq.m.)



As of end-2020, 102% of this objective had been met: the portfolio's carbon footprint at that date was 18 kgeqCO_2/sq.m., representing a 41% reduction compared with 2006. The improvement was the result of an ambitious €198 million programme of work carried out over several years to make CNP Assurances' directly held properties more energy efficient.

CNP Assurances seeks to ensure the application of the highest environmental standards: As of end-2020, 44% of the surface area of the real estate portfolio was certified or had been awarded an environmental label. Moreover, CNP Assurances asks management companies to also sign the charter on the energy efficiency of public and private tertiary buildings. As of end-2020, 71% of management companies with a management agreement with CNP Assurances had signed the charter.

In 2020, CNP Assurances launched work with its management companies to prepare for the application of the tertiary decree. This French regulation imposes reductions of 40%, 50% and 60% in energy consumption in buildings dedicated to tertiary activity by 2030, 2040 and 2050 respectively.

Plan for the definitive exit from thermal coal

TCFD | INDICATORS AND OBJECTIVES

CNP Assurances is gradually phasing out the funding of companies involved in thermal coal by reviewing exclusion criteria at regular intervals. It is committed to achieving zero exposure to thermal coal in its investment portfolio in the European Union and OECD countries by 2030, and the rest of the world by 2040.

In addition to the exclusion policy, in 2020, CNP Assurances began the process of asking all of the companies to which it is directly exposed to publish, by 2021, a plan for their exit from thermal coal by 2030 in the countries of the European Union and the OECD, and by 2040 in the rest of the world, based on their closure as opposed to the sale of the assets. Some 21 letters were sent, with a response rate of 90%. 57% of the companies surveyed have a compliant exit plan, 29% have an insufficient plan and 14% have not yet adopted an exit plan. CNP Assurances will continue discussions with companies in 2021 and will suspend all new investment in companies that have not adopted an exit plan meeting its expectations.

Alignment of the management of directly held equities with benchmarks that heavily weight the energy transition

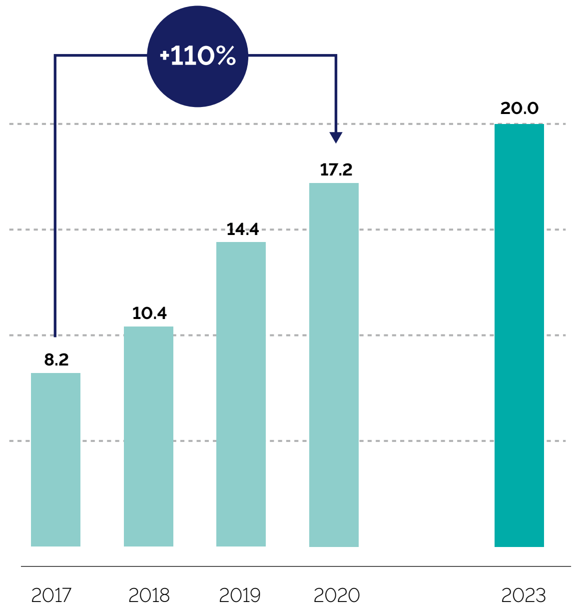
In 2020, work continued to align the management of CNP Assurances' equity portfolio with benchmarks comprising European companies that are compatible with or support the energy transition. These benchmarks are applied in collaboration with LBPAM and Ostrum AM. CNP Assurances' objective is for the management of directly held equities to be aligned with benchmarks that heavily weight companies contributing to the energy transition.

Green investments

TCFD | INDICATORS AND OBJECTIVES

In November 2019, CNP Assurances announced its intention of reaching €20 billion in green investments by the end of 2023 (forests, green bonds, high energy-performance buildings, green infrastructure). At the end of 2020, they amounted to €17.2 billion.

Green investment AUM (in € billion)



In 2020, CNP Assurances invested €55 million in Ambition Climat funds, which offer innovative methods to integrate the fight against global warming into asset management. The funds were selected by CNP Assurances and nine other French institutional investors as part of a call for tenders coordinated by Caisse des Dépôts and supported by the French Insurance Federation.

In 2020, CNP UniCredit Vita stepped up its investments contributing to the protection of the environment and the fight against climate change, which amounted to €555 million at the end of the year.

Carbon sinks in its forests

CNP Assurances is the largest private owner of woodland in France, with 56,488 hectares of forest at end-2020. Société Forestière, a 50%-owned subsidiary of CNP Assurances, specialises in sustainable management of forests that respect biodiversity and anticipate climate change.

In 2020, the growth of CNP Assurances' trees absorbed 492,756 tonnes of CO_2, i.e., an average ratio of 8.7 tonnes of CO_2 absorbed per hectare of forest. In 2020, CNP Assurances and Société Forestière implemented a sustainable charter that will apply from 2021, aiming to better protect biodiversity and take into account all stakeholders, while increasing the resilience of forests to climate risks.

Since 2007, the Brazilian subsidiary Caixa Seguros Holding has been offsetting its carbon emissions by financing NGO *Iniciativa Verde*'s tree-planting programmes in the Atlantic forest.

Participation in the work of the Net-Zero Asset Owner Alliance

TCFD | STRATEGY

In 2019, CNP Assurances joined the Net-Zero Asset Owner Alliance, an initiative supported by the United Nations that aims to strengthen commitments to implement the Paris Agreement on climate change. As a member of the Alliance, CNP Assurances has committed to having a carbon-neutral investment portfolio by 2050. By targeting the transition of its portfolio to net zero greenhouse gas emissions over the next 30 years, CNP Assurances hopes to help limit global warming to 1.5°C in line with the Paris Agreement.

As part of this long-term commitment, CNP Assurances and the other members of the Alliance will take into account advances in available scientific knowledge, particularly the conclusions of the IPCC, and will regularly report on the progress made by setting interim objectives every five years to 2050. Early in 2021, CNP Assurances will publish the first set of targets for 2025 in terms of shareholder commitment and further reduction of the carbon footprint of the investment portfolio in line with the trajectory of the Paris Agreement.

Joining the Alliance involves implementing three levers of action:

- regularly measuring the investment portfolio's alignment with the Paris Agreement and publishing the progress made;
- engaging in shareholder dialogue with companies to ensure they are also targeting carbon neutrality;
- lobbying for public policies that promote the transition to a carbon-neutral economy, because the commitment of Alliance members to net-zero portfolios is based on the assumption that governments will fulfil their own commitments to meet the objectives of the Paris Agreement.

7.3.4.1.2 Climate risks within the insurance business

7.3.4.1.2.1 Exposure to physical risks within the insurance business

TCFD | RISK MANAGEMENT

CNP Assurances' business consists mainly of writing personal insurance and the risks associated with the effects of climate change primarily concern mortality and morbidity rates. CNP Assurances takes this aspect into account in the measurement and management of underwriting risks, especially mortality and morbidity risks covered by personal risk contracts and term creditor insurance.

The Climate Risk Committee set up in 2019 enhances the cross-functional vision of the effects of climate change on both assets and liabilities. Since 2019 CNP Assurances has performed an initial measurement of the potential consequences of physical risks on its insurance liabilities by simulating the effects of higher-than-expected mortality rates due to climate change on all of its businesses. The mapping of liabilities' exposure to climate risk was finalised in 2020, and the assessment methodologies will be completed gradually.

With this in mind, CNP Assurances volunteered to take part in the 2020 climate stress test process conducted by the ACPR and Banque de France.

SCENARIOS AND MAIN ASSUMPTIONS OF THE CLIMATE STRESS TEST PROCESS

CNP Assurances was asked by the ACPR to take part in the climate stress test process on the scope of its activities in France. This forward-looking long-term exercise (projection to 2050) had the following objectives:

- raise awareness of climate risk among insurers;
- highlight potential vulnerabilities to physical and transition risks;
- carry out initial reflections on the management decisions to be considered in order to deal with the consequences of climate change.

The process did not specifically address the solvency of insurers: it did not involve a calculation of regulatory capital requirements. The impacts of climate scenarios were assessed on the basis of three metrics: the Solvency II balance sheet, the income statement and the valuation of the investment portfolio.

The work was carried out on the basis of data as of end-2019. The Group Risk Management department presented the results of the study to the Climate Risk Committee, the Group Risk Committee, the Audit and Risk Committee and the Board of Directors of CNP Assurances.

Three transition scenarios were proposed by ACPR and tested by CNP Assurances:

1) orderly transition scenario: efforts to comply with the Paris Agreement are made in an orderly and gradual fashion between 2020 and 2050;
2) delayed transition scenario: efforts to comply with the Paris Agreement start abruptly in 2030, to meet targets by 2050;
3) sudden transition scenario: efforts to comply with the Paris Agreement start abruptly in 2025 and targets are met quickly

These three scenarios also incorporate assumptions of heightened physical risk. For personal insurers like CNP Assurances, the ACPR anticipates an increase in claims, caused by an increase in pollution and vector-borne diseases, which would impact:

- death benefits under death/disability and term creditor insurance policies;
- loss of work guarantees under death/disability and term creditor insurance policies;
- healthcare cost guarantees under health insurance policies.

RESULTS OBTAINED AND MAIN LESSONS FROM THE CLIMATE STRESS TEST PROCESS

The process, although particularly complex, served to quantify CNP Assurances' exposure to the climate scenarios proposed by the ACPR, and in particular:

- the potential increase in the loss ratio for death/disability and term creditor insurance policies;
- sensitivity to an environment of persistently low interest rates in the various scenarios.

The process also highlighted CNP Assurances' resilience in the face of climate risk:

- the process confirmed that the measures implemented in recent years (reducing the carbon footprint of the investment portfolio, reducing exposure to the thermal coal sector, increasing green investments) will enable CNP Assurances to display greater resilience in a transition scenario unfavourable to companies emitting the most greenhouse gases;
- the potential increase in the loss ratio caused by the occurrence of a physical risk could be offset to some extent by an increase in the pricing of death/disability and term creditor insurance policies.

TCFD | STRATEGY

To go further, CNP Assurances has pledged five years of funding for an academic research programme created in January 2020, namely the Chair of Excellence Digital Insurance And Long-term risk (DIALog). Research is focused primarily on the issues of the digital and environmental transformation that affect the insurance industry. The researchers and experts selected are specialists in the financial sector, particularly insurance. Their aim is to use data science techniques and artificial intelligence in a big data environment as tools and means to help explore new knowledge and produce innovative solutions, useful for the Company's prospective approach.

One of the lines of research is dedicated to the study of future impacts related to the development of environmental factors in insurance. It will enable prospective studies to be carried out with a view to understanding the major transformations underway, without neglecting the long-term dimension. The expected results should improve the forward-looking vision, particularly the impacts of environmental risks on the loss ratio and health (climate change, pollution, pandemic risk). Initial work carried out was focused on analysing methods for setting assumptions and mapping risks as part of the ACPR Banque de France pilot process in 2020.

To reduce the impact of climate risks on its insurance business, CNP Assurances follows a broad-based approach to protection, including climate risks, by purchasing reinsurance cover against the risk of higher-than-expected mortality rates. The Group addresses climate risk by covering the risk of higher-than-expected mortality rates, whatever the cause (for example, pandemics or heatwaves).

CNP Assurances also participates in the *Bureau Commun des Assurances Collectives'* natural disaster pool, which enables it to protect its personal risk and term creditor insurance portfolios against catastrophe risk.

In Brazil and Cyprus, life and non-life reinsurance programmes offer protection against the occurrence of natural disasters that are likely to be more severe and occur more frequently in the coming decades due to global warming.

7.3.4.1.2.2 Exposure to physical risks within the insurance business

TCFD | RISK MANAGEMENT

In addition to mortality and health risks, the insurance business could be impacted by transition risks, such as behavioural changes among savers (changes in the savings rate, changes in redemption rates). Similarly, the disruption of the property market or household incomes due to stricter environmental regulations could undermine the business of term creditor insurance or guarantee companies. These elements are integrated into the mapping of liabilities' exposure to climate risk finalised in 2020, and the assessment methodologies will be gradually completed.

7.3.4.1.3 Climate risks within internal operations

7.3.4.1.3.1 Exposure to physical risks within internal operations

TCFD | RISK MANAGEMENT

The Group's offices and employees are located in countries (78% in Europe and 22% in Latin America) which, due to their level of development, are not considered as being the most vulnerable to climate events likely to severely disrupt their operations. It will nonetheless be important to measure the exposure and vulnerability of production resources to various climate risks in the coming decades as accurately as possible, based on different global warming scenarios.

Physical risks associated with the Group's internal processes are managed by regularly updating its contingency plans, in order to ensure that staff would be able to continue working following a climate event.

7.3.4.1.3.2 Exposure to transition risks within the internal operations

TCFD | RISK MANAGEMENT

The transition risk associated with internal processes is the risk of failing to control of the main sources of greenhouse gas emissions, or to take into account technological and behavioural changes linked to climate change, with possible negative financial consequences.

Annual greenhouse gas (GHG) emission audits serve to focus the Group's efforts on the most effective action in the areas of business travel, building management and paper use.

CNP Assurances greenhouse gas emissions audit

CNP Assurances is required to audit its greenhouse gas emissions pursuant to the provisions of Article L.229-25 of the French Environment Code *(Code de l'environnement)*. It updates it annually. The provisions laid down in this Article are available at www.bilans-ges.ademe.fr. CNP Assurances has also reported its greenhouse gas emissions to the Carbon Disclosure Project since 2005.

In 2020, CNP Assurances thoroughly reviewed the methods used to calculate its GHG emissions using the Bilan Carbone© methodology. The review notably served to broaden the scope of the scope 3 calculation (taking additional services into account) and to review all emissions items (emissions volumes and factors). The emissions factors taken into account by CNP Assurances are derived from the spreadsheet made available by the Bilan Carbone© association in August 2020, corresponding to the V18.0 of the French Agency for the Environment and Energy Management (ADEME) carbon base. A survey of CNP Assurances' employees' commutes was also performed in 2020 so as to take new working from home arrangements into account.

MAJOR GHG EMISSIONS SOURCES AT CNP ASSURANCES

TCFD | INDICATORS AND OBJECTIVES

	2019	2020	Change	Scope
Scope 1 (direct emissions: fuel, natural gas, fuel oil, air conditioning consumption)	2,004 teqCO_2	947 teqCO_2	-53%	CNP Assurances
Scope 2 (indirect emissions linked to energy consumption: electricity and heating network consumption)	1,488 teqCO_2	1,316 teqCO_2	-12%	CNP Assurances
Scope 3 (other indirect emissions, excluding those linked to the investment portfolio)	30,804 teqCO_2	38,519 teqCO_2	+25%	CNP Assurances
of which purchases of services (scope 3)	*22,099 teqCO_2*	*31,965 teqCO_2*	*+45%*	*CNP Assurances*
of which amortisation of real estate, IT equipment, vehicles and furniture (scope 3)	*4,571 teqCO_2*	*4,364 teqCO_2*	*-5%*	*CNP Assurances*
of which daily commuting (scope 3)	*1,835 teqCO_2*	*690 teqCO_2*	*-62%*	*CNP Assurances*
of which business travel (scope 3)	*1,075 teqCO_2*	*378 teqCO_2*	*-65%*	*CNP Assurances*

The main changes in CNP Assurances' GHG emissions between 2019 and 2020 are as follows:

- **scope 1 (direct emissions):** As a result of the restrictions imposed on movement in 2020 against the backdrop of the health crisis, there was a sharp drop (down 53%) in GHG emissions due to the reduction in the fuel consumption of the vehicle fleet;
- **scope 2 (indirect emissions linked to energy consumption):** As a result of the new working from home arrangements introduced in 2020 against the backdrop of the health crisis, there was a decrease (down 12%) in GHG emissions due to the reduction in electricity and district heating consumption in CNP Assurances' operating buildings;
- **scope 3 (other indirect emissions, excluding those linked to the investment portfolio):** In 2020, restrictions on movement and new working from home arrangements resulted in a sharp drop in GHG emissions related to commuting (-62%) and business travel (-64%) by CNP Assurances employees. By contrast, GHG emissions linked to purchases of services were up sharply (up 45%) following an in-depth review of the calculation methods based on the Bilan Carbone© methodology (taking additional services into account, notably asset managers commissioned by CNP Assurances to manage its investments).

TCFD | STRATEGY

The transition risk associated with internal processes is managed by implementing measures to reduce greenhouse gas emissions. Increasing use of videoconferencing facilities and conference calls has helped to reduce employees' business travel. Working from home is also a way to help reduce greenhouse gas emissions by limiting employee travel to and from work.

CNP Assurances has adopted energy-saving measures designed to help buildings operate more efficiently. For example, improving how heating, air-conditioning and ventilation systems are controlled requires the expert management of programmable time settings.

CNP Assurances also ensures that routine maintenance work includes a search for greater energy efficiency. The most energy-efficient option is always taken when replacing technical equipment. This ongoing aim of reining in the environmental impact is what guides CNP Assurances' work on its sites.

Lastly, action taken in recent years to reduce paper use (introduction of paperless processes, use of laptops and shared printers) has saved several million sheets of paper and avoided the related greenhouse gas emissions.

Details of the measures taken to reduce exposure to transition risk in internal operations are described in the section "Reduce the environmental footprint".

7.3.4.2 Protect biodiversity

CNP Assurances' business, like that of any other company, is dependent on services provided by nature, also known as ecosystem services. CNP Assurances' business also has direct or indirect impacts on biodiversity. These links are complex and have not been studied closely to date.

For several years, scientific reports, particularly those by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), have been warning of the accelerating deterioration of biodiversity and making businesses aware of the risks linked to biodiversity loss and the need to control their impacts on the diversity of ecosystems and species. Biodiversity is subject to five types of impacts or pressures, namely land use, overexploitation of resources, pollution, climate change and invasive exotic species.

In keeping with its commitment to the United Nations Global Compact, CNP Assurances analyses the actions it can take to protect biodiversity effectively. It also seeks to assess its dependence on ecosystem services in order to mitigate this risk.

An initial analysis carried out in 2015 highlighted the most material challenges for CNP Assurances, such as taking biodiversity into account in the management of its investments and raising its stakeholders' awareness about biodiversity protection. More recent studies have shown that biodiversity loss can have an impact on human health, and therefore on the life and personal insurance business.

Integration of biodiversity in the investment activity

Biodiversity in forestry investments

CNP Assurances had 56,488 hectares of forests at the end of 2020, which benefited from sustainable forest management by Société Forestière. Preservation of biodiversity is one of its management objectives and each year, it carries out actions in favour of biodiversity. It regularly strives to maintain dead trees in forests, whether they are still standing or have fallen. Old or dead trees are home to very specific biodiversity – more than a quarter of animal and fungal forest species – and are of major interest for scientists and NGOs working to protect nature.

These actions are paying off, with the additional benefit of allowing the identification and conservation of trees or other remarkable features. For instance, the launch in 2018 of a census of these features helped build up a geographical database aimed at preserving them from any exploitation. Among the new elements identified in 2020, the lack of trees suitable for ospreys to nest prompted Société Forestière to install specific nesting boxes to help this rare and iconic bird of prey nest. Other actions taken to protect biodiversity in the Group's woodland in 2020 include the implementation of management favourable to Capercaillie and forest biodiversity in the Jura mountains. Société Forestière will, for example, apply tranquillity clauses to limit the disturbance of bird life, and more specifically the Capercaillie, during the period from 15 December to 30 June, and will keep feeder fir trees when they are identified.

The recent renewal of Société Forestière's management agreement included the drafting of an action plan and biodiversity preservation objectives for the next five years within a sustainable management charter. It provides for an inventory of potential biodiversity, with a view to improving it through actions such as the conservation of micro-habitats, the development of ecological corridors, the protection of the reproduction of the most sensitive species, the banning of fungicides and phytocides, and the limiting of insecticides to health emergencies.

Biodiversity in real estate investments

Real estate has a significant impact on biodiversity, both in the construction and operating phases. The "green works" charter imposes rules on the management companies in the real estate portfolio to protect biodiversity, such as respect for ecosystems during the construction phase, but also the choice of materials with a limited impact on the environment, and the reduction of waste and water consumption. The charter also provides for the study of technical solutions prioritising plant-based materials and technical solutions favouring biodiversity, the circular economy (reuse of materials) and ecosystem services on buildings and green spaces.

In its operating offices in Angers and the surrounding region, CNP Assurances asks service providers in charge of maintaining green spaces to commit to maintaining and improving the ecological quality of sites (sustainable mowing, use of biocontrol products, etc.).

Biodiversity in equity and bond investments

To reduce the pressure placed on biodiversity by the companies in which it invests, CNP Assurances supports a range of initiatives aimed at measuring its investments' biodiversity footprint:

- in 2016 CNP Assurances became a founding member of Club B4B+ (Business for Positive Biodiversity), which brings together companies committed to positive biodiversity around CDC Biodiversité;
- in May 2020, CNP Assurances joined the coalition of institutional investors calling for the creation of biodiversity impact measures respecting the transparency principles of the methodology.

At the end of 2020, CNP Assurances carried out an initial test to measure the biodiversity footprint of its equity and bond portfolio using the Corporate Biodiversity Footprint, a method developed by I Care & Consult and Iceberg Data Lab. Iceberg Data Lab provided data on companies in the sectors which have the greatest impact on biodiversity. The metric includes the following pressures on biodiversity: land use change, climate change, air pollution (nitrogen oxides) and water pollution (discharge of toxic products).

Since 2015, the pressure caused by climate change on biodiversity has been integrated into the carbon-neutrality strategies of CNP Assurance's equity and bond investments. To reduce the impact of its investments on the environment, CNP Assurances has chosen to reduce its exposure to unconventional fossil fuels, including tar sands, shale oil and gas, and Arctic oil and gas. The use of these resources has a negative impact on biodiversity and the climate. CNP Assurances has now undertaken to exclude any companies in the oil and gas sector (prospecting, drilling, extraction, transformation, refining) deriving more than 10% of their revenue from non-conventional fossil fuels from new investments.

Raising stakeholders' awareness of the need to protect biodiversity

Raising employee awareness

Raising employees' awareness of these issues enables them to contribute to protecting biodiversity through their individual behaviour. Biodiversity loss has a real impact on employees, particularly through their diet.

CNP Assurances accordingly carried out awareness-raising initiatives in 2019 to promote organic farming among its employees. In the same year, CNP Assurances' Investment department was given a presentation dedicated to biodiversity at its annual seminar. In 2020, the Climate Risk Committee addressed the impacts of biodiversity loss on the economy, investments and insurance.

In 2020, as part of its "GreenActions, all actors of change" programme, CNP Assurances reduced the use of single-use plastic in the workplace through an awareness-raising campaign and distributing china mugs to its employees. CNP UniCredit Vita launched the Plastic Free project in September 2019, with the aim of eliminating all single-use plastics (cups, stirrers, water bottles). To support these measures, which took effect in early 2020, reusable stainless steel bottles were offered to all employees. This initiative was rounded out with the installation of water coolers. Meanwhile, CNP Assurances Compañía de Seguros stopped purchasing plastic cups in 2019, encouraging its employees to bring in their own mug.

In Brazil, Caixa Seguros Holding has joined the *Adote uma Nascente* (Adopt a spring) programme in partnership with an NGO fighting to protect biodiversity and water reserves in the Cerrado region (Brazilian savannah). In 2020, the subsidiary made its employees aware of this programme, as well as agroecological approaches such as polyculture.

Shareholder engagement

In 2020, CNP Assurances made biodiversity an integral part of its shareholder engagement policy, and more specifically in direct dialogue with the companies in which it is a shareholder. The aim is to support CNP Assurances' biodiversity strategy (including the fight against climate change) by encouraging companies to make and implement ambitious decisions to protect biodiversity and to publish information on the risks associated with biodiversity loss.

In 2020, biodiversity was addressed in 64% of direct dialogues with businesses, and climate change in 91% of them.

Integration of biodiversity in the insurance business

Recent studies [1] have shown that biodiversity loss can have an impact on human health. Biodiversity improves and diversifies diets, thereby helping better combat chronic diseases. Biodiversity dilutes pathogens, reducing allergies and the risk of bacterial or viral contamination. Furthermore, protecting natural environments has a positive impact on psychological health and on sporting activity. Lastly, species diversity and generic diversity offer opportunities for medical innovation in pharmaceutical research.

As a personal insurer, CNP Assurances could be impacted by biodiversity loss. Some of the effects of biodiversity loss are also linked to climate change, including the increase in vector-borne diseases and pollution. These effects are studied in work related to climate risks in the insurance business.

7.3.4.3 Reduce our environmental footprint

Travel and videoconferences

Car travel by CNP Assurances employees is a big part of CNP Assurances' carbon footprint. As the potential economic and environmental gain is significant, practical training courses on road risks and bad driving are offered to all employees in the Amétis commercial network. A specific one-day module (road risks, driving in an emergency situation and bad driving) is also followed by all new employees of the Amétis network.

CNP Assurances promotes mobility, working from home and collaborative methods among its employees through the installation of 73 collaborative screens, 39 videoconference systems, 128 audioconference systems and 406 Wi-Fi hotspots.

The number of hours of videoconferencing has risen sharply throughout the Group due to the widespread adoption of working from home against the backdrop of the health crisis.

(1) *Santé et biodiversité : nécessité d'une approche commune* (Health and biodiversity: the need for a shared approach). Biodiv'2050 – CDC Biodiversité/Rovaltain Foundation (December 2019)

BUSINESS TRIPS AT GROUP LEVEL

	2019	2020	Change	Scope
Millions of km travelled by plane	20.9	4.2	-80%	Group
Millions of km travelled by train	3.5	2.0	-43%	Group
Millions of km travelled by car	10.1	2.6	-74%	Group

The travel restrictions imposed in 2020 against the backdrop of the health crisis resulted in a very significant drop in all business travel by Group employees.

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.

The use of public transport is encouraged, and taxis can be used under certain conditions. In such cases, hybrid vehicles are given priority by the booking office. Hybrid vehicles accounted for an average of 45% of taxi journeys over the last two years.

As part of a virtuous mobility incentive, CNP Assurances has installed 12 recharging stations for electric vehicles at its various sites in France (Paris and Angers). The car park also has a secure bicycle storage area. It is equipped with electric sockets for recharging electric bikes, as well as a self-service tyre pump. In 2020, a secure rack was provided for parking scooters in the bicycle area, as well as an electrical socket for recharging this type of equipment.

CNP UniCredit Vita continues to raise awareness among its employees to promote travel by train over plane and public transport over cars, offering annual public transport subscriptions at a reduced rate. In addition, CNP UniCredit Vita has now replaced a motorised courier by a service using bicycles for letters, documents and small parcels in the Milan area.

CNP Santander Insurance provides all of its employees with discounted public transport tickets, and also encourages the use of bicycles to get to work, through funding offered by the Company.

In Argentina, a special focus has been placed on sustainable mobility – particularly bicycles – with employees being provided with bicycle protection and road safety kits. 10% of employees regularly cycle to work.

Operating buildings

Controlling energy consumption

CNP Assurances' energy consumption reflects heating, cooling and office equipment used by employees and computer servers. Electricity is the main form of energy used.

	2019	2020	Change	Scope
Electricity consumption	22.2 GWh	19.7 GWh	-11%	Group
District heating consumption	3.9 GWh	3.5 GWh	-10%	Group
Gas consumption	1.1 GWh	1.2 GWh	+13%	Group
Fuel oil consumption	0.1 GWh	0.04 GWh	-64%	Group
Total energy consumption	**27.3 GWh**	**24.5 GWh**	**-10%**	**Group**
Total energy consumption per employee per year	5.1 MWh	4.8 MWh	-7%	Group

Electricity

As a result of the new working from home arrangements introduced in 2020 against the backdrop of the health crisis, electricity consumption fell by 12%.

For the data centre in France, the increase in temperature in the server rooms improved the energy performance indicator slightly (1.49 vs. 1.56 in 2019). Developed by Green Grid, this indicator measures a data centre's energy efficiency. It is calculated by dividing the centre's overall consumption by the consumption of IT equipment (server, storage, network). In 2019, the installation of new electricity meters resulted in better management of facilities, thereby optimising the operation of refrigeration units.

CNP Assurances' subsidiaries have also gradually adopted measures to reduce electricity use, notably for lighting, heating and IT servers.

At the end of 2014, the Caixa Seguros Holding Group moved its headquarters to a more energy-efficient building equipped with presence detectors, LED lighting, glass façades (less artificial light) and a more efficient air conditioning system.

CNP UniCredit Vita completely overhauled its lighting system by installing energy-saving LED lamps in all offices at its headquarters, as well as presence detectors to automate the lighting system in some locations. In 2020, 21 solar panels were installed on the company's roof. The new building occupied by CNP Santander Insurance has a lighting control system and is fitted exclusively with LED lightbulbs.

District heating, gas and fuel oil

District heating consumption declined by 10% in 2020. 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. Moreover, when extra meeting rooms are created, the addition of a CO_2 sensor enables the air conditioning system to adjust itself depending on the number of employees present.

By contrast, the use of gas, mainly used as a source of heating in France, was up 13%. This increase is the consequence of air-handling units using 100% new air, due to the new protocol linked to the health crisis.

CNP Assurances also ensures that routine maintenance work includes a search for greater energy efficiency. The most energy-efficient option is always taken when replacing technical equipment. This ongoing aim of reining in the environmental impact is what guides CNP Assurances' work on its sites.

Significant work was done to reduce energy consumption, including the modernisation of work areas impacting 600 workstations, which made it possible to replace existing lighting with less energy-intensive equipment.

This will contribute to improving the energy performance of the Saint-Serge site in Angers;

- at the same time, temperature control and function control equipment is being replaced. Information of this nature is collated in a management system that allows the building's energy performance to be maintained over time;
- as part of the multi-year works programme, the renovation of the control system continued, with the installation of new terminal units to control fan convectors and the replacement of flexible heating water supply pipes on six floors as part of work to stop water leakage.

The work being carried out now allows for the launch of an environmental performance certification process. The aim is to certify the Angers building to HQE Operations, BREEAM In-Use and OsmoZ standards, and the Beaucouzé datacentre to HQE Operations and BREEAM In-Use. The certification process is expected to be completed in 2021.

Renewable energy

Following the renegotiation of the electricity supply contract for all CNP Assurances sites, a study was launched to gradually increase the percentage of renewable energy used. The objective was to achieve fully renewable electricity from hydropower by the end of 2022.

Since 2017, CNP Assurances' Arcueil site has been heated by geothermal energy, which completely eliminated gas consumption.

Several subsidiaries have installed solar panels to supply their offices with renewable electricity:

- in Brasilia, Caixa Seguros Holding has installed 4,500 solar panels generating nominal power of 1.5 MWp on a surface area of 20,000 sq.m. It is estimated that these panels generate approximately 120 MWh of renewable energy annually. They cover 100% of Caixa Seguros Holding's electricity needs. The residual electricity generated is shared with employees through discounts on their electricity bills, and with retirement homes in Brasilia;
- in Milan, CNP UniCredit Vita has installed solar panels on its roof, providing an estimated annual renewable energy production of around 8 MWh;
- in Dublin, the building occupied by CNP Santander Insurance also has solar panels, plus a cogeneration plant to produce renewable energy.

LOW-CONSUMPTION DIGITAL TECHNOLOGY AND REDUCTION OF ENERGY CONSUMPTION IN DATA CENTRES AND WORKSTATIONS

Data centres and workstations are two key features of the digital transformation, and it is vital that the Group remains vigilant about their energy consumption.

The regular renewal of computer hardware by replacing desktop PCs with mini PCs as well as gradually providing employees with latest generation laptops helps reduce power consumption.

Computer servers are becoming more energy efficient with each generation: new equipment has the Energystar Label. All newly purchased workstations have ENERGY STAR® certified and EPEAT® registered configurations.

Virtualisation has also been widely adopted, not only on servers, but also on storage systems and CNP Assurances networks. This technique of separating IT services from the physical systems that supply them increases the efficiency of the information system (fewer resources consumed for the same service).

It is also important to remember that server cooling consumes a large amount of energy. CNP Assurances is taking initiatives to optimise the circulation of data centre airflows (urbanisation of IT rooms), while progressively equipping its equipment with smart power distribution units to monitor energy consumption.

WATER CONSUMPTION

	2019	2020	Change	Scope
Water consumption	70,923 m^3	38,795 m^3	-45%	Group
Water consumption per employee per day	64 litres	36 litres	-43%	Group

As a result of the new working from home arrangements introduced in 2020 against the backdrop of the health crisis, water consumption fell by 45%. To combat waste, water leak detection systems have been installed on two of the three CNP Assurances' buildings in Paris. The third building will be fitted in 2021. In Ireland, the building occupied by CNP Santander Insurance has a rainwater recovery system.

Analysis of the Group's water consumption in relation to the risk of water stress based on the Aqueduct Water Risk Atlas criteria [(1)] shows the following breakdown:

- 19% of water consumed in high stress areas (Spain, Italy, Cyprus);
- 55% of water consumed in medium to high stress areas (France);
- 1% of water consumed in of low to medium stress areas (Argentina);
- 25% of water consumed in low stress areas (Brazil, Ireland).

WASTE MANAGEMENT AND COMMITMENT IN FAVOUR OF THE CIRCULAR ECONOMY

	2019	2020	Change	Scope
Waste paper and cardboard recycled	123 tonnes	67 tonnes	-46%	Group
Paper and cardboard waste recycled per employee per year	23 kilos	13 kilos	-43%	Group

The volume of paper and cardboard waste produced by the Group fell by 46% in 2020, following a sharp reduction in paper consumption for internal use as part of the widespread adoption of working from home.

The CNP Assurances Group implements waste sorting in the various entities as a means of contributing to the circular economy. Similarly, most of the Group's entities regularly donate their computer equipment to NGOs. An initiative to collect electrical and electronic waste was set up at Caixa Seguros Holding in 2018.

(1) See the definition of the zones and the methodology used by the World Resources Institute at https://www.wri.org/our-work/project/aqueduct

In 2019, CNP Assurances' corporate restaurants committed to the *Mon Restau Responsible* approach. Launched in 2016 by the *Fondation Nicolas Hulot pour la Nature et l'Homme* and the Restau'Co network (interprofessional foodservice network), it aims to promote healthy and sustainable food. The initiative, which is part of CNP Assurances' CSR approach, covers five principles of action: combating food waste, working with local players, respecting the seasonality of produce, reducing cooking losses and increasing the proportion of vegetable proteins.

Pollution

Given the nature of its business, CNP Assurances has a very limited impact on water, air or soil pollution, and emits few greenhouse gases other than CO_2. CNP Assurances' charter for the sustainable management of its forest assets provides for the banning of fungicides and herbicides and limits the use of insecticides to health emergencies. Woodland owned by CNP Assurances prevents soil erosion and ensures filtration and purification of the air and water.

Office supplies and paper

As CNP Assurances Group's operations are entirely in the field of insurance, paper is the principal raw material consumed. To that end, numerous initiatives have been implemented within the Group's entities over recent years to reduce the volume of paper consumed.

PAPER USE

	2019	**2020**	Change	Scope
Paper use (internal use and communication to policyholders)	325 tonnes	315 tonnes	-3%	Group
Paper use (internal use and communication to policyholders) per employee per year	61 kilos	61 kilos	stable	Group
Percentage of paper certified as sustainable (FSC, PEFC or European Ecolabel)	91%	90%	stable	Group

In 2020, the Group's paper consumption fell by 3%. The reduction actually stands at 24% if only internal paper consumption is taken into account.

Employees' determined efforts to reduce printing, the installation of new equipment (multifunction printers, double screens, laptops) and the digitisation of contractual documents are gradually reducing the Group's paper consumption each year.

90% of paper used by the Group has a sustainable management label such as FSC, PEFC or European Ecolabel.

7.4 ESG ratings

The quality of CNP Assurances' CSR approach has been recognised by non-financial rating agencies: The following table shows CNP Assurances' latest ESG ratings (all unsolicited).

Rating agency	CNP Assurances' ESG rating	ESG rating scale	Comment
CDP Climate	C (2020)	D- to A	
ISS ESG	Prime B- (2020)	D- to A+	Best rating in the insurance sector
MSCI	AAA (2020)	CCC to AAA	Best rating in the insurance sector
PRI	A (2020)	E- to A+	Strategy and governance module
SAM ESG	49/100 (2020)	0 to 100	#42 out of 129 insurers worldwide
ShareAction	BBB (2018)	D to AAA	#6 out of 80 insurers worldwide
Sustainalytics	Low risk (2020)	Very high to negligible risk	#23 out of 261 insurers worldwide
V.E	61/100 (2020)	0 to 100	#5 out of 49 insurers in Europe

7.5 The Group's presence in ESG indices

CNP Assurances shares are included in several ESG indices featuring companies with the best ESG ratings. CNP Assurances shares are included in the following European and global indices:

- MSCI Europe ESG Leaders, MSCI World ESG Leaders;
- FTSE4Good Europe, FTSE4Good Developed;
- Euronext V.E Europe 120, Euronext V.E Eurozone 120;
- Morningstar Europe Sustainability, Morningstar Eurozone Sustainability, Morningstar Global Markets Sustainability, Morningstar Developed Europe Low Carbon Risk;
- Ethibel Sustainability Excellence Europe.

7.6 CSR awards and other external recognition

Corporate Knights ranked CNP Assurances among the world's 100 most sustainable companies in 2021. Corporate Knights is a Toronto-based media, research and financial information group. Its research division assesses companies on the basis of their sustainability performance. To determine the ranking, Corporate Knights transparently analyses 8,080 companies worldwide against their peers by comparing 24 quantitative performance indicators, weighted to reflect each sector's impact profile. Corporate Knights ranked CNP Assurances fifth out of 236 companies in the insurance sector.

CNP Assurances was awarded the new Happyindex®/Trainees Alternance label and the Happyindex®/Trainees label for the second consecutive year. Awarded by ChooseMyCompany, these labels reward companies where students are the most motivated and happy, as measured by a survey of trainees and work-study students. More than 9 out of 10 students would recommend CNP Assurances to friends wanting to complete an internship or work-study programme. In the current health and economic environment, CNP Assurances is maintaining its policy in favour of youth employment: in 2020, it made special efforts for work-study students and trainees in order to support them in their professional projects.

CNP Santander Insurance received the Great Place to Work label for the second consecutive year, in the "best small business" category (under 100 employees). The label is only awarded to companies that reach a certain score, based on an employee survey and documents provided by the Company.

Caixa Seguros Holding was named the best Brazilian insurer (general insurance category) in 2019 for the prevention of disputes with its customers in the 2019 *A Era do Diálogo* awards promoted by the *Padrão Consumidor Moderno* group.

7.7 Methodology NFPS

7.7.1 Methodology for developing the business model

The development of the business model involved a working group composed of members in charge of external institutional communication, communication with shareholders and the CSR department. Established in line with the Company's strategic plan, it is part of a dedicated validation process by several members of the Executive Committee and the General Management.

7.7.2 Methodology for analysing non-financial risks and challenges

This report sets out CNP Assurances' CSR approach by looking at its main non-financial risk and challenges. It contains examples of initiatives carried out throughout the Group, and was drafted in accordance with the provisions of Order 2017-1180 of 19 July 2017 and the Decree of 9 August 2017 (transposition of directive 2014/95/EU), which set out the content and scope of the new Non-Financial Performance Statement.

The analysis of the CSR challenges carried out in 2020 meets the various requirements of the Non-Financial Performance Statement, and more particularly those set within each of the five categories of information, namely social consequences, environmental consequences, respect for human rights, fight against corruption and tax evasion.

Risks and opportunities not included in the Non-Financial Performance Statement were deemed not to be priorities after the analysis. This refers to combating food waste and food insecurity, respect for animal welfare and responsible, equitable and sustainable nutrition commitments, all of which are listed in Article L.225-102-1 of the French Commercial Code but which are not considered material for CNP Assurances' business.

7.7.3 Non-financial data collection process

Guidelines and definition

Non-financial indicators and reporting processes have been defined for all Group entities. These processes serve as a reference for the various people involved in preparing this section at CNP Assurances and at all subsidiaries. They describe the issues, roles, indicators and data collection processes, as well as the main risks identified and the system for controlling and managing these risks.

Scope

The indicators cover all fully consolidated entities of the CNP Assurances Group, unless otherwise stated, excluding branches and CNP Europe Life, which have not been included in the scope, namely CNP Assurances, CNP Caution, MFPrévoyance, CNP Luxembourg, CNP Partners, CNP Assurances Compañía de Seguros, Caixa Seguros Holding, CNP UniCredit Vita, CNP Cyprus Insurance Holding, CNP Santander Insurance and their consolidated subsidiaries. Indicators for the Group's consolidated subsidiaries are presented on a 100% basis.

The term "CNP Assurances" covers the legal entities CNP Assurances and CNP Caution.

The term "Group" used in this chapter covers the entities mentioned above, i.e., 99% of the Group's employees as of 31 December 2020.

Reporting period

The flow indicators cover the period from 1 January 2020 to 31 December 2020; the stock indicators are as of 31 December 2020. For the energy consumption of CNP Assurances' Paris sites (electricity, heating, district heating, gas and fuel oil) and business travel, flows are measured over a 12-month period from 1 November 2019 to 31 October 2020.

Historical data and change in scope

The scope of consolidation is broadly unchanged compared with 2019. However, slight variations in scope can appear when indicators were not provided for an affiliate or subsidiary in 2019, but have been in 2020.

Reporting, control and consolidation method

Indicators are collected from operating departments, site by site when necessary. CSR reporting is performed in part with the help of accounting consolidation software.

CSR officers have been appointed for each entity. They prepare the first level of consolidation within the entity concerned. Validators check the data from their entities. The CNP Assurances Corporate Social Responsibility department is responsible for overall consolidation and carries out consistency checks on all the information collected from these CSR officers.

Introducing non-financial reporting in 2006 has led to a steady improvement in the quality of non-financial data, particularly environmental data. A collaborative web platform dedicated to collecting non-financial indicators was set up in 2015. The consolidated ratios for all entities are calculated by weighting reported ratios in proportion to each entity's headcount.

Verification by an independent third party

An independent third party undertook work to verify:

- the compliance of the NFPS with the provisions of Article R.225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to paragraph 3 sections I and II of Article R.225-105 of the French Commercial Code, i.e., the outcomes, including key performance indicators and measures implemented in relation to the principle risks.

The indicators associated with the main environmental, social and governance (ESG) risks and opportunities identified as relevant to CNP Assurances, identified following materiality analysis, were the subject of detailed testing (identified by a ✓). Other required items, such as the presentation of the business model and the methodology used to identify ESG risks and opportunities together with the policies in place to manage them, were also subject to checks.

Limitations to the completeness and reliability of information

The definition of certain social indicators may differ slightly from one country to another. The guidelines were deployed in 2014 in foreign subsidiaries, and certain definitions, such as those for absenteeism, training and remuneration, were harmonised from one subsidiary to the next. However, the consolidated indicators used are consistent and material.

The scope for water and energy use in France includes the facilities in Paris, Angers and Arcueil, but excludes regional offices (1,800 sq.m.); this corresponds to 92% of CNP Assurances' employees.

Estimates have been used for certain environmental data where more exact information is not available (for instance when consumption is included in the rental charges). This applies in particular to water and energy consumption data for buildings, which are sometimes estimated on a pro rata basis based on the number of square metres (Arcueil site).

7.8 Report by the independent third party on the voluntary consolidated non-financial statement included in the Group management report NFPS

To the Shareholders,

In our capacity as independent third party of your company (hereinafter the "entity"), accredited by COFRAC under number 3-1058 (whose scope is available at www.cofrac.fr), and member of the Mazars network of one of the CNP Assurances' Statutory Auditors, we hereby report to you on the voluntary consolidated non-financial statement for the year ended 31 December 2020 (hereinafter the "Statement"), included in the Group management report pursuant to the legal and regulatory requirements of Articles L.225-102-1, R.225-10-5 and R.225-105-1 of the French Commercial Code *(Code de commerce)*.

The entity's responsibility

Pursuant to legal and regulatory requirements, the Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available on request from the entity's head office.

Independence and quality control

Our independence is defined by the requirements of Article L.822-11-3 of the French Commercial Code and the French code of ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R.225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with Article R.225-105 I, paragraph 3 and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax evasion legislation, or the consistency of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of Articles A.225-1 *et seq.* of the French Commercial Code, with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, as well as with ISAE 3000 [1]:

- we reviewed the activities of the entity, and of all of the entities included in the scope of consolidation and the description of the main risks;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in Article L.225-102-1 III as well as the information provided for in paragraph 2 of Article L.22-10-36 regarding compliance with human rights and anti-corruption and tax evasion legislation;
- we verified that the Statement includes each category of information set out in Article R.225-105 II when it is relevant to the key risks and includes, where applicable, explanation for the absence of the information required under Article L.225-102-1 III, 2;
- we verified that the Statement presents the business model and the key risks associated with all the entity's and all of the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators;

  we referred to documentary sources and conducted interviews to:

  - assess the process for selecting and validating the key risks and the consistency of the outcomes, including the key performance indicators used with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. For certain risks (protection of personal data, ethics and compliance), our work was carried out at the level of the consolidating entity; for other risks, work was carried out at the level of the consolidating entity and on a selection of contributing entities;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with Article L.233-16 of the French Commercial Code;
- we obtained an understanding of the internal control and risk management procedures implemented by the entity and assessed the collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important, presented in Appendix 1, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried on with a selection of contributing entities [2] and covers between 46% and 100% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information
(2) CNP Assurances France

Means and resources

Our work was carried out by a team of four people between October and February 2021 and took a total of six weeks.

We conducted around ten interviews with the people responsible for preparing the Statement, representing, in particular, the CSR department, the Group Compliance department, the Group Finance department, the Human Resources department and the Customer Experience and Information Systems department.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial performance statement is not presented in accordance with the regulatory requirements and that the information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Paris La Défense, 3 March 2021

The independent third party

Mazars SAS

Olivier LECLERC	Edwige REY
Partner	Partner CSR & Sustainable Development

Appendix 1: Information considered the most important

Quantitative indicators including key performance indicators

- Carbon footprint (services and travel agency)
- Carbon footprint of the real estate portfolio
- Term creditor insurance rejection rate
- Number of training hours
- Turnover rate
- Percentage of employees trained in the GDPR
- User account certification rate
- Assets managed according to ESG criteria
- Corporate income tax in France
- Percentage of new employees trained in anti-corruption
- Percentage of new employees trained in AML-CFT
- Average satisfaction score of users of the e-beneficiaries website, e-beneficiaire.cnp.fr
- Unit-linked assets managed according to ESG criteria
- Percentage of female senior executives
- Absenteeism rate, excluding maternity leave

7.9 Glossary

ADEME: French Environment & Energy Management Agency

AML-CFT: Anti-Money Laundering and Combating the Financing of Terrorism

ANSSI: French National Information Systems Security Agency

BEPS: Base Erosion and Profit Shifting

BREEAM: Building Research Establishment Environmental Assessment Method

CET: Time savings account

CNIL: French National Commission for Data Processing and Liberties

CRS: Common Reporting Standard

CSR: Corporate Social Responsibility

DAC: Directive for Administrative Cooperation

DPO: Data protection officer

EET: Energy and environmental transition

ESAT: Sheltered workshops

ESG: Environment, social and governance

FATCA: Foreign Account Tax Compliance Act

FATF: Financial Action Task Force

FFA: French Insurance Federation

Frequency rate of workplace accidents: number of workplace accidents per million hours worked in the Company

FSC: Forest Stewardship Council

GDPR: General Data Protection Regulation

GHG: Greenhouse gas

Global Compact: An initiative of the United Nations launched in 2000 to encourage companies to adopt socially responsible behaviour by making a commitment to integrate and promote several principles relative to human rights, labour law, environmental protection and the fight against corruption

HATVP: *Haute Autorité pour la Transparence de la Vie Publique*

HQE: High environmental quality

HRPA: Human resources planning agreement

HSE: Health, safety and environment

HSWCC: Health, Safety and Working Conditions Commission

IEA: International Energy Agency

ILO: International Labour Organization

IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

IPCC: Intergovernmental Panel on Climate Change

ISSM: Information systems security manager

KIID: Key Investor Information Document

LGBT: Lesbian, gay, bisexual and transgender

MAN: Mandatory annual negotiations

MEDEF: *Mouvement des entreprises de France*

NFPS: Non-financial Performance Statement

OECD: Organisation for Economic Co-operation and Development

ORSE: Observatory on Corporate Social Responsibility

PEFC: Programme for the Endorsement of Forest Certification

PERCO: Group retirement savings plan

PRI: Principles for Responsible Investment

PSI: Principles for Sustainable Insurance

PSR: Psychosocial risks

QWL: Quality of Work Life

SDG: Sustainable Development Goals

SEC: Social and Economic Committee

SFDR: Sustainable Finance Disclosure Regulation

SRI: Socially responsible investment

SSE: Social and solidarity economy

Stakeholders: Natural or legal persons: a) that may be significantly impacted by the organisation's business, products and/or services, and/or b) whose actions are likely to influence the organisation's ability to successfully implement its strategies and achieve its objectives

UCITS: Undertaking for collective investment in transferable securities

7.10 Cross-reference table for the Non-Financial Performance Statement NFPS

Theme	Corresponding section in the report	
Presentation of the Company business mode	1.2	A unique business model
Description of the main non-financial risks associated with its operations.	7.3	Non-financial risks and challenges
Description of the policies applied by the Company to prevent, identify and mitigate the occurrence of non-financial risks	7.3	Non-financial risks and challenges
Outcomes of those policies, including key performance indicators	7.3	Non-financial risks and challenges
Upholding human rights	7.3.3.4	Respect human rights
Collective agreements concluded within the Company	7.3.2.2	Undertake to offer favourable working conditions
Measures taken to promote the employment and integration of people with disabilities	7.3.2.2	Undertake to offer favourable working conditions
Initiatives to fight discrimination and promote diversity	7.3.2.2	Undertake to offer favourable working conditions
Fighting corruption and tax evasion	7.3.1.5	Ensure good business ethics
Climate change	7.3.4.1	Fight climate change
Protecting biodiversity	7.3.4.2	Protect biodiversity
Pollution	7.3.4.3	Reduce environmental footprint
Circular economy	7.3.4.3	Reduce environmental footprint
Initiatives to combat food waste	7.3.4.3	Reduce environmental footprint
Subcontractors and suppliers	7.3.3.2	Be a responsible purchaser
CNP Assurances' sustainable development commitments	7.3.1.1	Keep pace with social and societal developments.
Fight against food insecurity, respect for animal welfare, responsible, fair and sustainable food	Considered not material for the activity of the CNP Assurances Group	

7.11 Cross-reference table with the Task Force on Climate-related Financial Disclosures (TCFD)

TCFD recommendations		Corresponding section in this or any other document published by CNP Assurances
TCFD GOVERNANCE	Board of Directors' view of the risks and opportunities related to climate change	Policy for integrating sustainability risks into investment decisions Sustainable Investment Report
	Role of management in the assessment of risks and opportunities related to climate change	Policy for integrating sustainability risks into investment decisions Sustainable Investment Report
TCFD STRATEGY	Risks and opportunities related to climate change identified in the short, medium and long term	Sustainable Investment Report
	Impacts of these risks and opportunities on organisation, strategy and financial planning	Policy for integrating sustainability risks into investment decisions Sustainable Investment Report
	Potential impact of various scenarios, including the 2°C scenario, on organisation, strategy and financial planning	Sustainable Investment Report
TCFD RISK MANAGEMENT	Methods used to identify and assess climate risk	7.3.4.1 Fight climate change Sustainable Investment Report
	Methods used to manage climate risk	7.3.4.1 Fight climate change Policy for integrating sustainability risks into investment decisions Sustainable Investment Report
	Inclusion of climate risk identification, assessment and management processes in the overall risk management process	7.3.4.1 Fight climate change Policy for integrating sustainability risks into investment decisions Sustainable Investment Report
TCFD INDICATORS AND OBJECTIVES	Metrics used to assess the risks and opportunities related to climate change as part of the strategy and the management of Company risks	7.3.4.1 Fight climate change Sustainable Investment Report
	Greenhouse gas emissions (scopes 1, 2 and 3 if necessary) and related risks	7.3.4.1 Fight climate change Sustainable Investment Report
	Targeted objectives for managing the risks and opportunities related to climate change	7.3.4.1 Fight climate change Policy for integrating sustainability risks into investment decisions Sustainable Investment Report

Chapter

8

ADDITIONAL INFORMATION

8.1 General information

8.1.1 Name, headquarters, Trade and Companies Registry number and APE business identifier code

CNP Assurances
4, place Raoul-Dautry
75716 Paris Cedex 15, France
Paris Trade and Companies Registry number 341 737 062 – APE business identifier code: 6511 Z
LEI code: 969500QKVPV2H8UXM738
Phone: +33 1 42 18 88 88

8.1.2 Legal form and governing law

CNP Assurances is a French *société anonyme* (public limited company) created in its current legal form by French Act N°. 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.

CNP Assurance's activities are supervised by the French banking and insurance supervisor (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR). As a company whose shares are traded on NYSE Euronext Paris, CNP Assurances is also supervised by the French securities regulator (*Autorité des Marchés Financiers* – AMF).

8.1.2.1 Accounting principles

8.1.2.1.1 French GAAP

See Chapter 5, Financial Statements, section 5.3 Company financial statements.

8.1.2.1.2 IFRS

See Chapter 5, Financial Statements, section 5.1 Consolidated financial statements.

8.1.2.2 Regulatory own funds and solvency capital requirements

CNP Assurances, as an insurance and reinsurance undertaking, is subject to regulatory capital requirements designed to ensure that its policyholders are adequately protected. The regulatory framework applicable to European insurance undertakings is set out in Directive 2009/138/EC dated 25 November 2009 – known as Solvency II – which was transposed into French law in 2015 and came into effect on 1 January 2016, and its delegated regulation.

Solvency II has two main objectives – to align insurance and reinsurance undertakings' own funds more closely with the risks incurred and to harmonise control systems among European Union member countries.

It comprises three pillars:

- **Pillar I** consists of **quantitative requirements** concerning valuation and risk-based capital. The two main Pillar I indicators are: (i) the Solvency Capital Requirement (**SCR**), corresponding to the capital necessary to support the undertaking's insurance and reinsurance obligations, i.e., the eligible own funds that the undertaking must hold to ensure that it can meet these obligations with a 99.5% probability over the following 12 months (the standards to be applied for the calculation of the indicators and the valuation of assets and liabilities are defined in Pillar I); and (ii) the Minimum Capital Requirement (**MCR**), corresponding to the eligible basic own funds below which policyholders and beneficiaries would be exposed to an unacceptable level of risk were the undertaking allowed to continue its operations. If an undertaking's basic own funds fell to less than the MCR, the insurance regulator would intervene automatically to implement a recovery plan;
- **Pillar II** consists of **qualitative requirements** relating to governance and risk management; it requires insurance and reinsurance undertakings to conduct an Own Risk and

Solvency Assessment (**ORSA**). Insurance and reinsurance undertakings are also required to create key functions (Chief Actuary, Head of Internal Audit, Chief Compliance Officer, Chief Risk Officer) and data quality policies as an integral part of the risk management system governed by Pillar II regulations:

- **Pillar III** sets out the requirements in terms of **financial communications** to support increased transparency, including the obligation for insurance and reinsurance undertakings to provide accurate and detailed information about their businesses to facilitate insurer-to-insurer comparisons and the execution of controls by the local supervisory authorities, as well as guaranteeing a certain level of transparency. These financial communications include information in (i) qualitative form, through the requirement to submit to the supervisory authorities and publicly disclose each year narrative reports describing the undertaking's prudential policy, and (ii) quantitative form, through the requirement to submit financial and business-specific information using quarterly and annual Quantitative Reporting Templates (**QRT**).

The Group's SCR is calculated using the Standard Formula described in the Solvency II Delegated Regulation.

Concerning entities outside the European Union (mainly in Brazil), we have chosen not to use the equivalent local capital standards. Consequently, Caixa Seguradora in Brazil calculates its required capital based on Solvency II Pillar I for regulatory capital purposes and based on ORSA for Group reporting purposes.

A review of Solvency II that is currently in progress ("2020 Review") may lead to significant changes in this directive in a few years' time. The European Insurance and Occupational Pensions Authority (EIOPA) submitted its technical opinion on Solvency II to the European Commission at the end of 2020 and the Commission is expected to propose an amended version before the end of 2021.

8.1.2.3 Regulatory compliance and litigation

8.1.2.3.1 General Data Protection Regulation (GDPR)

In 2021, the main regulations governing the protection of personal data are the General Data Protection Regulation (Regulation EU 2016/679) on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and France's data protection act of 1978 (*Loi Informatique et Libertés* – LIL), as amended.

The LIL provided an initial definition of data protection rights, their collection and processing and led to the creation of the national data protection commission (*Commission Nationale de l'Informatique et des Libertés – CNIL*). The amended version dated 21 June 2018 describes specific data protection practices in France.

The GDPR is applicable at European level and is designed to protect all EU citizens, but it also helps to ensure that the same rules apply in all member countries. It includes stronger sanctions and requires undertakings to designate a Data Protection Officer. It offers greater protection to EU citizens by increasing their rights and incorporating new principles, such as accountability and privacy-by-design. The main rules concern data security, time limits on the storage of personal data, the keeping of an internal data register, and creation of a reporting system to notify the CNIL and the persons concerned of any breaches of data protection obligations.

CNP Assurances recognises the importance of protecting the information assets of its policyholders and employees and data protection has been an important strategic consideration for many years. A Data Protection Officer was appointed in 2006 and given the resources needed to carry out the related duties within the Group. Actions taken in recent years have included establishing a data protection governance system, creating and formalising the associated processes, responding diligently to the exercise of policyholders' rights, and making employees aware of the importance of protecting personal data.

8.1.2.3.2 Customer protection and marketing practices

The Insurance Distribution Directive (EU) 2016/97 (IDD) was adopted in February 2016 and aims to strengthen consumers' protection in their relations with distributors of insurance products. It came into effect on 1 October 2018 following its transposition into domestic law. In France, it supplements a regulatory system that already comprised numerous consumer protections.

The IDD establishes a general principle whereby all distributors of insurance products must act honestly, fairly and professionally in accordance with the best interests of their customers, supported by five specific principles:

- improved pre-contractual information: the customer must be given objective information about the insurance products in a comprehensible form to allow the customer to make an informed decision;
- product suitability: the distributor must not take advantage of the customer and must be able to prove that it provided the customer with a personalised recommendation explaining why a particular product would best meet the customer's demands and needs;
- transparent information about inducements: the distributor must provide the customer with information about the nature of its remuneration, and – to avoid any conflict of interest – the remuneration method and amount should not have a detrimental impact on the choice of product proposed to the customer;
- shared product governance: the producer defines the target customer market and the distribution strategy, taking into account the product risks, and must set up a system to ensure that the product is distributed to the identified target market, while the distributor must fulfil its duty to provide advice on this basis and provide feedback to the producer for the purposes of that system;

- continuing training: the directive stresses the importance of ensuring a high level of professionalism and competence, and introduces an obligation to provide continuing training and development for the equivalent of at least 15 hours per person per year.

These last two principles are the directive's main innovations. CNP Assurances devoted considerable time to examining with its distributors the rules to be drawn up in application of the directive for the sharing of information about product definitions and the products' distribution to their identified target market.

8.1.2.3.3 Prevention of money laundering and the financing of terrorism

Preventing money laundering and the financing of terrorism, and ensuring compliance with economic and financial sanctions (AML FT) are national and international priorities. The international authorities and national legislators and regulators continuously strengthen their AML-FT weaponry in order to protect the integrity of the financial system against the threat of terrorism and financial crime,

In France, the 5th Anti-Money Laundering Directive transposed into domestic law in 2020 encourages insurance companies and other private sector undertakings to keep up their vigilance and make their AML-FT systems increasingly effective.

The main objectives of the AML-FT system are to:

- carry out know-your-customer (KYC) procedures at the inception of the business relationship and at regular intervals throughout the relationship;
- classify and map money-laundering and terrorist financing risks, in order to perform more detailed KYC procedures and keep a closer watch on the customer's transactions where necessary, especially in the case of customers classified as politically exposed persons (PPE) or who have links with high risk third countries;
- provide regular information and training to the undertaking's employees in AML-FT procedures;
- detect, analyse and, if appropriate, report any suspicious transactions to TRACFIN.

The work undertaken since 2016 as part of the strategic project to strengthen AML-FT procedures has helped to guarantee the legitimacy of customers' insurance transactions, and enabled us to better fulfil our regulatory obligations by targeting money laundering and terrorist financing risks more accurately.

8.1.2.3.4 Prevention of bribery and corruption and processing of inside information

France's Sapin 2 Act, which came into effect in December 2016, is designed to prevent and detect corruption and influence peddling in France and abroad. It lists all the measures to be taken by large corporate undertakings to prevent these offences under the supervision of the anti-corruption agency (Agence française anticorruption – AFA) created by the Act. The AFA issues guidelines to help companies deploy an anti-bribery and corruption (ABC) system and audits these systems. It may fine companies whose ABC system is found to be inadequate. CNP Assurances meets the criteria in Article 17 of the Act (revenue and number of employees) and has therefore set up an ABC system based on AFA guidelines.

The European Market Abuse Regulation (MAR) and related delegated regulations, which came into effect in July 2016, specify the legal framework applicable to inside information, for the purpose of preventing insider trading under the supervision of the French Financial Market Authorities (Autorité des Marchés Financiers - AMF). As CNP Assurances' shares are admitted to trading on Euronext Paris, it is concerned by the MAR. It therefore has an obligation to produce an insider list (i.e., a list of people with access to inside information) and to publish inside information immediately, except when there are valid reasons for delaying publication and the AMF is informed of those reasons. The AMF Sanctions Commission may impose disciplinary measures or fine any issuer that fails to comply with its obligations under the MAR.

8.1.3 Date of incorporation and term of CNP Assurances

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 ending on 15 July 2086.

8.1.4 Corporate purpose (Article 2 of the Articles of Association)

"CNP Assurances' corporate purpose is to:

- *write life and endowment insurance;*
- *write accidental injury and health insurance;*
- *hold majority interests in insurance companies.*

For this purpose, it may:

- *hold stakes in companies whose business activities may assist it in performing the corporate purpose;*
- *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."*

8.1.5 Financial year

1 January to 31 December (calendar year).

8.1.6 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: share ownership disclosure thresholds.

8.1.6.1 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. In accordance with the applicable laws and regulations, the Company may request 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 – information about 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.

The shares are recorded in an account held by the Company or an accredited intermediary."

8.1.6.2 Transfer of shares

"The shares are freely transferable subject to legal and regulatory provisions and according to the conditions provided by law."

8.1.6.3 Share ownership disclosure thresholds

"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 of the total number of shares and the number of voting rights held. Said disclosure shall be made within five days of the recording in the share account of the shares that lead to this threshold being reached or crossed. 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. (.....)

Article 13 of CNP Assurances' Articles of Association – Rights attached to shares:

"1. 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.

2. When it is necessary to own a certain number of shares to exercise a particular right, shareholders who do not hold the requisite number of shares shall be personally responsible for obtaining the necessary number of shares or rights, including by purchasing shares or selling shares to another shareholder."

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 the Company's 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."

8.1.7 Material contracts

At the date this financial information was published, CNP Assurances had not entered into any material contracts other than in the normal course of business, with the exception of the agreements described in the Statutory Auditors' report on related-party agreements. See also Chapter 2.1 Significant events in 2020 - Subsequent events pertaining to the agreement with the Aviva Group to acquire certain life insurance businesses in Italy.

8.1.8 Financing structure, Material investments and dedicated financing sources

Financing structure

CNP Assurances issues various types of subordinated notes which play an important role in its capital management policy. The Group's financial headroom is derived from its very strong track record in raising funds on the debt securities markets. CNP Assurances constantly endeavours to diversify its investor base, in terms of both geographies and currencies, as evidenced by its success in placing euro, dollar and sterling issues. And in November 2019, it carried out an inaugural green bond issue.

The capital structure is regularly adjusted to take into account the Group's growth prospects in Europe and Latin America, Solvency II capital requirements, Standard & Poor's rating criteria and the opportunities offered by the capital markets.

For more information, see:

- Note 10 to the consolidated financial statements – Subordinated debt;
- section 2.3.1 of this document – Consolidated financial statements;
- Note 5.5 to the consolidated financial statements – Undated subordinated notes reclassified in equity;
- Note 8.7 to the consolidated financial statements – Derivative instruments qualifying for hedge accounting;
- Note 18.1 to the consolidated financial statements – Investment income and expense;
- Note 8 to the Company financial statements – Disclosures related to subordinated debt.

Material investments and dedicated financing sources

The following information concerns material investments that are currently in progress or are the subject of firm commitments*. Material investments are investments that have been announced by the Group and that extend the scope of its business.

Date	Investment	Financing	Breakdown by region
30 December 2020	Exclusive long-term distribution **agreement** with Caixa Econômica Federal and Caixa Seguridade concerning personal risk insurance, consumer loan insurance and retirement products (vida, prestamista, previdência).	The up-front payment of R$7.0 billion (€1.188 billion at the 31 December 2020 exchange rate) has been entirely self-financed.	Brazil
13 August 2020	**Framework agreement** concerning a 20-year exclusive distribution agreement with Caixa Seguridade in Brazil to distribute term creditor insurance for *consórcio* home loans and auto loans in the Caixa Econômica Federal network.	The agreement stipulates that CNP Assurances is to pay a fixed sum of R$250 million (€42.44 million at the 31 December 2020 exchange rate) on completion of the deal. This payment will be entirely self-financed.	Brazil

* See also Chapter 2.1 Significant events in 2020 - Subsequent events pertaining to the agreement with the Aviva Group to acquire certain life insurance businesses in Italy

8.1.9 Claims and litigation

In Brazil, a term creditor insurance product sold until 2009 was taken over by a public fund represented by Caixa Econômica Federal. Various local insurance companies, including Caixa Seguradora (a wholly-owned subsidiary of Caixa Seguros Holding, which in turn is controlled by CNP Assurances), acted simply as service providers for loans insured by the fund, by collecting the premiums and settling the claims. Caixa Seguradora has been sued by a large number of insureds.

The gap between the amounts that Caixa Seguradora has been ordered to pay as a result of these lawsuits and the amounts refunded to it by the public fund, which has ultimate liability for these settlements, has been steadily widening. As of 31 December 2020, refunds due by the public fund to Caixa Seguradora represented around R$1.3 billion, up 8% on 31 December 2019. The provisions recorded in Caixa Seguradora's financial statements for these refunds reflect a reasonable estimate of the collection risk and are periodically adjusted. Caixa Seguradora is actively monitoring this issue and regularly initiates law suits against the fund.

8.1.10 Other general information

In late November 2020, Brazil's federal police disclosed details of accusations made in connection with a criminal investigation on alleged misappropriations of funds at WIZ, a company that is 25%-owned by CSH, which may also have been a victim of fraud. The investigation is still ongoing.

In mid-December, CSH's Board of Directors set up a Special Investigation Committee that is independent from the company's management to determine the facts of the matter. To carry out its mission, the Committee is being assisted by a legal firm that set up a multi-disciplinary team of forensic auditors. At this stage in the investigations, it has been noted that the allegations relate to items and amounts which are not material at the level of CSH and even less so at the level of CNP Assurances Group, and no information has come to light that could question the historical financial statements of the Brazilian subsidiaries of CNP Assurances.

8.1.11 Information about related-party agreements governed by Article L.225-37-4, paragraph 2, of the French Commercial Code

In 2020, the Company did not enter into any agreements governed by Article L.225-37-4, paragraph 2, of the French Commercial Code, i.e., agreements entered into other than in the normal course of business on arm's length terms, directly or through an intermediary, between (i) a director, the Chief Executive Officer or a shareholder that holds more than 10% of the voting rights at General Meetings of CNP Assurances shareholders and (ii) a company controlled by CNP Assurances.

8.1.12 External links disclaimer

The information and content on websites referenced by hypertext link do not constitute an integral part of this Universal Registration Document and are not endorsed or approved by the AMF.

8.2 Person responsible for the information and the audit of the financial statements

Statement by the person responsible for the CNP Assurances Universal Registration Document

"I hereby declare that the information contained in this Universal 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 content of which is listed in the "Information relating to the management report and Corporate Governance Report" section, presents fairly the changes in the business, results and financial position of the Company and the entities included in the scope of consolidation, and that it describes their principal risks and contingencies."

Antoine Lissowski

Chief Executive Officer

Statutory Auditors

Statutory Auditors of CNP Assurances	First appointed	Current term expires
PricewaterhouseCoopers Audit 63, rue de Villiers 92200 Neuilly-sur-Seine, France represented by Bénédicte Vignon* and Frédéric Trouillard-Mignen*	2010 financial year	AGM to be held to approve the 2021 financial statements
*Substitute: Xavier Crépon**	2016 financial year	AGM to be held to approve the 2021 financial statements
Mazars 61, rue Henri-Regnault – Tour Exaltis 92400 Courbevoie – France Represented by Olivier Leclerc*	1998 financial year	AGM to be held to approve the 2021 financial statements
*Substitute: Franck Boyer**	2010 financial year	AGM to be held to approve the 2021 financial statements

* Member of the Compagnie régionale des commissaires aux comptes de Versailles

Information policy

Person responsible for financial information

Thomas Béhar, Chief Financial Officer

4, place Raoul-Dautry – 75716 Paris Cedex 15, France

Documents concerning the Company may be consulted at its headquarters

CNP Assurances

Département juridique corporate

4, place Raoul-Dautry – 75716 Paris Cedex 15, France

Phone: +33 1 42 18 88 88

8.3 Special committees for the exchange of information about CNP Assurances set up with the Company's shareholders

Information reported to shareholders subject to prudential supervision

La Banque Postale Conglomerate Committee and BPCE Supplementary Supervision Committee

CNP Assurances forms part of the La Banque Postale and BPCE financial conglomerates.

Under the regulations governing conglomerates [1], La Banque Postale and BPCE have certain risk supervision and regulatory reporting (to the ACPR and ECB) obligations. CNP Assurances has an obligation under Article L.511-34 of the French Monetary and Financial Code *(Code monétaire et financier)* to report to La Banque Postale and BPCE the information they require in order to fulfil these supervision and reporting obligations.

Special committees have been set up with La Banque Postale and with BPCE to exchange information about CNP Assurances that is needed by La Banque Postale and BPCE to fulfil their obligations under the regulations governing conglomerates.

These committees' internal rules describe the reporting process, the committees' procedures and the confidentiality rules applicable to their members.

The Conglomerate Committee set up with La Banque Postale in 2015 has up to ten members, including five La Banque Postale employees and five CNP Assurances employees. The La Banque Postale and CNP Assurances employees concerned work in their respective Finance, Risk, Internal Audit or Compliance departments.

The Committee met seven times in 2020.

The Supplementary Supervision Committee set up with BPCE in 2016 has up to 12 members, including a maximum of six BPCE employees and six CNP Assurances employees. Four of the BPCE employees concerned work in its Risk department, one in the Group Strategic Budget Control department, and one in the Group Accounting department. At least one member from CNP Assurances works in the Risk department.

The Committee met four times in 2020.

(1) Directive 2002/87 dated 16 December 2002 (as amended) on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate, transposed into French law by government order 2004-1201 dated 12 November 2004 and administrative decision dated 3 November 2014 on the supplementary supervision of financial conglomerates

ANNEXES

Embedded Value

The report presenting the results, methods and assumptions used to determine the Embedded Value of the CNP Assurances Group at 31 December 2020 is available on CNP Assurances' website: www.cnp.fr/en/Investor-Analyst/CNP-Assurances-Results. Embedded Value (referred to both as Market Consistent Embedded Value – MCEV© and Embedded Value – EV) has been established according to the European Insurance CFO Forum Market Consistent Embedded Value© Principles.

Glossary and reconciliation tables

This glossary includes definitions of alternative performance measures (APMs) that are considered useful by CNP Assurances to measure and analyse the Group's performance. The APMs' reporting scope is unchanged from prior periods. All APMs are identified by an asterisk (*). They 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. Prudential measures determined in accordance with the Solvency II directive and actuarial measures determined in accordance with European Insurance CFO Forum Market Consistent Embedded Value© Principles are not considered to be APMs.

Adjusted net asset value (ANAV)

Market value of assets not held to back technical reserves. ANAV corresponds to equity attributable to owners of the parent net of subordinated notes classified in equity, intangible assets, other items included in the Value of In-Force business (VIF) and contingent liabilities. This indicator is net of non-controlling interests. ANAV breaks down between required capital and free surplus.

(In € millions)	**31.12.2020**	31.12.2019
Equity attributable to owners of the parent (1)	20,680	19,393
Subordinated notes classified in equity (2)	1,881	1,881
Intangible assets (3)	1,635	681
Items included in the Value of In-Force business (4)	2,539	1,708
Contingent liabilities (5)	39	1,483
ANAV = (1) – (2) – (3) – (4) – (5)	**14,586**	**13,641**

Administrative costs*

Costs of administering and managing insurance contracts, excluding commissions paid to the distribution networks. The calculation base includes non-controlling interests.

Annual Premium Equivalent (APE)

One tenth of the sum of single premiums and flexible premiums plus the annualised amount of regular premiums written during the period, This indicator is net of non-controlling interests and ceded premiums. Annual Premium Equivalent is an indicator of underwriting volume.

APE margin (also referred to as new business margin)

Value of new business (VNB) divided by the annual premium equivalent (APE). Measures estimated future profits from insurance policies written during the period.

(In € millions)	31.12.2020	31.12.2019
Value of New Business (VNB) (1)	284	543
Annual Premium Equivalent (APE) (2)	2,332	3,186
APE MARGIN = (1)/(2)	**12.2%**	**17.1%**

Attributable recurring profit*

Attributable net profit before income tax expense, non-recurring items, fair value adjustments and net gains (losses). This indicator is calculated net of non-controlling interests and is gross of income tax expense. It is the margin after finance costs and non-controlling and equity-accounted interests.

(In € millions)	31.12.2020	31.12.2019
Attributable net profit (1)	1,350	1,412
Income tax expense (2)	(594)	(694)
Fair value adjustments and net gains (losses) (3)	247	482
Non-recurring items (4)	(245)	(620)
ATTRIBUTABLE RECURRING PROFIT = (1) – (2) – (3) – (4)	**1,942**	**2,244**

Change at constant exchange rates

Indicators at constant exchange rates are calculated by translating current period data at the prior period exchange rate. This technique strips out the currency effect from the change in the indicator concerned.

Change on a comparable consolidation scope basis

Indicators on a comparable consolidation scope basis are calculated by excluding (i) the contribution of businesses discontinued or sold during the current period from the prior period data and (ii) the contribution of businesses acquired during the current period from current period data. This technique strips out the effect of acquisitions and divestments from the change in the indicator concerned.

Combined ratio (personal risk/protection segment)*

Calculated for the personal risk/protection insurance segment by dividing EBIT by premium income net of ceded premiums and deducting the result from 100%. The combined ratio is an indicator of Personal Risk/Protection business profitability.

(In € millions)	31.12.2020	31.12.2019
EBIT (personal risk/protection segment) (1)	1,068	1,216 [a]
Premium income net of ceded premiums (personal risk/protection segment) (2)	5,958	6,408
COMBINED RATIO – PERSONAL RISK/PROTECTION SEGMENT = 100% – (1)/(2)	**82.1%**	**81.0%** [b]

(a) EBIT for the Personal Risk/Protection business reported in the 2019 URD amounted to €1,234 million. The difference between the two figures is the result of a review of method for allocating costs for reporting purposes

(b) The 2019 combined ratio provided in the 2019 URD was 80.7%. The difference between the two figures is the result of a review of method for allocating costs for reporting purposes

Cost/income ratio*

Administrative costs divided by net insurance revenue (NIR). The cost/income ratio is an indicator of operating efficiency.

(In € millions)	31.12.2020	31.12.2019
Administrative costs (1)	845	926
Net insurance revenue (NIR) (2)	2,943	3,220
COST/INCOME RATIO = (1)/(2)	**28.7%**	**28.8%**

Debt-to-equity ratio*

Subordinated notes classified in debt or equity, divided by the sum of subordinated notes classified in debt and total equity. Measures the proportion of financing represented by total subordinated notes (classified in both debt and equity).

(In € millions)	31.12.2020	31.12.2019
Subordinated notes classified in equity (1)	1,881	1,881
Subordinated notes classified in debt (2)	6,824	6,381
Total equity (3)	23,999	21,188
DEBT-TO-EQUITY RATIO = [(1) + (2)]/[(2) + (3)]	**28.2%**	**30.0%**

Dividend cover

Operating free cash flow (OFCF) net of cash flows from subordinated notes issues and repayments, divided by dividends. Indicator of the Group's ability to pay dividends to shareholders. This ratio is calculated only for annual results presentations.

(In € millions)	31.12.2020	31.12.2019
Net operating free cash flow (OFCF) (1)	1,334	1,350
Dividends (2)	810	-
DIVIDEND COVER = (1)/(2)	**1.6x**	**-**

Earnings before interest and taxes (EBIT)*

Attributable recurring profit before finance costs, non-controlling and equity-accounted interests. This indicator includes non-controlling interests and is gross of income tax expense. It is the margin generated by the insurance business after deducting administrative costs.

(In € millions)	31.12.2020	31.12.2019
Attributable recurring profit (1)	1,942	2,244
Finance costs (2)	(252)	(251)
Non-controlling and net equity-accounted interests	(421)	(546)
EBIT = (1) – (2) – (3)	**2,614**	**3,041**

Earnings per share (EPS)

Attributable net profit less finance costs on subordinated notes classified in equity, divided by the weighted average number of shares outstanding (IFRS calculation method).

(In € millions)	31.12.2020	31.12.2019
Attributable net profit (1)	1,350	1,412
Net finance costs on subordinated notes classified in equity (2)	42	50
Weighted average number of shares (3)	686 M	686.2 M
EARNINGS PER SHARE = [(1) – (2)]/(3)	**€1.91**	**€1.99**

EIOPA

European Insurance and Occupational Pensions Authority.

Eligible own funds held to cover the MCR

Sum of Tier 1 and Tier 2 own funds eligible for inclusion in the Minimum Capital Requirement. For calculation purposes, restricted Tier 1 own funds are limited to 20% of total Tier 1 own funds, and Tier 2 own funds are limited to 20% of the MCR. Tier 3 own funds are not eligible for inclusion in MCR.

Eligible own funds held to cover the SCR

Sum of Tier 1, Tier 2 and Tier 3 own funds eligible for inclusion in the Solvency Capital Requirement (SCR). For calculation purposes, restricted Tier 1 own funds are limited to 20% of total Tier 1 own funds, Tier 2 and Tier 3 own funds are limited to 50% of the SCR and Tier 3 own funds are limited to 15% of the SCR.

Fair value adjustments and net gains (losses)

Measures the impact on attributable net profit of changes in asset prices (i.e., realised and unrealised capital gains net of recognised impairment losses), impairment losses and exceptional changes in intangible asset values. Fair value adjustments and net gains (losses) are calculated net of policyholder participation, non-controlling interests and income tax expense.

Free surplus

Portion of adjusted net asset value (ANAV) that may be freely used by management to pay dividends and build the business by selling new contracts or acquiring new subsidiaries or associates, This indicator is net of non-controlling interests.

IFRS book value*

Corresponds to equity attributable to owners of the parent net of subordinated notes classified in equity, intangible assets and other items included in the value of In-Force business (VIF). This indicator is net of non-controlling interests. Measures the value for owners of the parent of their share of equity, excluding the share of subordinated note-holders.

(In € millions)	31.12.2020	31.12.2019
Equity attributable to owners of the parent (1)	20,680	19,393
Subordinated notes classified in equity (2)	1,881	1,881
IFRS BOOK VALUE = (1) – (2)	**18,799**	**17,512**

Insurance leverage ratio*

Sum of total equity and subordinated notes classified in debt, divided by insurance investments less derivative instruments liabilities. Indicator of the Group's solvency before risk-weighting. The higher the ratio, the greater the insurer's ability to absorb potential losses.

(In € millions)	**31.12.2020**	31.12.2019
Total equity (1)	23,999	21,188
Subordinated notes classified in debt (2)	6,824	6,381
Subordinated notes classified in equity (3)	1,881	1,881
Insurance investments (4)	404,847	403,800
Derivative instruments liabilities (5)	912	1,132
INSURANCE LEVERAGE RATIO = [(1) + (2)]/[(4) – (5)]	**7.63%**	**6.85%**
▪ o/w equity = [(1) – (3)]/[(4) – (5)]	5.48%	4.79%
▪ o/w subordinated notes = [(2) + (3)]/[(4) – (5)]	2.16%	2.05%

Interest cover*

EBIT divided by interest paid on total subordinated notes (classified in both debt and equity). Indicator of the Group's ability to pay the interest due to holders of its subordinated notes.

(In € millions)	**31.12.2020**	31.12.2019
EBIT (1)	2,614	3,041
Finance costs on subordinated notes classified in debt (2)	252	251
Finance costs on subordinated notes classified in equity (3)	61	76
INTEREST COVER = (1)/[(2) + (3)]	**8.3×**	**9.3×**

Market Consistent Embedded Value (MCEV©)

A measure of the consolidated value of shareholders' interests in the covered business. It breaks down to adjusted net asset value (ANAV) and the Value of In-Force business (VIF) – corresponding to the value of the insurance policies in force on the measurement date – and is calculated using a market consistent method of valuing assets and liabilities. It is net of non-controlling interests.

Mathematical reserves

Sum of the surrender value of savings contracts and the discounted present value of liabilities for pensions contracts.

MCR coverage ratio

Eligible own funds held to cover the MCR divided by the MCR. Indicator of the Group's risk-weighted solvency. The higher the ratio, the greater the insurer's ability to absorb potential losses.

Minimum Capital Requirement (MCR)

Minimum eligible basic own funds, defined in Solvency II as the amount of eligible basic own funds below which policyholders and beneficiaries are exposed to an unacceptable level of risk. When the amount of eligible basic own funds falls below the MCR, the insurance undertaking's authorisation is withdrawn if it is unable to re-establish this amount at the level of the MCR within a short period of time.

Net equity-accounted interest

Share of profit for the year of equity-accounted interest, net of the deferred profit-sharing impact for the portion of securities backing policyholders' commitments.

Net insurance revenue (NIR)*

Sum of insurance loadings, underwriting results and reinsurance results, net of commissions paid to distribution partners. This indicator includes non-controlling interests and is net of reinsurance. It is the margin generated by insurance contracts before deducting administrative costs.

(In € millions)	31.12.2020	31.12.2019
Net insurance revenue (NIR) (1)	2,943	3,220
Revenue from own-funds portfolios (2)	516	747
Administrative costs (3)	845	926
EBIT = (1) + (2) – (3)	**2,614**	**3,041**

Net new money

Collected premiums less paid claims and benefits (death benefit, endowments, partial and total surrenders, annuities) before changes in outstanding claims reserves, including the deposit component of financial contracts without a discretionary participation feature (French GAAP method, based on management reporting data). This indicator includes non-controlling interests and is gross of reinsurance. Net new money measures the impact on technical reserves of collected premiums and paid claims and benefits.

Non-recurring items

Indicator used to separately identify non-recurring income and expenses that affect attributable net profit. Non-recurring items are calculated net of non-controlling interests and income tax expense.

Operating free cash flow (OFCF)

Measures the generation of free surplus to pay dividends and build the business by selling new contracts or acquiring new subsidiaries or associates. OFCF is calculated net of non-controlling interests. Issues and redemptions of subordinated notes may be included in or excluded from the calculation.

Outstanding claims reserve

Estimated claims and benefits payable to policyholders and beneficiaries in future periods (death benefit, endowments, partial and total surrenders, annuities, claims) in respect of claims incurred as of the measurement date.

Payout ratio*

Dividend per share divided by earnings per share. Measures the proportion of attributable net profit, less finance costs on subordinated notes classified in equity, distributed to owners in the form of dividends. This ratio is calculated only for annual results presentations.

(In € millions)	31.12.2020	31.12.2019
Dividend per share (1)	€1.57	
Earnings per share (EPS) (2)	€1.91	€1.99
PAYOUT RATIO = (1)/(2)	**82%**	**-**

Policyholders' surplus reserve (PSR)

Cumulative underwriting and investment income attributable to policyholders that is distributed on a deferred basis.

Premium income*

Earned premiums and premium loading on IAS 39 contracts, including non-controlling interests and ceded premiums. Premium income is an indicator of underwriting volume.

(In € millions)	31.12.2020	31.12.2019
Earned premiums (1)	26,922	32,522
Premium loading on IAS 39 contracts (2)	33	60
PREMIUM INCOME = (1) + (2)	**26,956**	**32,582** [(a)]

(a) 2019 premium income has been restated to exclude the top line contribution of Fourgous and Eurocroissance transfers for a total of €914 million

Proportion of savings/pensions mathematical reserves represented by unit-linked (UL) contracts*

Unit-linked Savings/Pensions mathematical reserves divided by total Savings/pensions mathematical reserves. This indicator measures the proportion of mathematical reserves related to unit-linked contracts, which do not generally include a capital or yield guarantee.

(In € millions)	31.12.2020	31.12.2019
UL Savings/Pensions mathematical reserves (1)	66,853	65,456
Total Savings/Pensions mathematical reserves (2)	283,583	287,039
PROPORTION OF SAVINGS/PENSIONS MATHEMATICAL RESERVES REPRESENTED BY UL CONTRACTS = (1)/(2)	**23.6%**	**22.8%**

Proportion of savings/pensions premiums represented by unit-linked (UL) contracts*

Unit-linked savings/pensions premium income divided by total savings/pensions premium income. This indicator measures the proportion of premium income related to unit-linked contracts, which do not generally include a capital or yield guarantee.

(In € millions)	31.12.2020	31.12.2019 [(a)]
UL savings/pensions premium income (1)	10,714	11,094
Total savings and pensions premium income (2)	20,680	25,847
PROPORTION OF SAVINGS/PENSIONS PREMIUMS REPRESENTED BY UL CONTRACTS = (1)/(2)	**51.8%**	**42.9%**

(a) 2019 premium income has been restated to exclude the top line contribution of Fourgous and Eurocroissance transfers for a total of €914 million

Restricted Tier 1 own funds

Subordinated notes classified in Tier 1, including grandfathering of undated subordinated notes issued before Solvency II came into effect.

Return on equity (ROE)*

Annual attributable net profit divided by average IFRS book value for the period. Measures the return on equity contributed by owners of the parent.

(In € millions)	31.12.2020	31.12.2019
Annualised attributable net profit (1)	1,350	1,412
Average IFRS book value (2)	18,155	16,706
RETURN ON EQUITY (ROE) = (1)/(2)	**7.4%**	**8.5%**

Revenue from own-funds portfolios*

Mainly revenue generated by investments held to back equity and subordinated notes, net of amortisation of the value of acquired In-Force business and distribution agreements. This indicator includes non-controlling interests. It is the margin generated on investments held to back equity and subordinated notes, before deducting administrative costs.

(In € millions)	31.12.2020	31.12.2019
Net revenue generated by investments held to back equity and subordinated notes (1)	539	771
Amortisation of Value of In-Force business and distribution agreements (2)	23	24
REVENUE FROM OWN-FUNDS PORTFOLIOS = (1) – (2)	**516**	**747**

SCR coverage ratio

Eligible own funds held to cover the SCR divided by the SCR. Indicator of the Group's risk-weighted solvency. The higher the ratio, the greater the insurer's ability to absorb potential losses.

Solvency Capital Requirement (SCR)

Level of eligible own funds that enables an insurance undertaking to absorb significant losses and gives reasonable assurance to policyholders and beneficiaries that payments will be made as they fall due. SCR is defined in Solvency II as the value-at-risk of basic own funds, subject to a confidence level of 99.5% over a one-year period. CNP Assurances has chosen to calculate its SCR using the standard formula without transitional measures, except for the grandfathering of subordinated notes issued before Solvency II came into effect.

Surrender rate

Paid partial and total surrenders divided by mathematical reserves at the beginning of the period, including the deposit component of financial contracts without a discretionary participation feature (French GAAP method, based on management reporting data). Measures the impact on mathematical reserves of surrenders paid to policyholders.

Technical reserves*

Insurance and financial liabilities net of deferred participation, including non-controlling interests. The change in technical reserves reflects net new money, the amount set aside for policyholder dividends and changes in the value of units in unit-linked contracts. This indicator includes non-controlling interests. Technical reserves may be calculated gross or net of reinsurance. They measure the insurer's liability towards insureds.

(In € millions)	31.12.2020	31.12.2019
Insurance and financial liabilities (1)	377,098	378,313
Deferred participation reserve (2)	31,587	29,255
Deferred participation asset (3)	0	0
Reinsurers' share of insurance and financial liabilities (4)	21,083	21,410
TECHNICAL RESERVES GROSS OF REINSURANCE = (1) – (2) + (3)	**345,511**	**349,058**
TECHNICAL RESERVES NET OF REINSURANCE = (1) – (2) + (3) – (4)	**324,428**	**327,648**

Tier 2 own funds

Subordinated notes classified in Tier 2, including grandfathering of dated subordinated notes issued before Solvency II came into effect.

Tier 3 own funds

Subordinated notes classified in Tier 3 plus any net deferred tax assets also classified in Tier 3.

Total revenue*

Net insurance revenue (NIR) plus revenue from own-funds portfolios. This indicator includes non-controlling interests and is net of reinsurance. It is the margin before deducting administrative costs.

(In € millions)	**31.12.2020**	31.12.2019
Net insurance revenue (NIR) (1)	2,943	3,220
Revenue from own-funds portfolios (2)	516	747
TOTAL REVENUE = (1) + (2)	**3,459**	**3,967**

Unrestricted Tier 1 own funds

Own funds other than subordinated notes included in Tier 1 own funds, calculated as the sum of share capital, the share premium account and the reconciliation reserve less non-fungible own-funds.

Value of In-Force business (VIF)

Measures the value of insurance policies in force at the measurement date, calculated using a market-consistent method of valuing assets and liabilities. VIF corresponds to the discounted present value of estimated future profits from insurance policies in force at the measurement date, less the time value of financial options and guarantees, the frictional cost of capital and the cost of non-hedgeable risks. It is calculated net of non-controlling interests and income tax expense.

Value of New Business (VNB)

Measures the value of insurance policies sold during the period, calculated using a market-consistent method of valuing assets and liabilities. VNB corresponds to the discounted present value of estimated future profits from insurance policies written during the period, less the time value of financial options and guarantees, the frictional cost of capital and the cost of non-hedgeable risks. It is calculated net of non-controlling interests and income tax expense.

Withdrawal rate

Paid claims and benefits (death benefit, endowments, partial and total surrenders, annuities) divided by mathematical reserves at the beginning of the period, including the deposit component of financial contracts without a discretionary participation feature (French GAAP method, based on management reporting data). Measures the impact on mathematical reserves of claims and benefits paid to policyholders and beneficiaries.

Universal Registration Document concordance table

The table below provides cross references between Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 and CNP Assurances' Universal Registration Document.

Key information required under Annexes 1 and 2 of European Commission Regulation 2019/980		Pages
1.	**PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL**	
1.1	Name and function of the person responsible	388
1.2	Statement by the person responsible	388
1.3	Statutory auditor	N/A
1.4	Third-party information	N/A
1.5	Statement	1
2.	**STATUTORY AUDITORS**	
2.1	Statutory Auditors	388
2.2	Details on the resignation, removal or non-re-appointment of auditors	N/A
3.	**RISK FACTORS**	
3.1	Risk relating to the issuer	108 to 118
4.	**INFORMATION RELATING TO THE ISSUER**	
4.1	Legal and commercial name of the issuer	382
4.2	Place of registration of the issuer, its registration number and legal entity identifier (LEI)	382
4.3	Date of incorporation and length of life of the issuer	382
4.4	Domicile and legal form of the issuer, legislation, country, address and telephone number of its registered office and website	382
5.	**BUSINESS OVERVIEW**	
5.1	Principal activities	
5.1.1	Description of, and key factors relating to, the nature of the issuer's operations and its principal activities	6 to 10
5.1.2	Indication of any significant new products and/or services that have been introduced Status of development of new products or services that have been publicly disclosed	7 to 25
5.2	Principal markets	14 and 15
5.3	Important events in the development of the issuer's business	12 and 13; 24 to 27; 134 and 135; 248 and 249
5.4	Strategy and objectives	7
5.5	Extent to which the issuer is dependent on patents, licences, industrial, commercial or financial contracts or new manufacturing processes	115 and 116
5.6	Basis for any statements made by the issuer regarding its competitive position	
5.7	Investments	
5.7.1	Material investments	12 and 13; 24 to 27; 134 and 135; 248 and 249; 386
5.7.2	Material investments that are currently in progress or are the subject of firm commitments	386
5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses	17
5.7.4	Environmental issues that may affect the issuer's utilisation of the tangible fixed assets	N/A

Key information required under Annexes 1 and 2 of European Commission Regulation 2019/980		Pages
6.	**ORGANISATIONAL STRUCTURE**	
6.1	Issuers group and position within the group	16
6.2	Significant subsidiaries of the issuer	17
7.	**OPERATING AND FINANCIAL REVIEW**	
7.1	Financial condition	3; 13 and 14; 31 to 36
7.1.1	Fair review of the development and performance of the issuer's business and of its position	28 and 29
7.1.2	Indication of: a) the issuer's likely future development b) activities in the field of research and development	 7 N/A
7.2	Operating results	
7.2.1	Information regarding significant factors materially affecting the issuer's income from operations	19; 108 to 112
7.2.2	Material changes in net sales or revenues	19 and 20; 28 and 29; 31 to 36
8.	**CAPITAL RESOURCES**	
8.1	Information concerning the issuer's capital resources	32; 37; 125 to 128; 278; 300
8.2	Sources and amounts of the issuer's cash flows	129 to 132
8.3	Information on the borrowing requirements and funding structure of the issuer	32; 154 and 155; 174 and 175; 192 and 193; 208 and 209; 289 and 290
8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	115
8.5	Information regarding the anticipated sources of funds needed to fulfil commitments relating to material investments that are currently in progress or are the subject of firm commitments	386; 397
9.	**REGULATORY ENVIRONMENT**	382 to 384
10.	**TREND INFORMATION**	
10.1	a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document b) any significant change in the financial performance of the group.	28 and 29
10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	108 to 116
11.	**PROFIT FORECASTS OR ESTIMATES**	N/A
12.	**ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT**	
12.1	Information concerning the members of the administrative, management and supervisory bodies and senior management	58 to 75; 89
12.2	Information concerning the members of the administrative, management and supervisory bodies and senior management	89 and 90
13.	**REMUNERATION AND BENEFITS**	
13.1	The amount of remuneration paid and benefits in kind granted to members of the administrative, management and supervisory bodies and senior management	76 to 88; 220 and 221; 286 and 287
13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits	86; 220 and 221; 286 and 287
14.	**BOARD PRACTICES**	
14.1	Date of expiration of term of office	45; 59
14.2	Information about members of the administrative, management or supervisory bodies' service contracts	89
14.3	Information about the issuer's audit committee and remuneration committee	54 to 56
14.4	Corporate governance regime(s) applicable to the issuer	52 and 53
14.5	Potentially material impacts on corporate governance	65

Key information required under Annexes 1 and 2 of European Commission Regulation 2019/980		Pages
15.	**EMPLOYEES**	
15.1	Number of employees	3; 147; 286; 291; 342
15.2	Information as to share ownership and any options of members of the administrative, management or supervisory bodies	59; 78; 85
15.3	Description of any arrangements for involving employees in the capital of the issuer	310
16.	**MAJOR SHAREHOLDERS**	
16.1	In so far as is known to the issuer, the name of any person who has an interest in the issuer's capital or voting rights	302
16.2	Different voting rights of major shareholders	302
16.3	Direct or indirect control by a shareholder	302
16.4	Any arrangements which may at a subsequent date result in a change in control of the issuer	302
17.	**RELATED PARTY TRANSACTIONS**	30; 149; 262 to 267
18.	**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**	
18.1	Historical financial information	
18.1.1	Audited historical financial information	3; 19 and 20; 122 to 234; 242 to 291
18.1.2	Change of accounting reference date	N/A
18.1.3	Accounting standards	136; 250
18.1.4	Change of accounting framework	200; 249
18.2	Interim and other financial information	N/A
18.3	Auditing of historical annual financial information	235 to 241; 292 to 296
18.4	Pro forma financial information	N/A
18.5	Dividend policy	
18.5.1	Issuer's policy on dividend distributions	304; 309
18.5.2	Amount of the dividend per share for the past three financial years	13 and 14; 293; 304; 309
18.6	Legal and arbitration proceedings	387
18.7	Significant change in the issuer's financial position	N/A
19.	**ADDITIONAL INFORMATION**	
19.1	Share capital	
19.1.1	Amount of issued capital	300
19.1.2	Shares not representing capital	N/A
19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer	278; 300
19.1.4	Amount of any convertible securities, exchangeable securities or securities with warrants	N/A
19.1.5	Information about any terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital	305
19.1.6	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
19.1.7	History of share capital	300
19.2	Memorandum and Articles of Association	
19.2.1	Issuer's objects and purposes	382
19.2.2	Rights, preferences and restrictions attaching to each class of existing shares	N/A
19.2.3	Provision that would have an effect of delaying, deferring or preventing a change in control	302
20.	**MATERIAL CONTRACTS**	386
21.	**DOCUMENTS AVAILABLE**	3rd inside back cover

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).

		Pages
1.	Company financial statements	242 to 290
2.	Consolidated financial statements	122 to 234
3.	Management report	404 and 405
4.	Corporate governance report	406
5.	Statement by the person responsible	388
6.	Statutory Auditors' report on the Company and consolidated financial statements	235 to 241; 292 to 296
7.	Fees paid to the Statutory Auditors	206; 287

Information relating to the management report and corporate governance report

This Universal Registration Document includes all items from the management report and the corporate governance report that are required by law.

The following table presents the items from the management report and the corporate governance report of the Board of Directors of CNP Assurances to the Ordinary and Extraordinary General Meanding of 16 April 2021.

Management report

	Pages
I. Business information regarding the operations of the Company, its subsidiaries and companies it controls (Articles L.225-100-1, L.232-1, L.233-6, L.233-26 and L.247-1 of the French Commercial Code and Articles L.511-45 and R.511-16-4 of the French Monetary and Financial Code)	
Objective and comprehensive analysis of the changes in business, results and financial position of the Company, in particular its debt situation, in relation to the volume and complexity of its business	28 to 36
Business model	6 to 15; 314
Position of the Company and the Group during the period	24 to 37
Expected changes	6 and 7; 36
Material events arising bandween the end of the reporting period and the date of the management report	26; 135; 249
Research and development activity	-
Key financial and non-financial performance indicators relating to the Company's operations	3; 19-20
Acquisition of a stake during the period in a company with its registered office in France	30
Information on sites and operations included in the scope of consolidation	18; 140 to 143
Business and performance by line of business of the Company as a whole, its subsidiaries and companies it controls	28 to 36
Existing branches	18
II. Information on risk factors and internal control procedures (Article L.225-100-1 of the French Commercial Code)	
Description of the main risks and contingencies to which the Company and Group are exposed	107 to 116
Information on the objectives and policy regarding the hedging of each main category of planned transactions for which a hedge accounting policy is in place, as well as exposure to price, credit, liquidation and cash risks	106 to 108
Exposure to price, credit, liquidity and cash risks	106 to 108
Information on the internal control and risk management procedures implemented by the Company for the preparation and processing of accounting and financial information for the consolidated and company accounts	117 and 118
Information on financial risks associated with the effects of climate change and measures taken to mitigate such risks by implementing a low-carbon strategy throughout all components of the business	355 to 369

	Pages
III. Information on share capital (Articles L.225-102, L.225-211, L.233-13, L.233-29, R.228-90, R.228-91 and R.233-19 of the French Commercial Code)	-
Names of individuals and legal entities who, directly or indirectly, hold more than 5% of share capital or voting rights	301
Names of controlled entities and their stake in the Company's share capital	-
Employee share ownership at December 31, 2020 and the proportion of share capital corresponding to shares held by employees of the Company or related companies as part of the employee share ownership plan and by employees and former employees as part of the corporate mutual fund	301
Any adjustments made to securities giving rights to share capital in the event of share buyback or financial transactions	-
Securities purchased by employees as part of the buy-out of a company by its employees	-
Share buyback transactions	307
Disposal of shares with a view to ensuring compliance of cross-shareholdings	-
IV. Financial and legal information (Articles L.441-6-1, L.L.464-2 and D.441-4 of the French Commercial Code, Article 243 bis of the French Tax Code and Article L.511-6 of the French Monetary and Financial Code)	
Information on payment deadlines for suppliers and their clients	33-34
Loans granted according to Article L.511-6, 3 bis, paragraph 2 of the French Monetary and Financial Code	-
Dividends paid during the last three financial years	304
Injunctions or penalties for anti-competitive practices	-
V. Labour, social and environmental information (Articles L.225-102-1 and L.225-102-2 of the French Commercial Code)	
Environmental and social information	314 to 375
Information on social commitments for sustainable development	314 to 375
Information for companies operating at least one site as sand out in Article L.515-36 of the French Environmental Code	-
Collective corporate agreements and the impacts of such agreements on the Company's economic performance and on working conditions for employees	344 to 348
VI. Additional information (Articles L.225-185 and L.225-197-1 of the French Commercial Code and Article L.621-18-2 of the French Monetary and Financial Code)	
Conditions for the exercising and holding of stock options granted to corporate officers	-
Conditions for the holding of free shares granted to the Chairman of the Board of Directors and the Chief Executive Officer	-
Summary of transactions carried out by the Chairman of the Board of Directors and the Chief Executive Officer on the Company's securities	-
VII. Appendix to the management report (Article R.225-102 of the French Commercial Code)	
Table of the Company's financial results over the last five years	291
Statutory Auditors' report on the corporate governance report prepared in accordance with Article L.225-37 of the French Commercial Code	292 to 296

Report on corporate governance

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Find us at www.cnp.fr

Access your space – Individuals, Businesses, Candidates, Newsroom (for journalists), Investors (for analysts and shareholders) – and our CSR commitments.

Find out more about our Group, our mission, our unique multi-partner model, our innovation strategy and the CNP Assurances Foundation's activities in the "Who we are" section .

Download our publications, including the Annual Report, the Corporate Social Responsibility Report, the Universal Registration Document, the Shareholder's Letter and more.

The website, in French and English, complies with computer accessibility standards and can also be viewed on tablets and smartphones, reflecting CNP Assurances' commitment to a more open world.

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Take a look at the sections dedicated to investors and shareholders

- A dedicated section on the CNP Assurances website for analysts, investors and shareholders where you can consult 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 actionnaires@cnp.fr and infofi@cnp.fr.
- A toll-free number (toll-free only from a landline in France)
  0 800 544 544 Service & appel gratuits
  to obtain information about CNP Assurances or to request financial documentation or register a change of address.

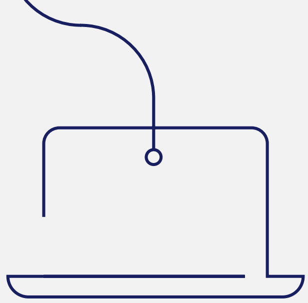
2021 Financial Calendar

16 APRIL
Annual General Meeting

12 MAY
First-quarter 2021 premium income and results indicators

28 JULY
First-half 2021 premium income and profit

19 NOVEMBER
Third-quarter 2021 premium income and results indicators



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Insuring
a more
open world

CNP
assurances