Insuring
a more
open world

Sustainable Investment

2020 Report

Contents

This report discloses the information requested in Article 173-VI of France's law on Energy Transition for Green Growth.

It also discloses the information recommended by the Task Force on Climate-related Financial Disclosure (TCFD). Governance, strategy, risk management and indicators related to climate change issues in investment activity are denoted by the following acronyms:

TCFD | GOVERNANCE TCFD | STRATEGY TCFD | RISK MANAGEMENT TCFD | INDICATORS AND OBJECTIVES

Cross-reference table with TCFD recommendations:

TCFD recommendations		Corresponding section in the report
TCFD | GOVERNANCE	Board of Directors' view of the risks and opportunities related to climate change	**3.1** Governance of risks and opportunities related to climate change
	Role of management in the assessment of risks and opportunities related to climate change	**3.1** Governance of risks and opportunities related to climate change
TCFD | STRATEGY	Risks and opportunities related to climate change identified in the short, medium and long term	**3.2** Physical and transition risk analysis
	Impacts of these risks and opportunities on organisation, strategy and financial planning	**3.2** Physical and transition risk analysis
	Potential impact of various scenarios, including the 2°C scenario, on organisation, strategy and financial planning	**3.2** Physical and transition risk analysis **3.3** 1.5°C convergence
TCFD | RISK MANAGEMENT	Methods used to identify and assess climate risk	**3.2** Physical and transition risk analysis 2019 Sustainable Investment Report part 5: Appendices
	Methods used to manage climate risk	**3.2** Physical and transition risk analysis
	Inclusion of climate risk identification, assessment and management processes in the overall risk management process	**3.1** Governance of risks and opportunities related to climate change
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	**3.2** Physical and transition risk analysis **3.3** 1.5°C convergence 2019 Sustainable Investment Report part 5: Appendices
	Greenhouse gas emissions (scopes 1, 2 and, if necessary, 3) and related risks	**3.2** Physical and transition risk analysis
	Targeted objectives for managing the risks and opportunities related to climate change	**1.2** Overview of our responsible investment strategy

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A COMPREHENSIVE RANGE OF SOCIAL PROTECTION SOLUTIONS.

5,156
employees worldwide

36
million [1] insureds 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]

Scope

This report covers all assets held by CNP Assurances, CNP Caution and MFPrévoyance.
Data reported are as at 31 December 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

CNP Assurances' business, like that of any other company, is dependent on services provided by nature, also known as ecosystem services. Some economic studies estimate that 55% of the world's GDP depends on ecosystem services. Conversely, 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.

CNP Assurances also seeks to assess its dependence on ecosystem services in order to mitigate this risk.

To this end, I would like to highlight recent initiatives by CNP Assurances to give greater consideration to biodiversity in the management of its investments:

- in 2020, CNP Assurances made biodiversity an integral part of its shareholder engagement policy, 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;
- 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. The test carried out on five sectors (agrifood, oil and gas, energy, woodland and paper, waste) estimates the biodiversity footprint of our equity and corporate bond portfolio at -14 m^2.MSA [1] per thousand euros invested. We have chosen to publish this initial biodiversity footprint measurement to contribute to advancing methodological work in this area and to encourage companies, particularly in the sectors with the greatest impact, to be more transparent about biodiversity;
- the renewal in early 2021 of the management agreement with Société Forestière, which sustainably manages the 56,488 hectares of CNP Assurances' woodland, has made it possible to define an action plan and objectives for preserving biodiversity over the next five years within a sustainable management charter. The charter provides for an inventory of potential biodiversity, with a view to improving it through actions such as the conservation of micro-habitats, developing ecological corridors, protecting the reproduction of the most sensitive species, banning fungicides and phytocides and limiting insecticides to health emergencies only.

With several major events scheduled for 2021 to accelerate the protection of biodiversity worldwide, including the IUCN (International Union for Conservation of Nature) World Congress in September 2021 in Marseille (France) and the COP15 on biodiversity in October 2021 in Kunming (China), CNP Assurances is committed to pursuing its efforts to measure and reduce its impact on biodiversity through its investment portfolio. I am convinced that climate change and biodiversity loss are inseparable challenges that must be tackled together, by governments, businesses and investors alike.

Stéphane Dedeyan
Chief Executive Officer

(1) The MSA (Mean Species Abundance) is a scientifically recognised metric created by the PBL (Netherlands Environmental Assessment Agency) to measure mean species abundance. The destruction of biodiversity is expressed in negative values of m^2.MSA. The m^2.MSA corresponds to the artificialisation of 1 m^2 of virgin natural space

Chapter 1

Responsible investment strategy

Responsible investment key figures

ESG APPROACH

88%
Share of assets managed with ESG filters across all our traditional and unit-linked product portfolios

95%
Share of assets under management of the equity portfolio for which we voted at General Meetings

123 countries
Number of countries excluded from our investments on the basis of ESG criteria

96%
Share of PRI signatories among the management companies with which we work

25%
Share of resolutions that we rejected at General Meetings

3,307 companies
Number of companies excluded from our investments on the basis of ESG criteria

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

2050
Objective for our investment portfolio being carbon neutral

56,488 hectares
Surface area of our sustainably-managed forests

67 kgeqCO_2/€k
Carbon footprint of our equity and corporate bond portfolio

2.6°C
Estimated temperature of our equity and corporate bond portfolio

81%
Share of our assets which were subject to a climate risk analysis

18 kgeqCO_2/m^2
Carbon footprint of our real estate portfolio

€17.2 billion
Assets under management in green investments in our portfolios

91%
Share of our dialogues with companies which addressed climate change issues

RISKS AND OPPORTUNITIES RELATED TO THE BIODIVERSITY LOSS

64%
Share of our dialogues with companies which addressed biodiversity protection issues

-14 m^2.MSA/€k
Biodiversity footprint of our equity and corporate bond portfolio

RAISING POLICYHOLDERS' AWARENESS

€11.1 billion
Assets under management in unit-linked funds managed with ESG filters in our insurance contracts

42%
Share of assets under management in unit-linked funds managed with ESG filters in our insurance contracts

1.1 In figures

As a responsible investor, CNP Assurances endeavours to have a positive impact on society as a whole.

With more than **€300 billion** invested in all sectors, CNP Assurances is a major player in financing the real economy.

Over the last six years, CNP Assurances has made compelling commitments in favour of the environmental and energy transition 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. This was achieved with success: the footprint declined by 54% between 2014 and 2020. On joining the Net-Zero Asset Owner Alliance in 2019, CNP Assurances pledged to achieve carbon neutrality in its investment portfolio by 2050.

As a signatory of the UN's Principles for Responsible Investment (PRI) since 2011, the Group chooses its investments according to environmental, social and governance (ESG) criteria. These criteria have been extended to every asset class over the past 15 years.

At the end of 2020, 88% of CNP Assurances' traditional and unit-linked product portfolio assets were managed with ESG filters (91% of traditional portfolio assets).

With **€17.2 billion** in green investments at end-2020 and new targets to rid its portfolios of investments in the coal, oil and gas industries, CNP Assurances has stepped up its commitment to the fight against global warming, in the belief that large-scale environmental problems generate a financial risk against which it has a duty to protect itself if it is to uphold long-term commitments with policyholders.

What makes us a responsible investor

- We define and manage a committed responsible investment strategy
- We manage our investments with a long-term perspective on behalf of our policyholders and shareholders
- We hold a majority of our investments directly, thus allowing for a stronger integration of our responsible investment strategy
- Asset management is delegated to companies that share our values

1.2 Overview of our responsible investment strategy

CNP Assurances is a responsible investor with a global approach based on methods tailored to the specific nature of each asset class. This approach contributes to six of the United Nations' Sustainable Development Goals.

	COUNTRY EXCLUSION	COMPANY EXCLUSION	FUND EXCLUSION	ESG RATING ANALYSIS	SYSTEMATIC INTEGRATION OF ESG IN INVESTMENT POLICY
Real estate	✓			✓	✓
Woodland	✓			✓	✓
Equities	✓	✓		✓	✓
Corporate bonds	✓	✓		✓	
Private equity / Infrastructure	✓	✓		✓	
Government bonds	✓				
Dedicated funds	✓	✓	✓		
Other funds	WATCHLIST	WATCHLIST	✓		

- Countries excluded for reasons of fiscal opacity, corruption or non-respect of democracy and freedom
- Companies excluded because of their involvement in arms, tobacco, coal, oil and gas or non-respect of the principles of the United Nations Global Compact
- Funds excluded due to speculation on agricultural commodities
- The investments are subject to an ESG analysis and/or rating
- ESG analysis and/or ratings systematically impact the decision to invest

CNP Assurances is committed to the environmental and energy transition needed to achieve carbon neutrality by 2050.

TCFD | INDICATORS AND OBJECTIVES

	OBJECTIVES	ACHIEVEMENT RATE AT END-2020
-47%	**between 2014 and 2021** **Reduction in the carbon footprint** of the portfolio of directly held listed equities to achieve 250 kgeqCO_2/€k invested in 2021	**115%** (217 kgeqCO_2/€k invested)
-40%	**between 2006 and 2021** **Reduction in the carbon footprint** (1) of the directly held real estate portfolio to achieve 18 kgeq CO_2/m^2 in 2021	**102%** (18 kgeqCO_2 /m^2)
€20bn	**by end 2023** **New green investments** in the environmental and energy transition	**86%** (€17.2 billion)

CNP Assurances is committed to the fight against global warming through the following objectives:

- Achieve a carbon-neutral investment portfolio by 2050
- Reduce the carbon footprint (scopes 1 and 2) of its portfolio of directly held real estate and corporate bonds by a further 25% between 2019 and 2024
- Reduce the carbon footprint (scopes 1 and 2) of its portfolio of directly held real estate by a further 10% between 2019 and 2024
- Reduce the carbon intensity (scopes 1 and 2) of the electricity producers in which CNP Assurances is a direct shareholder or bondholder by a further 17% between 2019 and 2024
- Engage in dialogue with 8 companies (6 directly and 2 via the collaborative initiative Climate Action 100+) and 2 asset managers to encourage them to adopt a strategy aligned with a 1.5°C scenario by end-2024
- Achieve 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
- Ask all of the companies to which CNP Assurances is directly exposed to publish, by 2021, a plan for their withdrawal from thermal coal aligned with an exit 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
- Reach €20 billion in green investments by the end of 2023 (woodland, green bonds, high energy-performance buildings, green infrastructure)

1.3 Description of our responsible investment strategy

The integration of ESG criteria is an essential vector for CNP Assurances' values. It reflects the Group's commitments and is a core component in the Group's investment strategy governance.

Principle No. 1: Integrating ESG, a vector for CNP Assurances' values

In order to apply its values in its work as an investor, CNP Assurances has adopted an ESG/SRI policy, to:

- secure the commitments made to policyholders and above all offer optimised performance year after year;
- be a long-term investor and responsible shareholder;
- contribute to economic development by providing public and private players in all business sectors with the necessary stability to pursue their growth plans.

Implementation

Long-term commitments

As its assets serve long-term commitments, CNP Assurances holds equities from a long-term perspective and generally holds bonds until they mature, while at the same time maintaining active management to ensure that commitments made to policyholders are met each year.

A responsible shareholder

CNP Assurances votes at the shareholders' meetings of the listed companies in which it is a shareholder. It ensures the rights of minority shareholders are respected and supports each company's long-term growth.

Promoting responsible unit-linked products

CNP Assurances promotes responsible unit-linked products for policyholders through its distribution partners.

Supporting the real economy

CNP Assurances supports the development of the real economy through its investments, particularly those with an environmental and social impact.

Principle No. 2: Four principles for ESG integration

CNP Assurances includes ESG criteria in the management of its assets.

As a signatory of the Global Compact, the Principles for Responsible Investment (PRI), and the Net-Zero Asset Owner Alliance, and convinced that taking ESG criteria into account when assessing an investment contributes to value creation and optimises the yield-to-risk ratio over time, CNP Assurances has been deploying a responsible investor strategy since 2006. The four conditions guiding the integration of ESG criteria are:

- respect human rights as defined in the Universal Declaration of human rights;
- adhere to the principles of the International Labour Organization (ILO), including respect for freedom of association and the right to collective bargaining, and the elimination of forced labour, child labour and discrimination;
- promote the protection of the environment, the environmental and energy transition, and initiatives to reduce or adapt to climate change;
- contribute to the fight against corruption.

Implementation

Inclusion of one of the four principles

CNP Assurances considers that ESG criteria have been taken into account for a given asset class when all of the securities in the class are screened for at least one of the four conditions and a minimum level of security is ensured with respect to the others.

Balanced application of the three pillars

The methodology applied balances the three pillars of ESG, with particular attention paid to governance, which is the key to the quality of engagement over the long term.

Exclusion policy

CNP Assurances excludes certain activities or production methods.

Principle No. 3: The implementation of ESG as a building block for the Group's investment strategy governance

CNP Assurances' responsible investment strategy is prepared by the Investment department and the Group CSR department, in collaboration with the Group Risk department.

It is defined as part of the overall investment policy approved by Executive Management and the Board of Directors.

Implementation

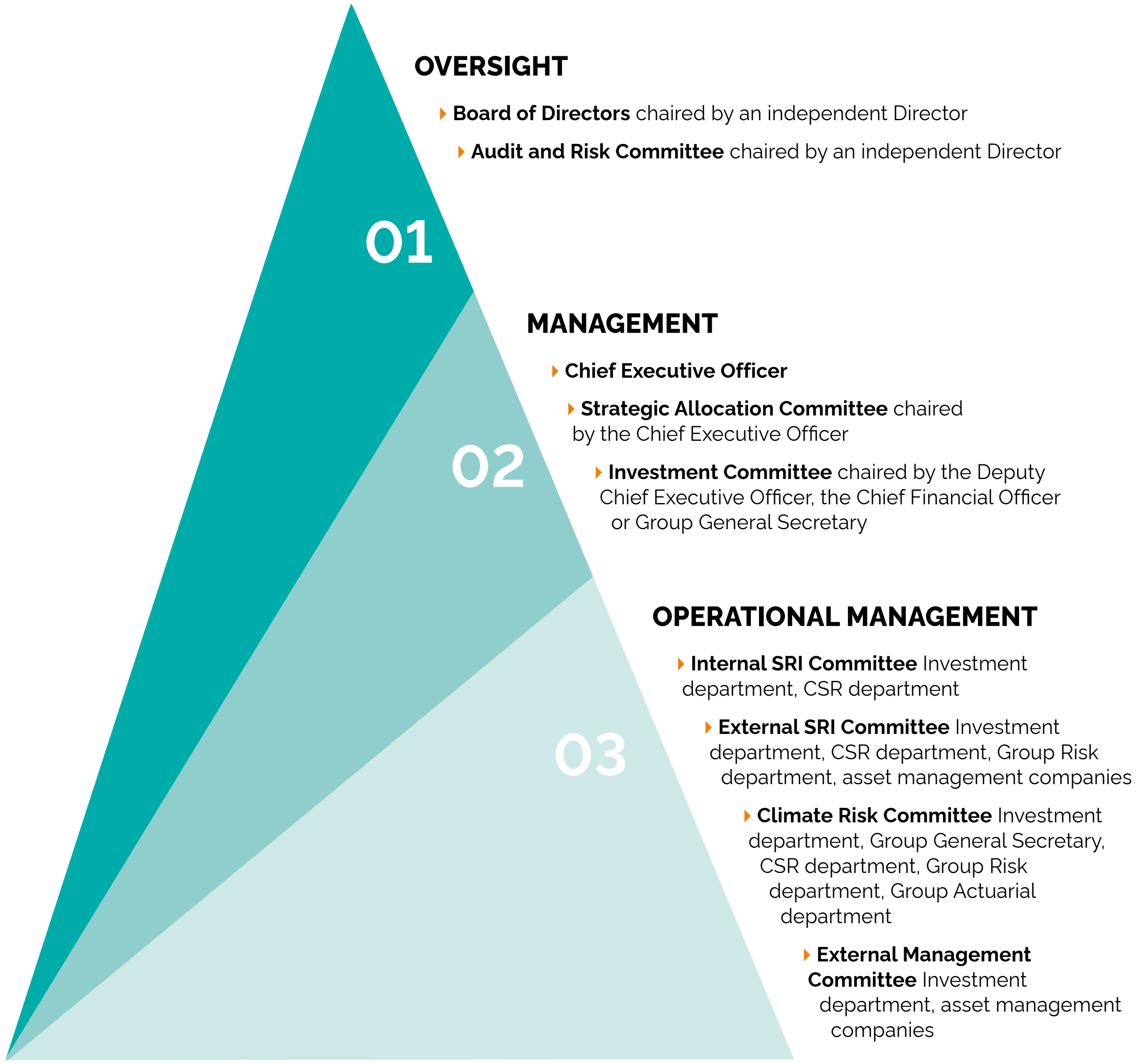
CNP Assurances undertakes to:

- respect principles No. 1 and No. 2 in its operations by providing the necessary human and financial resources;
- publicly disclose the steps taken and the progress made on a yearly basis.

1.4 Governance of our responsible investment strategy

The responsible investment strategy is defined in the investment strategy approved by Executive Management and the Board of Directors.

A dedicated governance framework for responsible investment is implemented to enable the Board of Directors, Executive Management, relevant Committees and investment teams to integrate ESG and climate issues in all decision-making and operational processes.



01 Oversight

CNP Assurances has implemented a risk management policy as part of the Group's decision-making processes. The strategic risk management priorities are decided by the Board of Directors based on input from the Audit and Risk Committee. The Board of Directors assesses the inclusion of ESG criteria in asset management as part of its annual review of the investment strategy.

The responsible investment strategy, its objectives and implementation are presented once a year to the Board of Directors and the Audit and Risk Committee.

02 Management

The effective and operational implementation of responsible investment processes is the responsibility of the Chief Executive Officer. He is supported by the Group's Chief Investment Officer and General Secretary, who are both members of the Executive Committee.

They oversee the organisation and monitor the operational implementation of the responsible investment strategy. CNP Assurances' Corporate Social Responsibility (CSR) department reports to the Group General Secretary. The head of the CSR department is accountable to the Chief Executive Officer and the Board of Directors regarding the main environmental, social and governance (ESG) challenges and risks, as well as the implementation of the Group's CSR approach.

The CNP Assurances' SRI department reports to the Group's Chief Investment Officer.

The CSR and SRI departments draft the Group's responsible investment policy and ensure that ESG criteria are integrated into asset management.

The responsible investment strategy review is presented annually to the Strategic Allocation Committee, chaired by the Chief Executive Officer, which is responsible for setting the strategic investment allocation guidelines. This Committee also approves proposed changes to the responsible investment strategy.

The Investment Committee decides on investments. It is chaired by the Deputy Chief Executive Officer, the Chief Financial Officer or Group General Secretary It oversees the risk acceptance process and is supported by the Group Risk department.

The Committee ensures that the ESG criteria are integrated into the decision-making process.

With all the measures implemented, ESG management is strongly integrated into the management and investment management processes.

03 Operational management

A network of operational stakeholders

Within the Investment department, the implementation of the responsible investment strategy relies on the SRI department and a network of correspondents appointed for each asset class. They deploy this strategy with the partner asset management companies in charge of managing the various asset classes (equities, bonds, real estate and woodland). In 2020, more than 50 employees from the Investment department had an objective related to responsible investment in the calculation of their variable remuneration.

The Internal SRI Committee coordinates the responsible investment strategy within the network of correspondents and the CSR department. It monitors the operational implementation of the responsible investment strategy according to asset class, performing a review and proposing changes.

The Group Risk department verifies the correct application of the exclusion rules in the asset portfolios.

The CSR department drafts and manages CNP Assurances' engagement and voting policy. It is responsible for exercising voting rights at shareholder meetings and for shareholder engagement. The voting policy is presented to the Board of Directors and the voting decisions of each shareholder meeting proposed by the CSR department are approved by the Investment department.

The Climate Risk Committee brings together all of CNP Assurances' stakeholders in this area to share regulatory news, market initiatives and to monitor the climate roadmap implemented by the entire company, including liability risks and asset risks. The work of the Committee is described in section 3.1.

Management delegated to asset management companies and steered by CNP Assurances

External management Committees enable CNP Assurances' Investment department to oversee the tactical management of assets. The asset management companies report on non-financial management.

For the management of listed assets, the Investment department controls the ESG processes of the two asset management companies, Ostrum and LBPAM. These companies use their own SRI analysts. Every quarter, each management company presents its portfolios' ESG ratings, developments, sector issues and securities at risk to the CNP Assurances SRI Committee.

The table below shows the responsible management cycle for each asset class held in CNP Assurances' portfolios. The responsible investment policy drawn up by CNP Assurances is subject to operational management and implementation control by the Investment department. Management Committees with the asset management companies ensure this regular monitoring.

	Management CNP Assurances	Operational management Ensured jointly by the CSR and SRI departments of CNP Assurances	Investment department of CNP Assurances A dedicated management team monitors each asset class supported by the SRI department	External management companies Delegated asset management
Directly held listed equities **Directly held corporate bonds** **Directly held sovereign bonds**	**ESTABLISHES THE RESPONSIBLE INVESTMENT POLICY AND CLIMATE COMMITMENTS FOR ALL ASSET CLASSES Together, these policies limit exposure to sustainability risks**	▪ Determines and monitors the correct application of the exclusions on companies and countries. ▪ Defines and implements its engagement policy. ▪ Prospective studies, assessment and monitoring of sustainability risk.	▪ Ensures the delegation to the management company is subject to compliance with CNP Assurances' socially responsible approach. ▪ Ensures the proper application of the SRI policy and the diligent implementation of related projects with the management companies.	The partner asset management company: ▪ applies the investment policy by using its own approach to ESG and consideration of sustainability risks; ▪ reports every quarter to CNP Assurances on compliance with the responsible investment policy, the achievement of objectives and the consideration of sustainability risks.
Real estate held directly or through wholly owned vehicles		▪ Determines and monitors the correct application of the exclusions on securities and countries. ▪ Sets the green charter that applies to all management agreements. ▪ Prospective studies and assessment; monitoring of sustainability risks.	▪ Ensures the delegation to the management company is subject to compliance with CNP Assurances' socially responsible approach. ▪ Ensures the proper application of the SRI strategy.	The partner asset management companies: ▪ carry out an ESG analysis taking into account sustainability risks before any real estate assets are acquired; ▪ undertake to manage properties in accordance with the ESG principles set by CNP Assurances.
Woodland		▪ Defines the objectives regarding sustainable woodland management certification ▪ Determines and monitors the correct application of the exclusions on countries. ▪ Study and monitoring of sustainability risk.	▪ Assesses all investment opportunities proposed by the management company. ▪ Sets the green charter that applies to the management agreement. ▪ Undertakes to continue its efforts to improve woodland areas where possible (management of enclaves, easements, etc.) so as to increase the qualitative nature of the portfolio in terms of sustainable management. ▪ Participates in the management company's Board of Directors as shareholder.	The partner asset management company: ▪ implements its sustainable woodland management manual on CNP Assurances' portfolio on a day-to-day basis, and ensures that the PEFC commitments are met; ▪ commits to selecting quality woodland already certified or with potential to gain value in the future through sustainable management, with a view to obtaining PEFC certification.
Infrastructure	**ESTABLISHES THE RESPONSIBLE INVESTMENT POLICY AND CLIMATE COMMITMENTS FOR ALL ASSET CLASSES Together, these policies limit exposure to sustainability risks**	▪ Determines and monitors the correct application of the exclusions on companies and countries. ▪ Defines and implements its engagement policy.	▪ Strategic guidelines for new investments favouring sustainable risk management. ▪ Conducts a due diligence process before any investment.	▪ The managers that publish an ESG report annually report to CNP Assurances on compliance with the responsible investment policy, the achievement of objectives and the consideration of sustainability risks.
Private equity held through funds		▪ Determines and monitors the correct application of the exclusions on companies and countries. These exclusion rules partly aim to limit exposure to sustainability risks.	▪ Conducts a due diligence process before any investment in the new funds. ▪ Conducts an ESG rating of the new funds.	▪ The management companies apply the investment policy using their own processes and ESG analyses. ▪ The management companies that publish an ESG report annually report to CNP Assurances on compliance with the responsible investment policy and the achievement of objectives.
Listed equities and bonds held through funds dedicated to CNP Assurances		▪ Determines and monitors the correct application of the exclusions on companies and countries. These exclusion rules partly aim to limit exposure to sustainability risks.	▪ Conducts a due diligence process before any investment in the new funds. ▪ Conducts an ESG investigation of the management companies every six months. And controls the funds' ESG performance and exposure to sustainability risks.	▪ The management companies apply an ESG strategy specific to the management company or co-constructed with CNP Assurances that complies with exclusion constraints.
Other funds of listed securities		▪ Defines sustainability risks to be addressed with management companies in due diligence and surveys.	▪ Conducts a due diligence process before any investment in the new funds. ▪ Conducts an ESG investigation of the management companies of listed funds every six months.	▪ The management companies apply a responsible investment policy at their own discretion.

Responsible investment is a core component of the collective remuneration of CNP Assurances employees

Outside the Investment department, all employees are regularly informed about the Group's responsible investment strategy. The proportion of financial assets managed using an ESG criterion, which is a key indicator of this strategy, was included in CNP Assurances' employee profit-sharing criteria for the first time in 2019.

Responsible investment strategy
Timeline of our responsible investment strategy 1

1.5 Timeline of our responsible investment strategy

Year	Our commitments	Our actions
2003	Member of the UN Global Compact	The CNP Assurances Group is committed to upholding the human and citizens' rights set out in the Universal Declaration of human rights, and to complying with the principles of the International Labour Organization (ILO) and the national labour laws of each host country
2005		First disclosure of greenhouse gas emissions to the Carbon Disclosure Project
2006		First-time implementation of an ESG best-in-class strategy for the entire equity portfolio
2008		Exclusion of producers of anti-personnel mines and cluster munitions
2011	Signing of the Principles for Responsible Investment (PRI)	
2014		Exclusion of offshore financial centres
2015	Signing of the Montreal Carbon Pledge	1st climate strategy with quantitative targets for green investments and reduction of the carbon footprint of the investment portfolio 1st policy covering investments in the coal sector
2016	Supporting member and signatory of the Carbon Disclosure Project	First public report on the inclusion of ESG factors in the investment strategy
2017	Member of the Climate Action 100+ initiative	
2019	Member of the Net-Zero Asset Owner Alliance and Finance for Tomorrow	Commitment to having a carbon-neutral investment portfolio by 2050 Enhancement of the coal policy Increased quantitative target of green investments
2020	Supports the European Green Recovery Alliance Signing of the Tobacco-Free Finance Pledge	1st publication of the shareholder engagement policy Adoption of a thermal coal phase-out plan

Chapter 2

ESG approach

2.1 Shareholder engagement

Shareholder dialogue and votes at General Meetings in favour of long-term value creation

CNP Assurances' shareholder engagement takes two forms:

- voting at General Meetings;
- shareholder dialogue.

As a responsible investor with an equity portfolio of €18 billion, CNP Assurances has followed a policy of shareholder engagement since 2005, systematically voting at the General Meetings of the listed companies in which it is a shareholder.

In accordance with the provisions of the PACTE law, CNP Assurances publishes on the www.cnp.fr website the details of its shareholder engagement policy, which covers both voting policy and dialogue with companies.

2.1.1 Voting at General Meetings

The principles set out in the voting policy aim not only to defend the rights of CNP Assurances as a minority shareholder, but also to 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 different countries. These companies account for 95% of the equity portfolio assets held directly by CNP Assurances.

More specifically, the Group participated in:

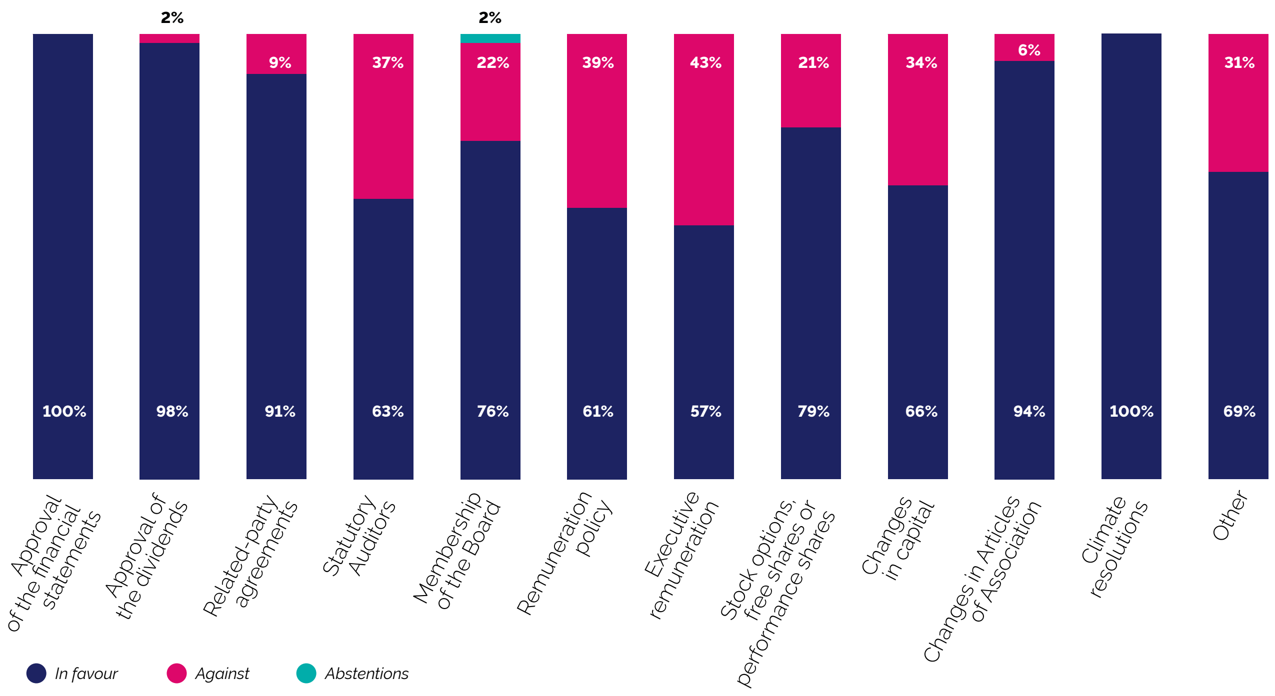
- 54 General Meetings of 52 French companies;
- 56 General Meetings of 51 international companies.

CNP Assurances analysed 2,133 resolutions:

- CNP Assurances approved 1,592 resolutions (74.6% of the proposed resolutions);
- CNP Assurances voted against 532 resolutions (24.9% of the proposed resolutions);
- CNP Assurances abstained from voting on 9 resolutions (0.4% of the proposed resolutions).

COVERAGE	ANALYSES
95% of assets	2,133 Resolutions
10 countries	110 General Meetings
103 companies	

Breakdown of votes cast by CNP Assurances



Consideration of environmental issues

As part of its strategy to combat climate change, CNP Assurances decided to support all climate-related resolutions in 2020 (there were four for companies in which CNP Assurances is a shareholder), even when these resolutions were not approved by the Board.

In accordance with its voting policy, CNP Assurances cast negative votes in 2020 against a company that had not taken and implemented sufficiently ambitious decisions to reduce greenhouse gas emissions. CNP Assurances thus opposed the renewal of the directors and the remuneration of the Company's executives.

Consideration of gender issues

In accordance with its voting policy, CNP Assurances opposed the renewal or appointment of male directors when the proportion of women on the Board of Directors is less than 40%, including in countries where there are no legally binding rules on gender diversity on the Board.

Consideration of the economic and financial context

CNP Assurances has taken into account the economic and financial consequences of the COVID-19 health crisis in its review of the 2019 appropriation of profit. It has paid close attention to the recommendations of AFEP-MEDEF concerning the cancellation or reduction of dividends for companies that have benefited in 2020 from one or more government support measures. In this context, CNP Assurances objected to the dividend payments proposed this year by two companies, the amount of which it did not consider responsible as a long-term shareholder.

Consideration of compensation and social cohesion issues

The main objections raised in 2020 by CNP Assurances concerned both remuneration policies and the remuneration of Executive Management when:

- the Company demonstrated a proven lack of transparency on one or more components of remuneration;
- the proposed increases in fixed and/or variable remuneration were disproportionate to those of other European companies in the same sector and were insufficiently justified;

- variable remuneration did not comply with the ceiling set by CNP Assurances' voting policy or was not significantly linked to the Company's performance or was based on a weighting of qualitative criteria, which are more difficult to evaluate, higher than 30%;
- variable remuneration of corporate officers of companies with significant environmental issues was not based on any environmental criteria;
- the achievement rate of quantitative and qualitative objectives was not communicated.

2.1.2 Shareholder dialogue

By promoting direct dialogue with the companies in which it is a shareholder, CNP Assurances pursues the following objectives:

- support CNP Assurances' climate and biodiversity strategy by encouraging companies in which it is a shareholder or bondholder to take and implement ambitious decisions on the environmental and energy transition (EET) in line with the Paris Agreement, and to disclose information on their greenhouse gas (GHG) emissions and risks related to climate change and biodiversity loss;
- improve the governance of the companies for which CNP Assurances has the most opposing votes at General Meetings in terms of remuneration or composition of the Board of Directors.

In 2020, CNP Assurances:

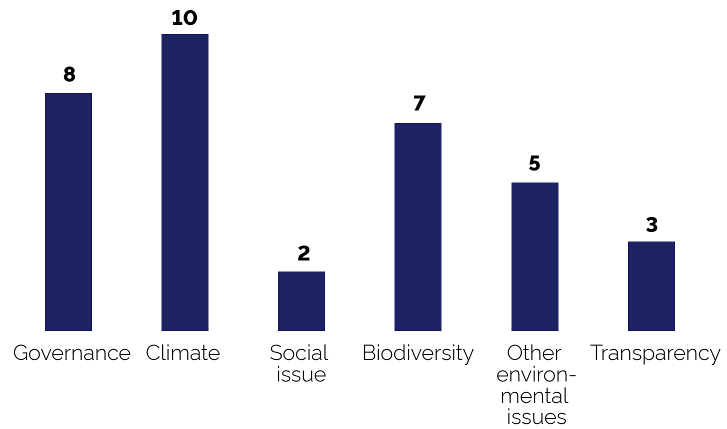
- held direct dialogues with 11 companies;
- sent 21 letters to companies asking them to publish a plan for their exit from thermal coal;
- supported two collaborative engagement campaigns to stop the development of coal-fired power stations and reduce greenhouse gas emissions;
- participated in collective dialogue with a European energy company through the Climate Action 100+ initiative.

Direct dialogue breakdown

In 2020, all requests for dialogue with companies targeted by CNP Assurances were successful. Over the course of the 11 direct dialogues held in 2020, the following areas were discussed with CNP Assurances:

- governance (8 dialogues, i.e. 73% of instances);
- climate (10 dialogues, i.e. 91% of instances);
- social issues (2 dialogues, i.e. 18% of instances);
- biodiversity (7 dialogues, i.e. 64% of instances);
- other environmental issues (5 dialogues, i.e. 45% of instances);
- transparency (3 dialogues, i.e. 27% of instances).

Direct dialogue



2.2 The ESG criteria that guide our decisions

2.2.1 Directly held listed equities

Financial assets concerned

Scope: all listed equities held directly by CNP Assurances and its French subsidiaries.

Assets under management: €18 billion at market value at 31 December 2020.

Financial management: CNP Assurances defines and oversees its investment strategy. Equity investment management was delegated in 2020 to La Banque Postale AM and Ostrum AM (an affiliate of Natixis Investment Managers).

CNP Assurances ensures the governance of the ESG approach implemented by the asset management companies

Responsible investment and, more specifically, climate change and the protection of the environment are CNP Assurances' main strategic priorities in the management of directly held listed shares.

CNP Assurances defines and oversees its responsible investment strategy. SRI management and research are delegated to managers at La Banque Postale AM, Ostrum AM and Mirova, the latter of which are affiliates of the Natixis Investment Managers group.

In 2020, each manager presented their portfolios' ESG ratings, developments and sector issues, and the securities at risk, to the CNP Assurances SRI Committee on a quarterly basis. This approach has been in place since 2006 with Ostrum AM and since 2009 with La Banque Postale AM.

CNP Assurances ensures the consistency of the approach of its two agents through its commitment to responsible investment and by bringing their dialogue more in line with its own or even by excluding securities issued by companies whose practices violate SRI principles.

CNP Assurances' commitments towards directly held listed equities

The Group's ESG approach on all directly held listed equities is based on the following four complementary pillars:

- **best-in-class management:**
  The best-in-class approach has been chosen. This means that preference is given to investments in companies with the best non-financial (ESG) ratings within their sector;
- **climate commitments:**
  Since the end of 2017, the management of directly held equities has been aligned with model portfolios that heavily weight contribution to the environmental and energy transition. These model portfolios are deployed in collaboration with La Banque Postale Asset Management (LBPAM) and Mirova (Natixis Investment Managers).
  As a signatory of the Montreal Carbon Pledge, CNP Assurances published the carbon footprint of its portfolio of directly held listed equities in December 2015 and undertook to reduce it by 47% between 2014 and 2021 to attain a level of 250 kgeqCO_2/per €k invested by 2021: this target was reached in June 2019, a year and a half ahead of schedule.
  As part of its climate commitments, CNP Assurances is also pursuing its thermal coal disengagement policy;
- **a shareholder engagement policy** since 2005:
  CNP Assurances manages and implements a strategy focused on voting at General Meetings and shareholder dialogue. The key areas of this ESG engagement policy are governance, gender equality and climate action, as described in section 2.1 of this report.
  In 2018, CNP Assurances also became a member of Climate Action 100+, a collaborative shareholder engagement platform created in December 2017;
- **exclusion rules on securities and countries determined by CNP Assurances:**
  These rules, described in section 2.4, also apply to the Group's equity portfolio.

2.2.1.1 The ESG approach led by Ostrum AM

ESG analysis

Mirova's analysis of ESG/climate issues for CNP Assurances is based on the following principles:

A risks/opportunities approach

Achieving the sustainable development goals implies taking into account two dimensions, which often complement each other:

- **seizing opportunities:** positioning themselves on technological and societal innovation as soon as it becomes a defining element of their business project enables companies to seize opportunities related to ongoing transitions;
- **managing risks:** the "in-sourcing" of external environmental and social factors, often in the form of managing disperse sustainable development challenges, makes it possible to limit the risks associated with ongoing transitions.

This analysis structure, which gives equal importance to opportunities and risks, is the first prism for looking at sustainable development issues.

Targeted and case-specific challenges

The analysis of risks and opportunities seeks to focus on the factors most likely to have a tangible impact on the assets under consideration and on society as a whole. Moreover, the challenges faced by the various economic agents differ greatly from one sector to another, and may even vary significantly within the same sector.

For this reason, analytical approaches focus on a limited number of issues tailored to the specific characteristics of each asset under review.

A 360 "lifecycle" view

To identify the challenges likely to have an impact on an asset, an accurate analysis of environmental and social challenges requires looking at the entire lifecycle of products and services, from the extraction of raw materials to a product's end of life. For example, while working conditions is an important focus for a supplier in textiles, for carmakers, priority hinges more on energy consumption when using products.

A qualitative rating scale

The main result of these analyses is the production of a global qualitative rating on five levels in order to assess an asset's fit with sustainable development objectives: negative, at risk, neutral, positive and committed.

Since this rating scale is set in relation to the achievement of sustainable development objectives, it does not imply a particular distribution of ratings, either overall or by sector. Accordingly, in the energy sector, companies involved in coal and oil extraction are rated "at risk" at best, while companies in the renewable energy sector tend to receive positive ratings.

Integration in investment policy

The selection of securities on the basis of fundamental criteria is central to the management process: it combines financial criteria (quality of the Company's "franchise", management and balance sheet, growth potential, valuation, etc.) with ESG criteria, in both a qualitative and quantitative manner.

These criteria enable the management team to select the securities that match the team's convictions and can be integrated into the portfolio.

Equity portfolios are managed with a view to improving the portfolio rating, a goal set in relation to the "Green Index" rating and which was set up at the beginning of 2018.

The implementation of the process in the portfolio is therefore designed to promote the selection of securities given favourable ratings through Mirova's ESG research, provided that the results on the fundamental criteria mentioned above are satisfactory. The management team pays specific attention to companies with unfavourable ratings that may be held in the portfolio: reductions or liquidations of these securities must take into account the various potential impacts on the portfolio (investment income generated, impact on the desired sector positioning).

In 2020, portfolio management focused on the following investment opportunities based on certain major underlying ESG trends.

A number of themes were reflected through the investments made:

- in the areas of consumption, responsible purchasing policies and the development of health-friendly products;
- in healthcare, access to treatment and healthcare equipment, and the development of medicine that integrates new technology;
- in the area of resource and waste management;
- business and consumer services, facilitating the emergence of a low-carbon economy with better use of energy, and helping to bridge the digital divide;
- companies offering credible alternatives to automotive transportation have been strengthened or brought into the portfolio and the automotive sector has been reduced. Reductions in high greenhouse gas emitting sectors (oil, gas and cement) have been achieved.

2.2.1.2 The ESG approach led by LBPAM

ESG analysis

LBPAM boasts a team of SRI and financial analysts using multiple external sources to analyse medium- and long-term ESG challenges. The analysis is based on the SRI philosophy – called "GREaT" – defined by LBPAM in 2016 around four pillars: two pillars relating to the control of ESG risks by issuers (responsible governance and sustainable management of resources), the other two seeking to capture the way in which their business model allows them to seize commercial opportunities arising from major environmental and societal challenges (energy transition and regional development).

Responsible governance: LBPAM seeks to encourage the circulation of best practices in terms of corporate governance. We assess the quality of decision-making bodies, the existence of checks and balances and the remuneration policy of executive managers to ensure that the Company's strategy is effectively built on the long-term. This pillar is studied according to three criteria:

- *balance of power:* ensuring the quality of decision-making and supervisory bodies, which must be composed of active, different, competent and independent profiles to allow for quality debate;

- *responsible compensation:* ensuring that executive compensation is consistent with the Company's long-term performance;
- *business ethics:* prevention of corruption or anti-competitive practices that can have a long-term cost (reputation and financial).

Sustainable management of resources: LBPAM seeks to promote the sustainable management of human and natural resources, limit as much as possible the negative impacts of the Company on its ecosystem, and favour companies that positively value human capital. This pillar is studied according to four criteria, two environmental and two social:

- *water and biodiversity:* ensuring efficient use of water resources and good control of negative externalities throughout the industrial process to preserve biodiversity;
- *pollution and waste:* ensuring that the principles of the circular economy are taken into account in the design, production and use of products/services to reduce pollution and promote recycling;
- *working conditions:* ensuring that employees, subcontractors and suppliers work in good health and safety conditions;
- *human rights:* ensuring that the trade union freedoms and fundamental human rights of employees, subcontractors and suppliers are respected.

Energy transition: LBPAM seeks to capture the way in which issuers evolve their strategy to adapt to transformations in the economy such as the decarbonisation of energy (shift from fossil fuels to renewable energies), or to meet the challenges of new modes of responsible and sustainable consumption. This pillar is studied according to two criteria that seek to assess the management of risks and opportunities related to the fight against climate change:

- *controlling transition and physical risks:* ensuring that issuers control their GHG emissions and the impacts of their activity on climate change (e.g. fossil fuel reserves);
- *contribution to the energy transition:* assessing how issuers integrate the energy transition into their strategy, in particular through their products and services.

Regional development: LBPAM seeks to capture the way in which issuers participate in the promotion of employment and training, in the economic and social development of the regions in which they are present in France or abroad and more generally in the transfer of technology and skills in developing countries. This pillar is studied according to three criteria:

- *quality of employment:* ensuring that issuers promote employment and training to attract, retain and develop talent within the Company, and that restructuring is carried out in a responsible manner;
- *controlling social impacts on the region:* assessing to what extent the issuer's activity creates value for all stakeholders in the area of establishment (employees, subcontractors, local residents and public authorities);
- *offer of products and services contributing to the achievement of the SDGs:* assessing to what extent the products and services of issuers meet the needs of the "Bottom of the Pyramid" populations (digital inclusion, banking and insurance inclusion, access to water, energy, housing, etc.).

Lastly, LBPAM has developed a proprietary tool (AGIR) that allows the calculation of a score reflecting the SRI quality of each issuer in the universe. This tool is supplied with data from two rating agencies (MSCI and Vigeo Eiris), and is then cross-referenced with the GREaT analysis framework. AGIR calculates and reviews every six months a quantitative proprietary score ranging from 1 (strong SRI quality) to 10 (weak SRI quality) for approximately 9,000 issuers.

Integration in investment policy

The SRI analysis tool is available to managers in order to build their investment portfolios and monitor ESG performance. Equity and bond managers use the information provided and, for companies with the same financial ratings, give preference to those with the highest SRI ratings.

The ESG quality of portfolio securities is monitored on a quarterly basis, and presented at a Committee meeting that combines the CNP Assurances and LBPAM teams. Significant changes in SRI ratings are discussed by the Committee, which also encourages dialogue on the tangible methods to gradually improve the way in which SRI criteria are included in the portfolios.

In 2020, the management of the agreement was committed to strengthening the ESG criteria defined, i.e. compliance with the constraints of SRI ratings, EET and carbon footprint within the agreement. The management approach has thus relied on several non-financial trends and the various GREaT themes implemented have mainly concerned:

- natural resource management and environmental protection;
- access to medicine, treatment and healthcare equipment, and the development of medicine that integrates new technology;
- responsible purchasing policies and the development of more health-friendly products;
- business and consumer services, facilitating the emergence of a low-carbon economy with better use of energy, and helping to bridge the digital divide;
- reductions in high greenhouse gas emitting sectors have been achieved (oil, chemicals), while greener energies have been strengthened.

The equity portfolio is based on model portfolios that give a particularly strong weighting to the way in which companies contribute to the environmental and energy transition

In January 2018, CNP Assurances deployed these model portfolios, which were defined in collaboration with La Banque Postale Asset Management (LBPAM) and Mirova (an affiliate of Natixis Investment Managers), the aim being to lend greater importance to transition risk management by taking into account companies that facilitate the environmental and energy transition.

The management of equity portfolios under agreements with LBPAM and Ostrum AM (an affiliate of Natixis Investment Managers) is guided by the model portfolios according to the following principles:

- CNP Assurances favours a Best-in-class approach using underweighting and overweighting of its portfolio securities as opposed to sector-based exclusions;
- non-financial (ESG rating) metrics are monitored and the energy transition is overweighted using model portfolio construction methodologies, which have significantly improved non-financial performance compared with stock market benchmarks.

At the end of 2020, the outcome of this innovative approach was positive:

- greater importance was given to the energy transition in the management strategy for equity portfolios with assets of €18 billion at market value at the end of 2020;
- the ESG performance of CNP's equity portfolios is close to that of the model portfolios;
- in terms of ESG performance, CNP Assurances' equity portfolios outperformed the usual benchmark indices and remained balanced, allowing exposure to the economy as a whole.

2.2.2 Real estate

ESG criteria, "green works" charter

CNP Assurances is a major player in the real estate sector. Management of its real estate assets is entrusted to specialised companies on the basis of strict specifications, including the need to preserve the environment and ensure the safety of real estate users.

CNP Assurances' maintenance and renovation programmes for the real estate assets in its portfolio constantly aim to make buildings more energy efficient and to apply the highest environmental standards. Action plan scenarios adapted to each building have been defined in order to reduce CO_2 emissions and energy use. Ultimately, this work will reduce greenhouse gas emissions from CNP Assurances' real estate assets (held in the Group's own name or through wholly owned non-trading real estate companies) by 40% by 2021, starting in the reference year 2006. Environmental assessment is systematic on new acquisitions.

In 2015, as part of its low-carbon strategy, CNP Assurances signed the Energy Efficiency Charter for Commercial Buildings, thereby illustrating its desire to become more involved in the green building sector.

Financial assets concerned

Scope: real estate assets held by the Group in its own name or through wholly owned non-trading real estate companies.

Assets under management: €13 billion at market value at 31 December 2020.

Financial management: management of real estate assets held in the Group's own name or through wholly owned non-trading real estate companies is delegated by CNP Assurances to a dozen or so real estate management companies.

Engagement with CNP Assurances' management companies

The operational management of acquisitions and their day-to-day management is delegated to asset management companies tasked with overseeing contractual relations with real estate or land managers. This delegation requires a master agreement laying down the obligations of management companies, which apply de facto to their subcontractor. The engagements include ESG and ethical criteria. The implementation of the agreement is subject to compliance with CNP Assurances' socially responsible approach and the principles of safety and security of buildings and people and quality of services.

Moreover, CNP Assurances asks management companies to also sign the Energy Efficiency Charter for Commercial Buildings. At the end of 2020, 71% [1] of management companies had signed the charter.

(1) Compared with 67% at end-2019

ESG analysis when acquiring real estate

Nature of the main criteria: the acquisition of real estate assets involves screening under the master agreement between CNP Assurances and its management companies. There are many ESG criteria, the main ones of which are as follows:

- **environmental**: energy efficiency, pollution, risk of flooding and natural disasters, transport;
- **social**: user safety, risk of asbestos and lead, accessibility for people with reduced mobility;
- **governance**: the identity of the seller is analysed in the light of anti-money laundering and anti-corruption regulations (Know Your Customer "KYC" process). CNP Assurances' management companies must also comply with five ethical principles of action that cover market conduct, integrity and respect for suppliers. This also applies to subcontractors.

Methodology

The management companies are in charge of analysing these criteria. Before any acquisition, they are required to present CNP Assurances with a comprehensive file including an analysis of the building's technical, environmental and public health aspects. This file describes the environmental risks, the energy performance (mandatory diagnostic), the building's GHG emissions and its position with respect to new environmental regulations (green leases, certification, labels), and public health (asbestos, lead, termites, soil pollution, etc.). ESG information may be supplemented where necessary by audits, benchmarking, international references (labels) or other external expert information.

Results

All real estate acquisitions underwent this process in 2020.

Integration in investment policy

The technical, environmental and public health analyses of a building help CNP Assurances identify any risks specific to that building, and above all 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.

ESG analysis in building management

The ESG management principles described below are included in all management agreements between CNP Assurances and its management companies at 31 December 2020. CNP Assurances' management companies undertake to manage properties in accordance with these criteria.

Nature of the main criteria

Management companies mandated by CNP Assurances undertake to respect:

- **the principle of safety and security for properties and people:** respect for this principle is based on preventing the risks inherent to buildings so as:
  - first, to improve real estate values by offering appropriate guidance and solutions in view of the needs of buildings and the owner's interests, and
  - second, to protect people against physical injury, whether or not they have a contractual relationship with the management company (occupants, users, visitors, passers-by, etc.);
- **the principle of quality of service:** respect for this principle is based on the selection and systematic use of competent companies while keeping costs under control;
- **the owner's socially responsible approach**.

Information used for the analysis

To meet their commitments, CNP Assurances' management companies may base their analyses on such factors as satisfaction surveys of tenants, environmental studies, Health & Safety and Environment audits and wiring system audits.

Operational implementation of ESG criteria

"Green works" charter

The above ESG criteria are defined in operational terms in the form of a "Green works" charter in the management agreement. CNP Assurances' management companies undertake to carry out work in accordance with the rules laid down in this charter:

a) Materials and technologies used

- Use materials or technologies with a limited impact on the environment.
- Promote the use of recycled or recyclable materials.
- Conduct a critical analysis prior to the use of new processes or products that are theoretically more environmentally friendly.

b) Work phase

- Draft an organisational plan of the site.
- Manage and recycle waste.
- Reduce noise for local residents.
- Limit local pollution.
- Limit consumption of resources.
- Perform eco-monitoring of the site.

c) Management of activity waste

- Reduce waste at source.
- Implement waste sorting.
- Treat and reuse waste and track its collection.
- Assess the amount of waste produced.

d) Water quality and savings

- Control the risk of contamination and bacterial growth in water systems.
- Distribute water that meets the requirements of the French Health Code and quality benchmarks.
- Take steps to limit water consumption.

e) Air quality

- Limit the risk of bacterial contamination and growth in air treatment equipment.
- Circulate air meeting the requirements of the French Labour Code and other applicable laws.
- Offer occupants air adapted to comfort in terms of humidity and temperature within the limits of regulatory requirements.
- Improve the quality of indoor air.
- Avoid the presence of volatile organic compounds (VOCs) in easy-to-install materials.

f) Noise pollution

- Provide maximum acoustic comfort to occupants.
- Limit the proliferation of noise and vibration within premises. Limit the inconvenience for nearby residents when works are being carried out.
- Choose equipment in order to limit noise pollution.
- Reduce noise for local residents.

g) Odour pollution

- Avoid the presence of volatile organic compounds (VOCs) in easy-to-install materials.

h) Electromagnetic fields

- Limit exposure of human beings to electromagnetic waves.
- Provide solutions to protect people.
- Provide solutions to mitigate or eliminate risk.

i) Asbestos

- Identify the obligations laid down in the regulations incumbent on the owner and/or developer during renovation work.
- Obtain documents related to the presence of asbestos.
- Describe the steps for managing asbestos risk at a renovation site.

j) Lead in paint

- Identify the obligations laid down in the regulations incumbent on the owner and/or developer during renovation work.
- Obtain documents related to the presence of lead in paint.
- Carry out regulatory controls.

k) Termites and other wood-eating insects

- Identify areas at risk.
- Manage infested waste.

l) Energy and thermal performance

- Control energy consumption in the portfolio:
  - examine the possibility of switching to renewable energy;
  - favour highly energy-efficient heating and cooling systems;
  - insulate buildings and limit heat flows in summer;
  - avoid oversized air-renewal systems so as to avoid unnecessary losses;
  - examine the possibility of recovering heat generated by air extraction systems;
  - provide for efficient lighting of suitable strength.
- Monitor technological and regulatory developments:
  - strive to exceed regulatory requirements.
- Install meters and monitor consumption.

m) Preservation of biodiversity

- Ensure the protection of biodiversity, depending on the nature of the work, by examining technical solutions favouring greenery and technical solutions based on biodiversity and ecosystem services in buildings and green areas (such as a sustainable management approach [1]), particularly when developing plant-covered roofs and balconies or green areas, and by being mindful of ecosystems during the work phase.

n) Circular economy

- Assess the possibility of using deconstruction processes to recover and reuse materials wherever possible for each operation.
- Promote the use of recycled materials from wherever possible.

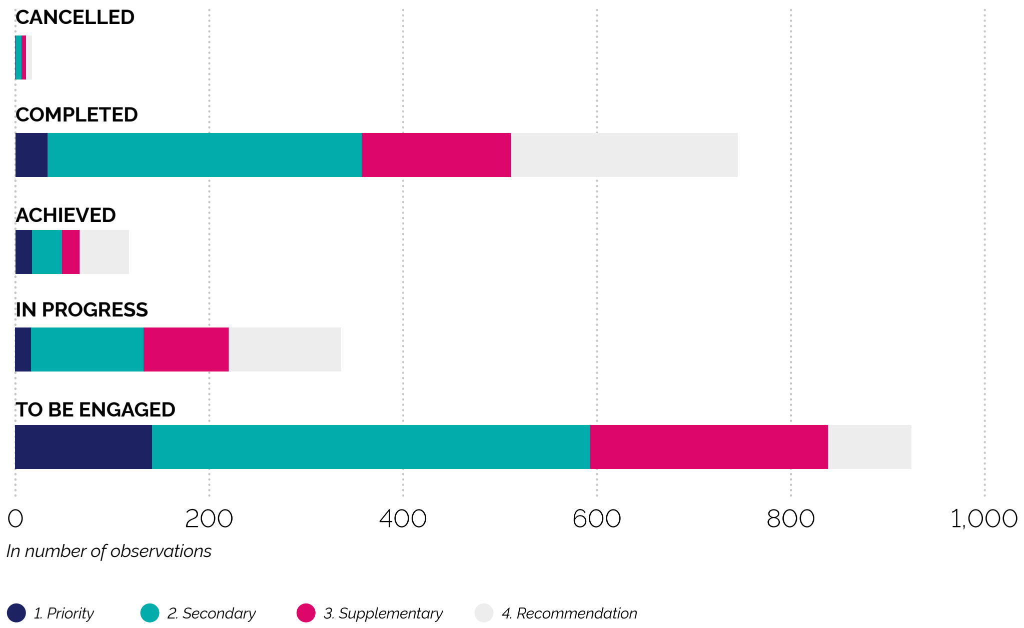
CNP Assurances' management companies are responsible for the risks associated with this charter. CNP Assurances expects them to manage these risks in an appropriate and balanced manner on a case-by-case basis depending on the materiality of the challenge in question.

(1) A more environmentally friendly management method that acts as an alternative to intensive horticultural management and that adapts to the use of the premises

Health & Safety and Environment analysis

The safety of goods and users is a major priority for CNP Assurances, which initiated an HSE analysis covering a large portion of its directly owned properties on an experimental basis as far back as 2016.

145 audits have been carried out across the Board, and progress in dealing with observations is as follows at 31 December 2020:



2.2.3 Woodland

Sustainable management certification, preserving biodiversity and adapting to climate change

CNP Assurances is the largest private owner of woodland in France, with 56,488 hectares of forest at end-2020.

Société Forestière is responsible for sustainably managing these assets in order to ensure safety, promote biodiversity and anticipate the effects of climate change. In 2003, in addition to ISO 9001 certification, all of CNP Assurances' woodland portfolio was certified by the PEFC [1], which guarantees that the timber comes from sustainably managed forests. In 2017, a new forest investment programme began in Scotland.

The tasks assigned are:

- assistance, advice and implementation of the investment strategy as well as arbitration;
- asset, technical and administrative management of forests.

Financial assets concerned

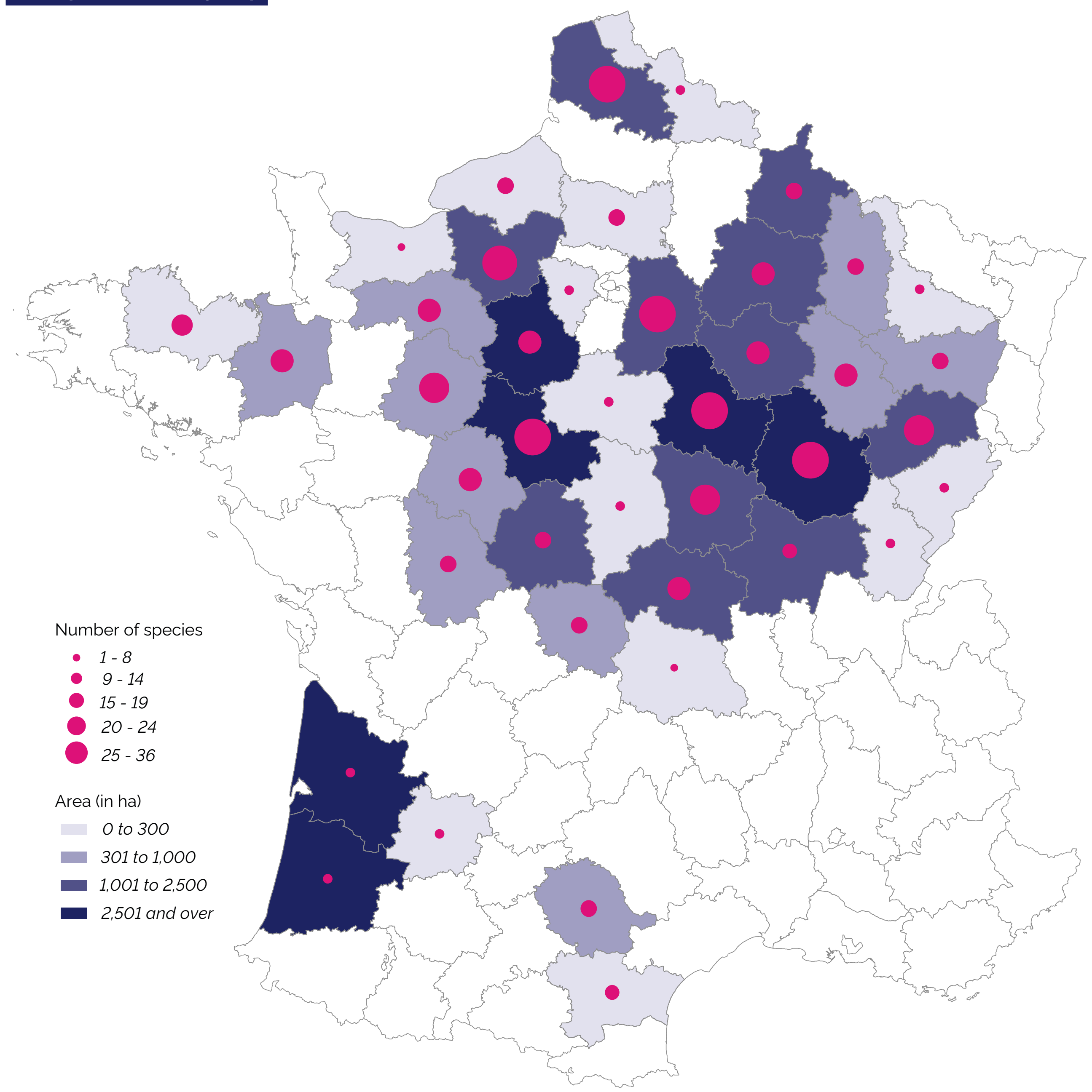
Scope: 201 forest areas wholly owned or owned through vehicles wholly owned by CNP Assurances covering a total of nearly 54,182 hectares, including 15 forest areas covering 2,530 hectares in Scotland, plus four holdings in forestry funds (2,306 hectares).

Assets under management: €507 million at market value at 31 December 2020.

Financial management: woodland management is delegated to Société Forestière, a société anonyme (French joint-stock company) in which CNP Assurances holds a 49.98% interest.

(1) Programme for the Endorsement of Forest Certification

Tree species diversity map



Sources: Société Forestière/IGN - Date: 14/01/2021

Engagement

CNP Assurances supports Société Forestière in pursuing sustainable woodland management by occupying a seat on the Board of Directors.

Société Forestière monitors the application of its sustainable woodland management manual across CNP Assurances' portfolio on a day-to-day basis, and ensures that the PEFC commitments are met. Individuals and companies liable to work in woodland (wood buyers, forestry contractors, etc.) are made aware of the consequences of these various commitments for the operations they are required to carry out. The contracts used stipulate these commitments.

Management of the ESG approach

Société Forestière manages woodlands on behalf of CNP Assurances under a delegated management agreement. In this framework, it implements socially responsible and proactive environmentally friendly woodland management techniques. In 2001, Société Forestière adopted an ISO 9001-certified sustainable woodland management manual.

CNP Assurances and its manager, Société Forestière, worked together in the year 2020 to establish new sustainable forest management objectives to be rolled out in the management of CNP Assurances' woodland portfolio.

As a result of this collaborative work, the sustainable forest management charter "CNP Woodland - Acting for the future" was created to ensure that CNP Assurances' commitment to the social, environmental and economic challenges facing its multifunctional forests is maintained over the long term, within the framework of a five-year management agreement.

In a context of climate change and societal evolutions, following this charter allows us to guarantee a sustainable and renewed wood resource, as well as the preservation of ecosystem services resulting from the co-benefits of forest management.

In order to meet the major challenges facing society today, CNP Assurances asks the Société Forestière to manage its woodland by focusing on:

- optimising forest resilience;
- acting with respect for stakeholders;
- promoting safety, quality and local employment;
- preserving biodiversity;
- protecting water quality and wetlands;
- protecting soils and avoiding erosion;
- increasing carbon sinks.

CNP Assurances wanted an ambitious policy be deployed on criteria such as the diversity of species and the preservation of biodiversity and landscapes.

Each year, Société Forestière is audited by the AFAQ, the world's leading body in management system certification, which oversees the Company's proper application of the 2015 ISO 9001 certification. The renewal of this certificate guarantees that Société Forestière's quality policy is correctly implemented.

ESG analysis

Sustainable management certification and preservation of biodiversity are the key ESG criteria in CNP Assurances' woodland investments.

Sustainable management certification

Sustainable management certification is a key criterion when ensuring the integration of ESG considerations in woodland management. Forests must be managed sustainably in order to maintain all the ecosystem services they provide. Examples include their ability to produce wood, a renewable raw material, to maintain original biodiversity and to protect the soil against erosion.

Information used

PEFC, the world's leading sustainable management certification, is committed to ensuring that woodland management allows these long-term services to be preserved. Société Forestière has always encouraged forest owners to become PEFC certified.

Methodology

PEFC certification is obtained for a single administrative region or for a group of administrative regions. Société Forestière's purpose is to ensure that all CNP Assurances certificates remain valid, renewing the certification on time and implementing the PEFC sustainable management rules set out in the "owner's specifications". The label's validity is established by documentary checks verifying that the certification is current and valid. Société Forestière keeps a certification database on behalf of CNP Assurances. Certificates are valid for five years, unless they are challenged after an external audit commissioned by PEFC.

Results

At the end of 2020, 100% of the woodland held by CNP Assurances had PEFC certification or was in the process of obtaining it. Having 100% of the area certified is a recurring target [1].

(1) Only one area in Scotland is not subject to certification as it consisted only of treeless moorland. The other areas in Scotland were certified in 2019 and the two acquisitions made in 2020 are currently undergoing the certification process

Preservation of biodiversity

The sustainable woodland management manual mentioned above describes the initiatives to be taken to identify habitats and unique species to be considered in the management process adopted.

Information used and methodology

Other than specific initiatives in favour of biodiversity, tree and plant species diversity is also a reliable indicator of sustainable management. Each main tree and plant species is associated with one or more habitats. This means that there is a strong correlation between the diversity of major tree and plant species and biodiversity.

Société Forestière describes the various forest plots in a database covering the portfolio. Each forest is divided into management units known as plots, which are in turn subdivided into homogeneous subplots according to the predominant species. The main tree and plant species is systematically specified for each subplot, allowing the number of main tree and plant species across the portfolio to be counted.

Results

At the end of 2020, CNP Assurances' portfolio held a diversified collection of tree and plant species as illustrated in the map above.

Integration in investment policy

CNP Assurances examines any opportunity for national and international investment proposed by Société Forestière, which is committed to selecting quality woodland already certified or with potential to gain value in the future through sustainable management, with a view to obtaining PEFC certification.

CNP Assurances is also committed, through the mandate given to Société Forestière, to continuing its efforts to improve forest areas where possible (management of enclaves, easements, etc.) so as to increase the qualitative nature of the portfolio in terms of sustainable management.

2.2.4 Other assets

All assets held by CNP Assurances are covered by the exclusion rules described in section 2.4. ESG/Climate information is also collected on certain types of assets to enrich the analysis, although it is not factored into the investment decision.

ESG rating of the corporate bond portfolio

The SRI experts of the companies in charge of managing the corporate bond portfolios (LBPAM and NIM group) rate them on ESG criteria each quarter. The ESG analysis of securities draws on the quarterly watch of listed equities implemented with these same ESG analysts since 2006.

ESG information used in the management of private equity and infrastructure investments since 2010

ESG ratings are awarded based on the due diligence process carried out ahead of any investment in a new private equity fund. A total of 13 private equity funds were rated in 2020.

ESG reporting is also used for new infrastructure investments. In 2020, 78% of our infrastructure funds took part in this reporting or voluntarily provided us with their own CSR reporting.

ESG survey of asset management companies for investments in listed funds since 2010

Every two years, CNP Assurances conducts an ESG survey of the management companies in which it invests in funds of listed securities, i.e., nearly 80 management companies at the time of the last survey in 2019. The survey covers SRI commitments, rules on controversial weapons, embargoes, tax havens and the incorporation of environmental and energy transition issues into the voting policy.

It allows the Group to raise awareness among those companies that have not yet implemented this type of practice. In addition, it provides reassurance about the development of best practices in asset management companies as it shows a clear improvement over time.

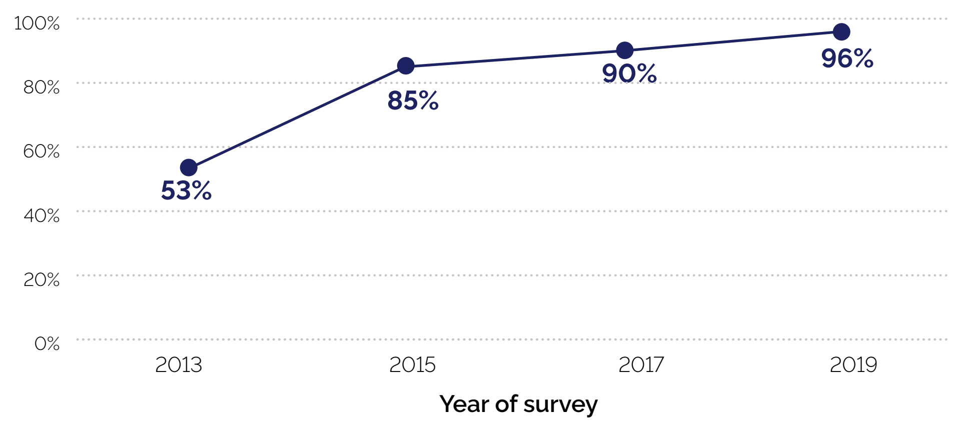
For example, today, the vast majority of management companies surveyed exclude investments in controversial weapons as well as anti-personnel mines and cluster munitions from their portfolio, in comparison with 2010, when only 20% of the companies surveyed had such a policy.

Since 2017, this survey has shown us that the fight against climate change has become one of the major focuses of the sustainable development policy of most asset management companies, and the voting policy is a growing influence in favour of a low-carbon economy.

Most management companies have engaged in a "climate" dialogue related to the energy transition and are generally in favour of greater corporate transparency on these issues (generally supporting shareholder resolutions aimed specifically at this).

At the end of 2019, 96% of the asset management companies of listed securities with which CNP Assurances works had signed the Principles for Responsible Investment (PRI); this figure has been increasing steadily for several years, reflecting their commitments in favour of responsible finance.

Proportion of asset management companies that have signed the PRI



2.3 Our other contributions to a sustainable society

In addition to its investment policy incorporating ESG criteria and its contribution to the environmental and energy transition, CNP Assurances pursues an active policy in terms of societal impact investments.

2.3.1 Supporting the real economy

Equity capital for SMEs/mid-caps and start-ups

€700 million in new investments in 2020

CNP Assurances is one of the 50 largest private equity investors in the world

Real estate - Woodland

€855 million in new investments in 2020

Continued investment in the office and residential sectors in the Paris region

Acquisition of new forest areas in France and Scotland and farmland for agroforestry

Continuing the policy of improving the energy efficiency of our assets

Infrastructure

€885 million in new investments in 2020

3 co-investments (transport, energy, private clinics in France, PPP in Spain)

4 new discretionary funds in renewable energy production, transport, telecoms and social infrastructure

Unlisted debt

€1.4 billion of investments in 2020
€0.6 billion in real estate debt
€0.5 billion in infrastructure debt
€0.3 billion in corporate debt

Investments in the wind and solar energy, transport and telecoms

Financing SMEs and mid-caps to accelerate their development

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.

CNP Assurances is contributing €300 million to the €2 billion investment programme set up by French insurers, under the umbrella of the FFA, to help small and medium-sized companies rebound. This long-term programme will also support the healthcare sector through the creation of a dedicated fund. CNP Assurances will be one of the first investors in these funds dedicated to providing equity and debt financing to listed and non-listed SMEs and mid-caps.

2.3.2 Social impact funds

CNP Assurances has also invested in several social impact funds for a total committed amount of approximately €200 million at the end of 2020, as well as €220 million in an intermediate housing fund.

Since 2016, CNP Assurances has partnered with a long-term loan fund on behalf of around 100 European SMEs. Since June of the same year, it has also supported the NovESS fund, whose objective is to support the transition and change in scale of the social and solidarity economy (health, social welfare, circular and collaborative economy, energy and demographic transition, etc.). Attentive to the ESG contribution, the NovESS fund has a social impact measurement tool that can be used to evaluate the impact of each project on several criteria, including the creation of jobs.

CNP Assurances participates in the financing of the Hémisphère fund, the first social impact bond, dedicated to providing assistance and accommodation to vulnerable people: part of the financial return depends on the achievement of audited social objectives, including the schooling of children or the number of people helped into permanent housing.

2.3.3 Other responsible investment funds

Among investments combining environmental and societal aspects, CNP Assurances has purchased SRI funds for €13 billion via traditional euro portfolios. At the end of 2020, 64% of funds of listed securities held by CNP Assurances were managed with ESG filters.

For details of policyholders' investments in unit-linked funds integrating ESG criteria, see section 5.

2.3.4 Social impact bonds

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 and sustainable bonds totalled €1.2 billion.

2.4 Assets excluded from our portfolios

Scope and ESG exclusion criteria

In accordance with regulatory requirements and its responsible investor approach, CNP Assurances sets rules on investing in countries and securities.

These rules meet the following objectives:

- ensure compliance with regulations on weapon agreements signed by France, embargoes and AML-CFT [1] regulatory requirements;
- ensure compliance with regulations and its responsible investor approach regarding tax havens;
- incorporate sustainable governance criteria when analysing countries and uphold its commitment to support the principles of the Global Compact;
- comply with CNP Assurances' public commitments in terms of CSR and responsible investment:
  - respect the principles of the United Nations Global Compact,
  - respect the Principles for Responsible Investment (PRI),
  - gradually withdraw from the tobacco sector,
  - gradually withdraw from the thermal coal sector,
  - gradually withdraw from the oil and gas sector.

CNP Assurances determines the list of exclusions and securities under surveillance.

Two exclusion criteria are applied

1. Country exclusion

Several criteria are taken into consideration: the exclusion policy is based on lists drawn up by the French government and the European Union and tax haven indices from the Tax Justice Network. Freedom House and Transparency International lists are also consulted for countries with serious problems regarding democracy, human rights and corruption.

2. Company exclusion

Five types of securities exclusions have been defined:

- since 2008, CNP Assurances has chosen to exclude equities issued by arms manufacturers whose products include anti-personnel mines or cluster munitions from its portfolios;
- as part of the ESG analyses, CNP Assurances receives alerts on corporate ESG risks corresponding to failure to comply with the fundamental principles of the Global Compact;
- since 2015, it has gradually implemented an exclusion policy for 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 more than 10% of revenue from thermal coal,
  - having thermal coal-fired power generation capacity exceeding 5 GW,
  - producing more than 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 2021, CNP Assurances has implemented an exclusion policy for the oil and gas sector. CNP Assurances thereby excludes any new investments:
  - in companies in the oil and gas sector (prospecting, drilling, extraction, transformation, refining) deriving more than 10% of their revenue from non-conventional fossil fuels (tar sands, shale oil and gas, and Arctic oil and gas),
  - in greenfield or brownfield infrastructure devoted to non-conventional fossil fuels,
  - in investments in greenfield oil infrastructure;
- 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.

Financial assets concerned

Scope: all financial investments (excluding non-dedicated open-ended funds and unit-linked funds).

Assets under management: €307 billion at market value at 31 December 2020.

Management of the ESG approach

CNP Assurances determines the list of exclusions and securities under surveillance (countries and companies). It is regularly updated, communicated to employees and management companies to be applied on an operational basis. Checks are performed periodically.

(1) Prevention of money laundering and financing of terrorism

2.4.1 Countries excluded from our investments

Application of the ESG approach in 2020

Main criteria: balanced governance, as well as cooperation and fiscal transparency.

	GOVERNANCE	COOPERATION AND FISCAL TRANSPARENCY
Information used	To measure the balanced nature of a country's governance, CNP Assurances uses the Freedom Ratings issued by Freedom House, and the Corruption Perceptions Index published by Transparency International.	Lists drawn up by the French government and the European Union (non-cooperative states and territories, known as NCSTs, embargoed states and the EU's list of non-cooperative tax jurisdictions), and by the Financial Action Task Force (FATF) (countries subject to counter-measures). CNP Assurances uses the Tax Justice Network's "tax haven" assessment.
Methodology	Every year, CNP Assurances rates countries on the basis of three levels of risk blending three criteria: democracy, freedom and corruption (very high risk, high risk and low risk).	CNP Assurances annually rates countries based on the aforementioned lists.
2020 results	70 countries were deemed very high risk and 26 high risk.	There were 123 countries on the list of prohibited countries.

Integration in investment policy

Investment in public or semi-public debt or in a company is prohibited or limited depending on the risk level of governance, cooperation and fiscal transparency criteria.

2.4.2 Securities excluded from our investments

Application of the ESG approach in 2020

Main criteria: exclusion of producers of anti-personnel mines and cluster munitions, companies involved in thermal coal and tobacco, and companies not respecting the Global Compact's fundamental principles.

	PROHIBITED WEAPONS	NON-COMPLIANCE WITH THE GLOBAL COMPACT
Information used	CNP Assurances uses the list of producers of anti-personnel mines (APM) and cluster munitions prepared by Mirova (Natixis IM). By way of background, the Ottawa (1999) and Oslo (2010) treaties prohibit the production, use, storage, marketing and transfer of anti-personnel mines and cluster munitions, because such weapons can impact populations not involved in a conflict.	CNP Assurances receives alerts on ESG risks in authorised companies and companies whose securities it holds from the SRI teams of La Banque Postale AM and Mirova (an affiliate of Natixis Investment Managers). These alerts are discussed at quarterly SRI Committee meetings.
Methodology	Relying on an ESG agency specialising in the field of arms (ISS-ESG), SRI research teams at Mirova (Natixis IM) regularly update the exclusion list to include all listed and unlisted companies: • involved in the use, development, manufacture, marketing, distribution, storage or transport of anti-personnel mines or cluster munitions; or • owning 30% or more of a company involved in the activities mentioned above. In order to determine if a company is involved in these activities, its products must be an essential component in the manufacture of cluster munitions and/or anti-personnel mines. CNP Assurances applies the list directly without any adjustments.	When the alert corresponds to a breach of the fundamental principles of the Global Compact, CNP Assurances asks its management companies to raise questions with the issuer. Should this dialogue fail to identify scope to quickly remedy the situation, the decision to exclude a company or producer can be taken.
2020 results	97 companies were excluded.	5 companies were excluded.

	THERMAL COAL	TOBACCO	OIL AND GAS
Information used	The revenue derived from thermal coal is obtained with data from our service provider Trucost, which may be updated with the companies' public data. For the list of companies involved in the development of new coal mines, infrastructure or coal-fired power plants, as well as companies with a thermal coal-fired power generation capacity exceeding 5 GW or extracting more than 10 million tonnes of thermal coal per year, CNP Assurances relies on the Global Coal Exit List, which may be updated with the companies' public data.	The Group uses companies whose activity is listed in the Bloomberg tobacco sub-sector index.	Revenues related to non-conventional fossil fuels are obtained using data from the service provider ISS ESG, which may be updated with the companies' public data.
Methodology	Trucost calculates the share of thermal coal in corporate revenue on the basis of financial data (revenue, enterprise value, etc.) and production data (coal reserves and GWh production) disclosed by companies [1].	List based on the tobacco sub-sector at the end of 2019.	For each company, ISS ESG estimates the percentage of revenues involved in activities relating to Arctic drilling, hydraulic fracturing and tar sands.
2020 results	Excluding investments in companies exceeding the thresholds of 10% of revenue, 5 GW power generation capacity or 10 million tonnes of production related to thermal coal or involved in the development of coal mines or power plants: 484 companies excluded. Divestment of companies with more than 20% of revenue related to thermal coal: 132 companies excluded.	Excluding investments in companies manufacturing tobacco products: 2,721 companies were excluded.	Exclusion of investments in companies exceeding the 10% revenue threshold in non-conventional fossil fuels (applicable as of 2021)

(1) Methodology: Trucost collects and analyses data obtained from companies, then secures them by cross-referencing them with data collected by another specialised service provider and with information obtained during discussions with issuers. When the necessary detailed data is not disclosed, Trucost makes estimates through a sector approach, based on similar and *relevant* data. As Trucost data is by definition at least one year out of date, CNP Assurances reserves the right not to exclude companies that have made a significant change in strategy aimed at reducing the share of thermal coal in their future revenues. This update allows us to optimise our support of the EET

Integration in investment policy

The list of excluded companies is communicated to employees and to CNP Assurances' management companies. Securities are sold where appropriate and excluded from the authorised investment universe. This exclusion also applies to dedicated mutual funds.

Specific monitoring for open-ended funds

For open-ended funds, CNP Assurances conducts a biennial survey of all partner asset management companies (almost 80) on the application of the principles adopted by CNP Assurances: exclusion of producers of prohibited weapons and, since 2015, exclusion of tax havens and embargoed states (see section 2.2.4).

CNP Assurances also includes a criterion excluding funds speculating on agricultural commodities.

Chapter 3

Risks and opportunities related to climate change

3.1 Governance of risks and opportunities related to climate change

TCFD | GOVERNANCE

Monitoring climate issues

The Group's climate strategy is submitted to the Chief Executive Officer and then to the Board of Directors for approval.

Climate issues and a summary of works of the Climate Risk Committee are presented once a year to the Board of Directors and the Audit and Risks Committee of CNP Assurances during the review of the Group's CSR approach and the presentation of the Non-Financial Information Statement. More specifically, it includes the commitments set out to combat global warming, enabling CNP Assurances' corporate governance to monitor the actions implemented and the level of achievement of these commitments.

Leading the assessment and management of climate risks

The CSR department is in charge of managing climate issues at the Group level. It is supported by the Climate Risk Committee that the CNP Assurances Group set up in early 2019. The Committee meets quarterly to monitor the actions put in place to integrate the climate risk dimension across all aspects of the business (including investment, insurance and internal operations).

Alongside the Investment department, the Group General Secretary and the CSR department, the Climate Risk Committee draws on the expertise of the Group Risk department and the Group Actuarial department. The sharing of information (monitoring of industry studies and regulatory developments, requests from stakeholders, initiatives undertaken) at this quarterly Committee encourages interaction and exchanges between the various operating functions:

- the Investment department is in charge of the investment portfolio;
- the Group Actuarial department is in charge of the assessment of technical reserves and the management of the policy;
- the Group Risk department is in charge of the measurement and cross-functional management of risks. It assesses the impact on solvency and leads the work on climatic stress tests.

The Climate Risk Committee's roadmap sets out the actions to be taken on the Company's various activities: risk mapping and measurement work, as well as changes in strategy to reduce risks. The progress of the roadmap is reviewed by the Committee and new actions are added regularly.

In addition, the Investment department has set up a green finance reporting system to measure and communicate changes in key indicators related to climate issues to employees. The operational implementation of the climate strategy at the heart of asset management is based on the same process as the responsible investment strategy (see section 1.4).

Raising employee awareness of climate risks

The Executive Committee and the Audit and Risk Committee of CNP Assurances received climate risk training in 2019. The Board of Directors of CNP Assurances received climate risk training in 2020.

In 2020, more than 50% of the employees of the Investment department and the Wealth Management department, in charge of financial engineering for the unit-linked funds, were trained in sustainable finance and climate issues.

Since 2019, the network of SRI correspondents has been strengthened within the Investment department. These employees are asked to take part in working groups conducting studies on regulatory changes (taxonomy), metrics (carbon sinks in forests), and climate risks and their impact on the portfolio (physical risks).

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 (real estate, infrastructure, funds, etc.).

3.2 Physical and transition risk analysis

TCFD | STRATEGY   TCFD | RISK MANAGEMENT   TCFD | INDICATORS AND OBJECTIVES

Concentrating on physical risk and transition risk, CNP Assurances has identified the related risk factors below and taken steps to reduce them.

PHYSICAL RISK	TRANSITION RISK
Risks related to physical disruptions caused by climate change (storms, flooding, heat waves, etc.)	Risks caused by adjustment processes to limit greenhouse gas emissions (regulations, technological developments, changing consumer behaviour, etc.)

In view of changes in methodological approaches, scope and regulations, the results reflect the choices made this year but are likely to change over time. The methodologies are described in the appendix to the 2019 Sustainable Investment Report.

3.2.1 Physical risk

CNP Assurances has mainly focused on analysing the physical risk exposure of its real estate and woodland portfolio. CNP Assurances also carried out a more in-depth study on the physical risk of its real estate assets in 2017. It was completed from 2018 with an analysis of the physical risk of its directly held equities and corporate and sovereign bond portfolio to get a better picture of the climate risk it may be exposed to.

LEVEL OF PHYSICAL RISK	ASSETS BARELY OR NOT EXPOSED TO PHYSICAL RISK	ASSETS WITH HIGH EXPOSURE TO PHYSICAL RISK	ASSETS WITH VERY HIGH EXPOSURE TO PHYSICAL RISK
Timescale	Long term (10-50 years)		
Physical risk monitoring tools	Degree of exposure and vulnerability, risk score		
	Financial impact (VaR) of physical risk		
	Physical risk analysis in the woodland management plans		
Actions implemented to control physical risk	Appropriation of these new risks: reporting and sharing results with the Investment department, the Risk department and real estate and woodland management companies		
	Shareholder engagement with companies on the degree and reduction of their exposure to physical risk		
	Integration of climate risk into work decisions and real estate investments		
	Factoring physical risk into woodland management plans: adaptation and diversification of tree species, geographical diversification of forest areas		Excluding investments in forests in regions presenting a significant natural hazard (south-east France, for instance, due to the risk of fires)
Assets covered by a physical risk analysis	Equities, corporate and sovereign bonds, real estate and forests At end-2020, 74% of assets were subject to one or more physical risk analyses		

3.2.1.1 Real estate

CNP Assurances has commissioned EcoAct, a consulting firm specialised in guiding companies and regions through the climate transition, to carry out an assessment of the physical risks related to climate change on its French real estate assets held directly or through wholly owned companies in order to analyse the exposure to physical risk of its real estate assets. This analysis was carried out for six climate hazards that could potentially impact buildings and their occupants (temperature, submergence, drought, flooding, winds) over the near term (2021-2050), based on two scenarios using different levels of greenhouse gas emissions established by the International Panel on Climate Change (IPCC).

Results

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 higher average temperatures by 2050.

Use of results

CNP Assurances will aim to reduce this exposure by encouraging its management companies to propose mitigating measures.

CNP Assurances' overall adaptation and resilience strategy will be based on:

- the transmission of information to our partners for appropriation and implication;
- the ordering of priorities and completion of more detailed studies;
- the integration of climate risk into work decisions.

3.2.1.2 Woodland

Société Forestière is committed to an approach aimed at mitigating risks related to climate change for the CNP Assurances portfolio by monitoring four analyses. They are based on the integration of criteria into management plans, insurance coverage, geographical diversity, and species diversity.

Results and their use

- At end-2020, 66% of the woodland portfolio was covered by a plan incorporating climate change as a criterion. This rate is intended to gradually rise to 100% as the various plans are renewed. In concrete terms, this is reflected in the analysis of factors such as the expected impact of local climate change, the adaptation of existing tree and plant species and production cycles.
- Some areas subject to significant natural hazards have been avoided (south-east France, for instance, due to the risk of fires). To round out this acquisition policy, which notably serves to spread the risks, woodland was purchased in Scotland in 2017 and 2018.
- The status of species diversity and the geographic spread of the CNP Assurances portfolio at 31 December 2020 are mapped in section 2.2.3. Tree and plant species diversity is a means of diversifying the risks run with each species in the face of climate change, such as health problems related to the appearance of pathogens and drought that could impact each species differently.
- All the forests owned by CNP Assurances are covered by insurance policies that include the main climate risks.

3.2.1.3 Equities, corporate and sovereign bonds

CNP Assurances has commissioned Indefi, a consultancy firm, to map issuers' geographical vulnerability to climate change in order to analyse the physical risk exposure of its directly held listed securities, equities and bonds.

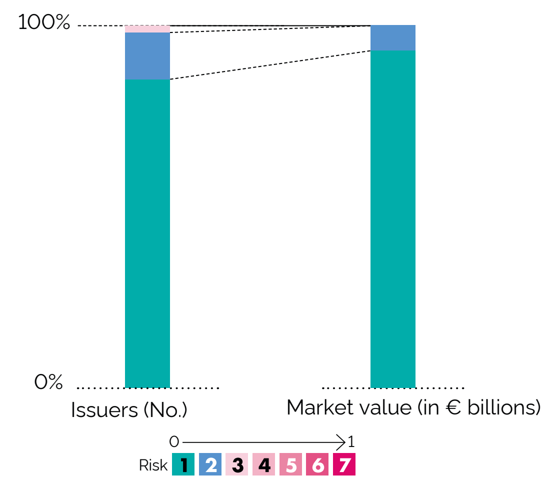
Physical risk analysis is based on the degree of vulnerability according to the ND-Gain methodology RCP4.5 which corresponds to the most likely pathway in view of current commitments to COP21.

The study provided CNP Assurances with a clear picture of the assets at end-2018 according to seven levels of physical risks, the results of which are shown below. In late 2019, an additional study was carried out to measure the degree to which directly held listed securities were exposed according to a more pessimistic RCP8.5 scenario which corresponds to the "Business as usual" pathway (i.e., an average temperature increase of between 3.5°C and 5.5°C).

Outcome for sovereign bonds

For the most part, CNP Assurances' exposure is low or non-existent.

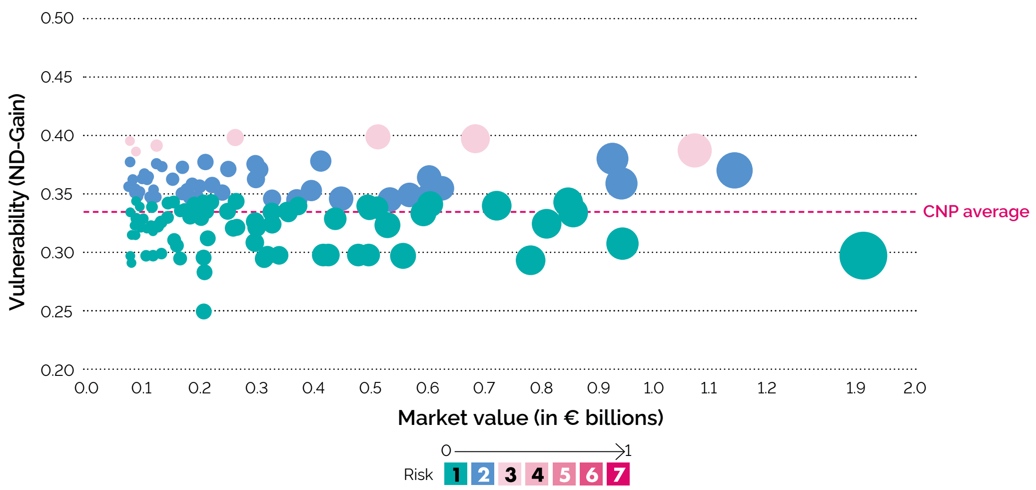
Vulnerability of sovereign issuers in the portfolio



Outcome for corporate bonds and equities

For the most part, CNP Assurances' exposure is low or non-existent.

Vulnerability of corporate issuers in the portfolio



Use of results

The analysis identified some securities that needed to be monitored as CNP Assurances' exposure was weak or non-existent across the portfolio.

3.2.1.4 Financial impact of the physical risk (VaR)

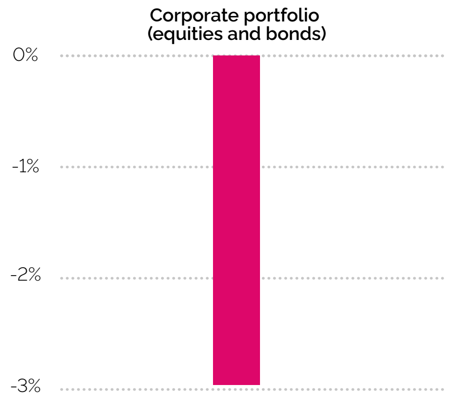
The climate VaR indicator provides an evaluation for potential financial losses (negative value) and gains (positive value) related to transition and physical risks. The VaR of a security is expressed as a percentage of the security's market value. The VaR of the CNP Assurances portfolio therefore gives the total potential financial losses or gains of the portfolio, given as a percentage of the assets at market value.

CNP Assurances called upon the services of MSCI ESG, which implemented a climate model based on the various evaluation models. This model applies to equity and corporate bond portfolio companies directly held by CNP Assurances.

Results

The VaR for the physical risk of the CNP Assurances portfolio was evaluated end-2020 according to a "Business-as-usual" temperature scenario (RCP8.5 of the IPCC, i.e. a projected temperature increase of between 3.5°C and 5.5°C by 2100).

VaR related to physical risk



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By applying this methodology, the equity and corporate bond portfolios could potentially incur financial losses of nearly 3% of their value.

3.2.2 Transition risk

The value of our assets is potentially exposed to regulatory, technological, market and reputational risks.

CNP Assurances has classified assets into four categories, based on market studies: assets on which the transition will have a positive impact, more specifically for which the energy transition represents an opportunity, assets from barely or marginally exposed sectors, assets from exposed sectors according to the TCFD (energy, transport, materials, buildings, agriculture, agrifood and woodland). Stranded assets like coal sector assets are classed as very high risk.

CNP Assurances manages these transition risks with a combination of approaches, improved from year to year.

Level of transition risk	ASSETS ON WHICH THE ENVIRONMENTAL AND ENERGY TRANSITION WILL HAVE A POSITIVE IMPACT *Green assets*	ASSETS WHICH ARE BARELY OR NOT EXPOSED TO TRANSITION RISK	ASSETS WHICH ARE EXPOSED TO TRANSITION RISK *Energy, Transport, Materials, Buildings, Agriculture, Agrifood and Woodland*	ASSETS WHICH ARE THE MOST EXPOSED TO TRANSITION RISK, WITH A VERY HIGH RISK OF BECOMING A "STRANDED ASSET" *Thermal coal*
Timescale	Long term (10-50 years)	Medium term (3-10 years)		Short term (1-3 years)
Transition risk monitoring tools	Specific quarterly reporting on green assets		Portfolio sector analysis by 2023	Monitoring revenue linked to thermal coal Monitoring new developments linked to mines and thermal coal-fired power stations
	Carbon footprint of companies and real estate, carbon sequestration by woodland, electrical power mix in countries			
	Financial impact (VaR) of the transition risk Climatic stress test			
	Measuring the pathway of companies by temperature			
Actions implemented to control transition risk	Reducing the carbon footprint of companies and real estate			
	Alignment of the equity portfolio with model portfolios that give a high weighting to the contribution to the environmental and energy transition			Exclusion
	Environmental and energy transition funding, with a target of €20 billion in investments by end-2023		Stronger shareholder engagement with companies on measuring and reducing their exposure to transition risk	Shareholder engagement with companies on their exit strategy for thermal coal
			Renovation of the real estate portfolio	
Assets covered by a transition risk analysis	Bonds, infrastructure, private equity, real estate and woodland portfolio, funds	Equities, bonds and real estate assets At end-2020, 81% of assets were subject to one or more transition risk analyses		All assets, except non-dedicated open-ended funds and unit-linked funds

Risks and opportunities related to climate change 3
Physical and transition risk analysis

3.2.2.1 Carbon footprint

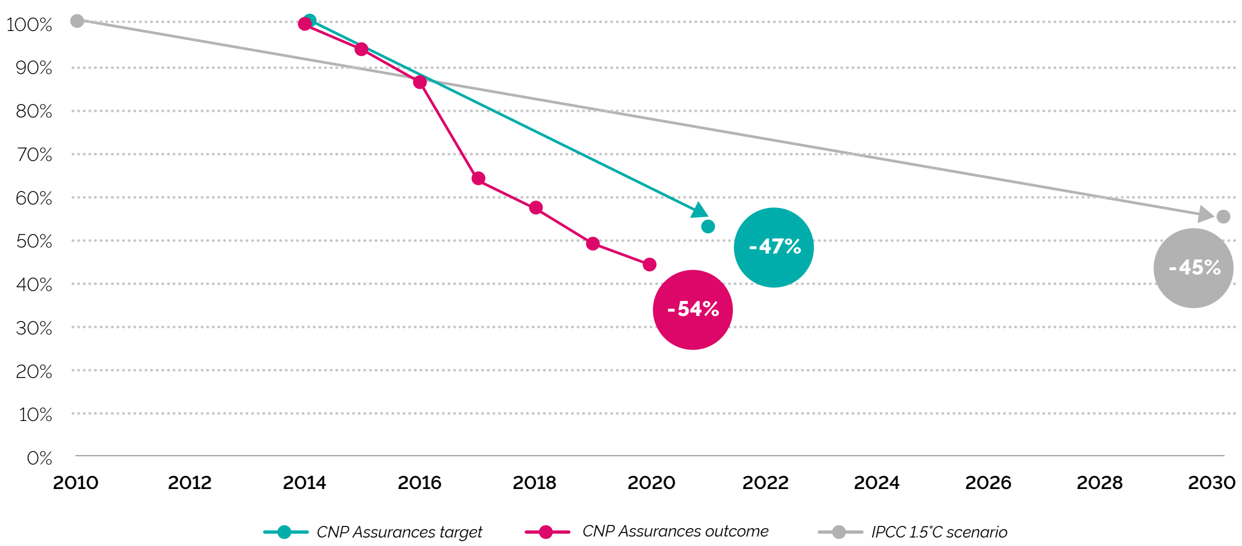
This carbon footprint calculation serves to highlight the listed companies with the highest level of emissions, and therefore those most likely to be heavily exposed to direct transition risks. This is not a comprehensive approach as it does not reflect the way in which companies manage this risk. Some companies with low emissions may actually be highly exposed to transition risks. This is why CNP Assurances has opted to complement this approach with a more forward-looking analysis.

Results for the equity portfolio

At 31 December 2020, the carbon footprint is estimated at 217 kgeqCO_2/€k invested (scopes 1 and 2, with an equity portfolio coverage rate of 96%) versus 468 kgeqCO_2/€k invested at 31 December 2014, i.e. a reduction of 54%. CNP Assurances set itself the objective of reducing its carbon footprint by 47% between 2014 and 2021: it exceeded the objective a year ahead of schedule. As some investee companies do not provide this data, the estimate covers 98% of the equity portfolio.

The target of reducing the carbon footprint of the portfolio of directly held equities reflects a similar pathway with a shorter timeframe to the 1.5°C scenario of the International Panel on Climate Change (IPCC [1]), according to which it will be necessary to reduce GHG emissions by 45% over the period 2010-2030.

Reducing the carbon footprint of CNP Assurances' portfolio of directly held equities



Results for the equity and corporate bond portfolio

Continuing its commitment to the Montreal Carbon Pledge, CNP Assurances began regularly calculating the carbon footprint of its equity and corporate bond portfolio assets in 2016, estimating the share held directly in equities and bonds in proportion to the balance sheets of the respective companies. Greenhouse gas emissions are estimated by taking solely into account the disclosures made by investee companies in respect of their scope 1 and 2 emissions, without adjusting for overlap. As a large number of investee companies do not provide this data, the estimate covers 82% of the equity and corporate bond portfolio and amounted to 67 kgeqCO_2/€k invested at 31 December 2020 compared with 80 kgeqCO_2/€k invested at 31 December 2019.

(1) Source: Global Warming of 1.5°C – October 2018

The table below shows a sector-by-sector breakdown of greenhouse gas emissions of companies financed by CNP Assurances (scopes 1 and 2, with a coverage rate of 82% of the directly held equity and corporate bond portfolio).

Company sector	Scope 1 and 2 greenhouse gas emissions of companies financed by CNP Assurances ($teqCO_2$)	Breakdown	Carbon intensity of the equity and corporate bond portfolio ($kgeqCO_2$/€k)
Utilities	1,599,980	29.6%	251
Energy	1,550,487	28.7%	338
Materials	1,278,796	23.6%	577
Industrial	353,186	8.0%	45
Baseline consumption	209,269	3.9%	43
Discretionary consumption	142,352	2.6%	32
Communication services	110,950	2.1%	15
Health care	35,793	0.7%	12
IT services	22,998	0.4%	8
Finance	17,689	0.3%	1
Real estate	9,831	0.2%	4
TOTAL	**5,409,216**	**100%**	**67**

The table below shows a country-by-country breakdown of greenhouse gas emissions of companies financed by CNP Assurances (scopes 1 and 2, with a coverage rate of 82% of the directly held equity and corporate bond portfolio).

Company country of incorporation	Scope 1 and 2 greenhouse gas emissions of companies financed by CNP Assurances ($teqCO_2$)	Breakdown	Carbon intensity of the equity and corporate bond portfolio ($kgeqCO_2$/€k)
France	2,001,306	37.0%	80
United Kingdom	773,980	14.3%	129
USA	643,428	11.9%	40
Italy	589,505	10.9%	131
Spain	343,391	6.3%	56
Germany	337,262	6.2%	43
Ireland	219,931	4.1%	427
Finland	128,886	2.4%	314
Norway	82,003	1.5%	96
Netherlands	61,009	1.1%	13
Austria	55,483	1.0%	178
Australia	37,192	0.7%	16
Czech Republic	26,021	0.5%	924
Belgium	25,906	0.5%	30
Mexico	22,192	0.4%	52
Switzerland	17,094	0.3%	15
Portugal	16,986	0.3%	302
Denmark	9,353	0.2%	13
Sweden	8,805	0.2%	5
Brazil	3,550	0.1%	177
Japan	2,624	0.0%	3
Republic of Korea	1,668	0.0%	33
New Zealand	1,513	0.0%	40
Luxembourg	102	0.0%	3
Canada	27	0.0%	0
TOTAL	**5,409,216**	**100.0%**	**67**

Use of results

In keeping with its commitment as a responsible shareholder, CNP Assurances regularly communicates with companies to ensure that they are aware of the associated risks and opportunities, and to help them in the transition to a sustainable low-carbon economy (see Chapter 2.1 "Involving shareholders").

3.2.2.2 Financial impact of the transition risk (VaR)

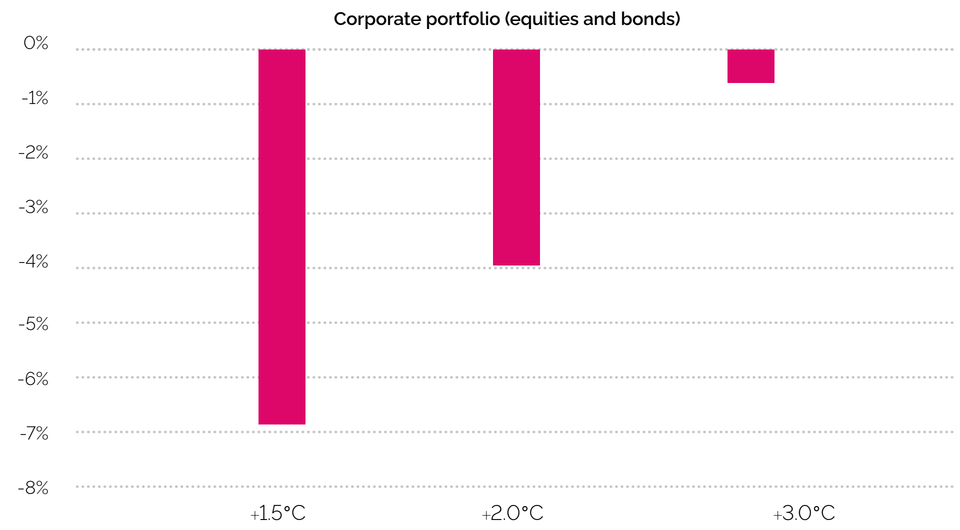
The climate VaR indicator provides an evaluation for potential financial losses (negative value) and gains (positive value) related to transition and physical risks. The VaR of a security is expressed as a percentage of the security's market value. The VaR of the CNP Assurances portfolio therefore gives the total potential financial losses or gains of the portfolio, given as a percentage of the assets at market value.

CNP Assurances called upon the services of MSCI ESG, which implemented a climate model based on the various integrated evaluation models. This model applies to equity and corporate bond portfolio companies directly held by CNP Assurances.

Results

The VaR related to transition risk for the CNP Assurances portfolio at end-2020 was evaluated using various temperature change scenarios in 2100.

VaR related to transition risk



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By applying this methodology, the results show a considerable difference between the scenarios: in a +1.5°C target scenario, the transition would result in a risk of financial loss to the corporate portfolio of nearly 7%. This risk of loss decreases when the transition is smaller, until it is almost zero in a +3°C scenario.

3.2.2.3 Climatic stress test

Methodology

CNP Assurances was asked by the French Prudential Supervision and resolution Authority (ACPR) to participate in the climatic stress test exercise for its activities in France. This long-term prospective exercise (projection to 2050) has the following objectives:

- to raise insurers' awareness of climate risks;
- to highlight potential vulnerabilities to physical and transition risks;
- to conduct initial reflections on the management decisions to be considered in order to deal with the consequences of climate change.

This exercise does not specifically address the solvency of insurers: it does not involve the calculation of regulatory capital requirements. The impacts of the climate scenarios must be evaluated according to three metrics: the Solvency 2 balance sheet, the income statement and the valuation of the investment portfolio.

The work was carried out on the basis of data at the end of 2019. The Group Risk 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 are proposed by the ACPR and were tested by CNP Assurances:

1) ordered transition scenario: efforts to meet the Paris Agreement take place in an orderly, phased manner between 2020 and 2050;
2) delayed transition scenario: efforts to meet the Paris Agreement start abruptly in 2030, reaching the targets in 2050;
3) accelerated transition scenario: efforts to meet the Paris Agreement start abruptly in 2025 and targets are met quickly.

These three scenarios also incorporate assumptions of increased physical risk. For personal insurers such as CNP Assurances, the ACPR anticipates an increase in claims, caused by an increase in pollution and vector-borne diseases, which would impact:

- death benefits in personal risk and term creditor insurance contracts;
- sick leave benefits in personal risk and term creditor insurance contracts;
- health care benefits under personal risk contracts.

Application to the CNP Assurances portfolio

Although the exercise was particularly complex, it enabled CNP Assurances to quantify its exposure to the climate scenarios proposed by the ACPR, including:

- the potential increase in claims in personal risk and term creditor insurance policies;
- the sensitivity of the various scenarios to a persistently low interest rate environment.

The exercise also highlighted the resilience of CNP Assurances to climate risk:

- the exercise confirmed that the measures implemented in recent years (reduction of the carbon footprint of the investment portfolio, reduction of exposure to the thermal coal sector, increase in green investments) enable CNP Assurances to be more resilient in the event of a transition scenario unfavourable to companies which emit the most greenhouse gases;
- the potential increase in claims resulting from the occurrence of physical risk could be offset to some extent by an increase in the pricing of personal risk and term creditor insurance policies.

3.2.2.4 Electrical power mix of countries

Methodology

In order to estimate the transition risk to the directly held sovereign bond portfolio, CNP Assurances called on S&P Trucost to determine the electrical power mix of its portfolio.

The electrical power mix of a country is the proportion of each source of energy (renewable, nuclear, gas, coal, oil) in its total electrical power generation.

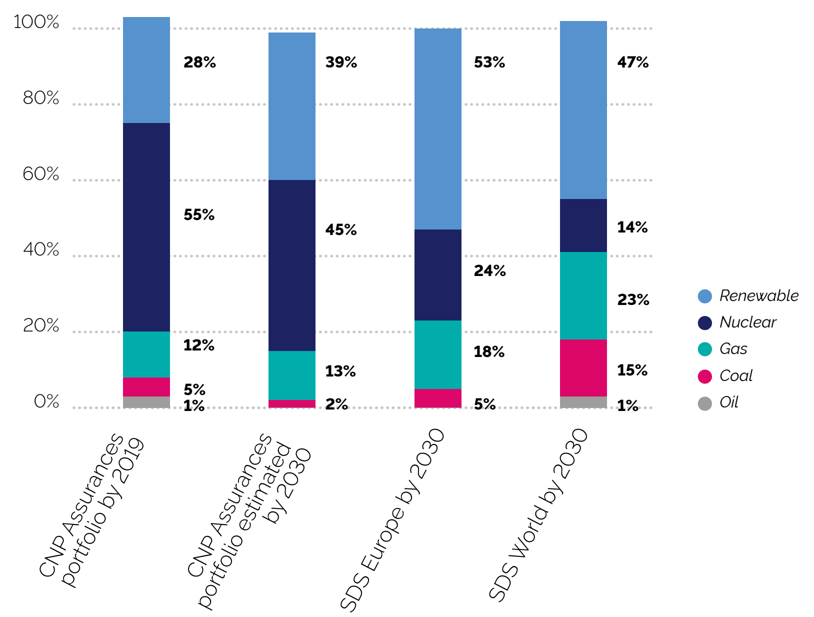
For each country where CNP Assurances is a bondholder, the electrical power mix is weighted by the holding based on balance sheet value at 31 December 2019. The portfolio's electrical power mix is projected up to 2030, with national commitments taken into consideration, all other things being equal.

The electrical power mix of the sovereign bond portfolio is compared to the Sustainable Development Scenario developed by the International Energy Agency that corresponds to a pathway ensuring the objectives of the Paris Agreement are met (WEO 2017 – SDS).

Application to the CNP Assurances portfolio

The analysis considers the whole portfolio of sovereign bonds directly held by CNP Assurances at 31 December 2019.

Electrical power mix for sovereign portfolio



The transition risk to the sovereign portfolio seems low for two reasons:

- the share of French bonds, where the electrical power mix is dominated by nuclear energy, is predominant in CNP Assurances' sovereign bond portfolio. Between now and 2030, in line with the national commitments, the share of nuclear energy is expected to gradually reduce in favour of renewable energies;
- the share of fossil fuels (oil, coal, natural gas) in the electrical power mix of the sovereign portfolio at end-2019 is already lower than the projections of the SDS Europe scenario for 2030.

3.2.2.5 Reduction in the real estate portfolio's carbon footprint

As seen in the International Energy Agency's various scenarios, the real estate sector is key to improving energy efficiency. For this reason, other than certifying buildings, which is covered in section 3.3.2 "Green investments for the energy transition", the strategy of supporting the environmental and energy transition in real estate is focused above all on renovations.

CNP Assurances addresses climate risk management by integrating environmental criteria and carbon-reduction objectives into the existing real estate portfolio in three ways:

- the systematic analysis of the improvement of energy performance when planning work;
- the commitment to reduce GHG emissions related to energy consumption by 40% on directly owned assets (plus wholly owned non-trading real estate companies) between 2006 and 2021: this point falls within the scope of the Gréco project launched by CNP Assurances in 2012 with the aim of drafting work plans tailored to each building from the outset in order to reduce CO_2 and energy consumption;
- the commitment related to the signing of the Energy Efficiency Charter for Commercial Buildings.

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.

Results

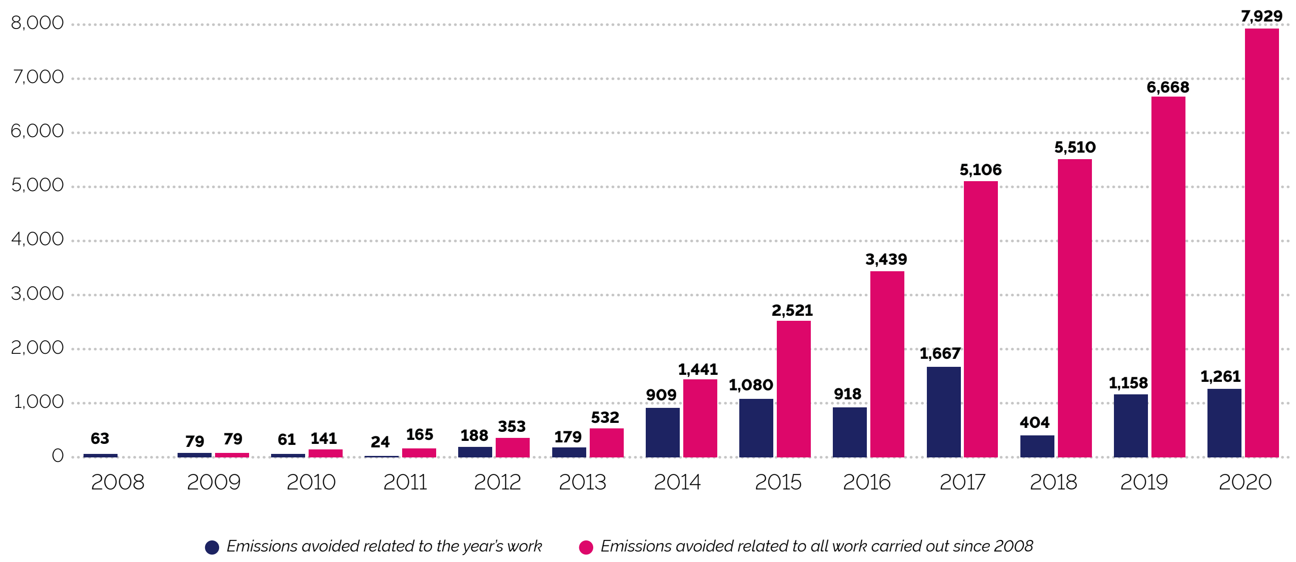
- 145 of the 186 real estate assets covered by the Gréco project have either been analysed or are scheduled for analysis, resulting in a progress rate of 78%. The various phases of the Gréco project serve to define energy improvement action plans for each real estate asset.
- CNP Assurances costed a work programme aimed at reducing energy-related greenhouse gas emissions by 40% on directly owned assets (plus wholly owned non-trading real estate companies) between 2006 to 2021: this objective was 102% achieved at end-2020. This reduction is the result of the implementation by CNP Assurances of an ambitious €198 million multi-year energy renovation programme for directly-owned properties.

- Certification and labelling: In its maintenance and renovation of the real estate assets in its portfolio, CNP Assurances constantly aims to make the properties more energy efficient. Renovation projects are carried out to the highest environmental standards: 44% of the floor space of real estate assets under direct management had energy, environmental or operating certification at the end of 2020, a significant increase compared with 2019.

Monitoring of GHG emissions avoided by the renovation of buildings

Total theoretical emissions avoided through work carried out since 2008 amount to 7,929 teqCO_2/year.

Greenhouse gas emissions avoided *(teqCO_2)*



To improve user behaviour, CNP Assurances' agents have established green leases on all commercial real estate assets of more than 2,000 square metres. Its management companies organise meetings on energy efficiency with users each year.

CNP Assurances implements the scenarios for the treatment of the building shell and the improvement of equipment performance recommended by the Gréco project. During each audit, the scope for the use of renewable energy is analysed and taken into account in the various work scenarios where appropriate.

3.2.2.6 Carbon sequestration by woodland

Carbon flow analysis is a major issue for any business seeking to contribute to the environmental and energy transition. In fact, CNP Assurances' woodland portfolio makes an important contribution, since forests store carbon when they are growing.

Results

- **Annual carbon absorptions from the woodland portfolio:** the principle is to estimate the organic growth of the wood during the year and then to convert this biomass growth into absorbed CO_2. Therefore the annual gross balance of CO_2 absorbed by CNP Assurances' woodland portfolio was 492,756 tonnes of CO_2 in 2020.
- **Total carbon storage:** this is the total volume of carbon sequestered in the biomass of the woodland portfolio, measured globally by species and by structures based on national data. At 31 December 2020, it is estimated at between 13,403,706 and 15,227,499 of CO_2.

Use of results

Woodland is not used by CNP Assurances to offset carbon, but to derive value from services and wood. Each acquisition is accompanied by a management plan (renewed, modified or in place), which prohibits arbitrary and excessive logging and allows the forest area to be maintained by replanting species based on a permitted level of logging under the control of the forest administration.

3.3 1.5°C convergence

TCFD | STRATEGY   TCFD | INDICATORS AND OBJECTIVES

3.3.1 Commitment to carbon neutrality in 2050

In November 2019, CNP Assurances joined the Net-Zero Asset Owner Alliance and committed to a carbon-neutral investment portfolio by 2050.

Launched in September 2019 at the United Nations' Climate Action Summit, the Net-Zero Asset Owner Alliance brings together 33 institutional investors, with a combined $5,100 billion in investments, who are committed together to making their investment portfolios carbon neutral by 2050. By targeting the transition of their portfolios to net-zero greenhouse gas emissions by 2050, the members of the Alliance wish to help limit global warming to 1.5°C in line with the Paris Agreement.

The Alliance wants to bring together institutional investors in order to quickly achieve critical mass, and thus play a key role in decarbonising the global economy and investing in withstanding climate change.

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.

Joining the Alliance involves implementing three action levers: regularly measuring the investment portfolio's alignment with the Paris Agreement and publishing the progress made, maintaining shareholder dialogue with companies to ensure they are also targeting carbon neutrality, and lobbying for public policies that promote the transition to a decarbonised economy.

After consultation in October 2020 with stakeholders, the Net-Zero Asset Owner Alliance released its inaugural target setting protocol in January 2021. The protocol defines how Alliance members will set an initial set of 2025 climate targets aligned with current scientific knowledge. In the coming years, the Alliance intends to continue to refine this protocol to increase its coverage and reflect the advancement of available scientific knowledge, including the findings of the Intergovernmental Panel on Climate Change (IPCC).

CNP Assurances committed in February 2021 to the following numerical targets, which extend the significant efforts already made over the past five years:

- to reduce the carbon footprint (scopes 1 and 2) of its portfolio of directly held equities and corporate bonds by a further 25% between 2019 and 2024, i.e., a target of 60 kgeqCO_2/€k invested by the end of 2024 compared with 80 kgeqCO_2/€k invested at the end of 2019. This 25% reduction target in five years is in line with the IPCC's 1.5°C trajectories [1];
- to reduce the carbon footprint (scopes 1 and 2) of its portfolio of directly held real estate by a further 10% between 2019 and 2024, i.e., a target of 17 kgeqCO_2/m^2 by the end of 2024 compared with 19 kgeqCO_2/m^2 at the end of 2019. This target of 17 kgeqCO_2/m^2 by the end of 2024 is in line with the 1.5°C trajectories of the Carbon Risk Real Estate Monitor (CRREM [2]), taking into account the type and geographical location of the real estate held by CNP Assurances;
- to reduce by a further 17%, between 2019 and 2024, the carbon intensity (scopes 1 and 2) of electricity producers in which CNP Assurances is a direct shareholder or bondholder, i.e. a target of 216 kgeqCO_2/MWh by the end of 2024 compared with 259 kgeqCO_2/MWh at the end of 2019. The target of 216 kgeqCO_2/MWh by the end of 2024 is in line with the 1.5°C trajectories of the One-Earth Climate Model (OECM [3]), taking into account the geographical location of directly owned electricity producers. CNP Assurances is thus committed to maintaining the carbon intensity of its portfolio below the decreasing assessments of the OECM's 1.5°C trajectories (from 410 to 216 kgeqCO_2/MWh between the end of 2019 and the end of 2024);
- to engage in dialogue with eight companies (six directly and two via the collaborative initiative Climate Action 100+) and two asset managers to encourage them to adopt a strategy aligned with a 1.5°C scenario by the end of 2024, i.e. to commit to carbon neutrality by 2050 and to set intermediate targets aligned with current scientific knowledge.

CNP Assurances undertakes to publish each year the level of achievement of these targets, as well as any difficulties encountered in their implementation.

(1) IPCC Special Report on Global Warming of 1.5°C: trajectories with no or a low risk of global warming exceeding 1.5°C, also known as P1, P2, P3 trajectories
(2) https://www.crrem.eu
(3) https://oneearth.uts.edu.au

3.3.2 Green investments for the energy transition

Large-scale investment is needed to limit global warming to 1.5°C by the end of the century. These investments play a role in the energy transition and are also a means of managing transition risk.

CNP Assurances has established two complementary approaches: supporting businesses in the energy transition, and also funding sustainable business opportunities for key players in the transition.

CNP Assurances committed in 2019 to doubling its green investment assets - woodland, green bonds, high energy-performance buildings, green infrastructure such as renewable energy projects and low-carbon transport and mobility - to €20 billion by the end of 2023 compared with €10.4 billion at the end of 2018.

At the end of 2020, 86% of the target had been reached, with €17.2 billion of green investment assets. In total, at the end of 2020, green investment assets represented 5.3% of CNP Assurances' assets. Within green investments, green bond assets amounted to €6.7 billion at the end of 2020.

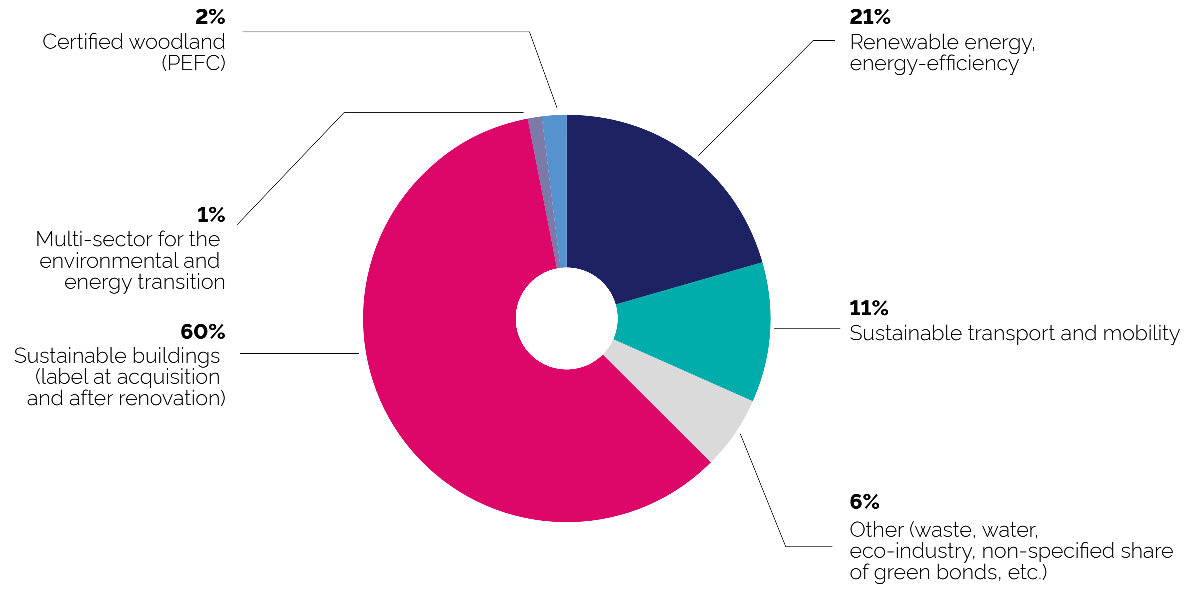
CNP Assurances invests in key areas to support the environmental and energy transition identified by the reference scenario of France's national low-carbon strategy, as well as the CBI (Climate Bonds Initiative), the GreenFin label and the I4CE Climate Financing Panorama, namely the energy, mobility, real estate and woodland sectors.

CNP Assurances has invested in private equity funds in the clean energy, clean industry and cleantech sectors and made direct and indirect investments in renewable energy infrastructure, sustainable mobility, and water and waste treatment, notably via the Meridiam Transition fund. Launched in late 2015 with the Meridiam management company, this fund finances innovative development projects related to the energy transition, local services such as heating systems and energy recovery from waste, electricity grids and gas networks, and innovative renewable energies.

In addition to these funds, it also invests directly in green bonds funding specific environmental projects.

In addition, in 2020 CNP Assurances invested €55 million in Ambition Climat funds, which use innovative methods to integrate the fight against global warming into asset management. These funds were selected by CNP Assurances and nine other French institutional investors in response to a call for tenders coordinated by Caisse des Dépôts and supported by the French Insurance Federation.

Breakdown of green investment assets at end-2020



CNP Assurances issued its first green bond in November 2019

Committed to the transition towards a carbon-neutral economy, CNP Assurances successfully launched its inaugural green subordinated bond issue. The bonds mature in July 2050 and have a first call date in July 2030. This €750-million inaugural issue was a great success and was heavily oversubscribed, with orders of close to €2 billion.

The funds raised through this operation will enable CNP Assurances to finance green projects in the following areas:

- high energy-performance buildings (new builds and renovations);
- sustainably-managed forests;
- green infrastructure such as renewable energy projects and low-carbon transportation systems.

The projects financed within the framework of this issue will help CNP Assurances to meet its objective of doubling its green investments to €20 billion by end-2023, versus €10.4 billion at end-2018.

In application of the best standards of the green bond market (Green Bond Principles), in 2020 CNP Assurances published the first Annual Report on the use of the funds raised, certified by an independent third party. At 31 December 2019, €375 million was allocated to eight green projects, predominantly in real estate, and in particular the future positive-energy headquarters of CNP Assurances, but also in woodland (6%). The portion awaiting financing has been invested in an SRI money market fund.

The impacts on financial year 2019 of the green projects financed thanks to the CNP Assurances green bond are as follows:

- 3.37 GWh of annual final energy consumption avoided, or 668 teqCO_2, thanks to the renovation of two buildings;
- 10,961 teqCO_2 of net storage in 2019 via the two forestry operations financed;
- 100% of the projects financed have obtained or are in the process of obtaining an environmental certificate or label.

3.3.3 Thermal coal disengagement policy

Since 2015, CNP Assurances has implemented a policy to reduce its exposure to thermal coal in its financial portfolios, in accordance with the recommendations of the French Insurance Federation and the Declaration of the Paris financial marketplace on 2 July 2019.

To go even further and align with a scenario [1] compatible with a limited temperature increase of 1.5°C, CNP Assurances committed in 2020 to achieve 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. At the end of 2020, CNP Assurances' exposure to thermal coal in its investment portfolio is estimated at €72 million, or 0.07% of the equities and corporate bonds held directly.

CNP Assurances is accelerating its thermal coal disengagement via a policy of exclusion and dialogue:

- since 2015, it has gradually implemented an exclusion policy to the thermal coal sector by reviewing the exclusion criteria on a regular basis. 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 more than 10% of revenue from thermal coal,
  - having thermal coal-fired power generation capacity exceeding 5 GW,
  - producing more than 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;
- in addition to the exclusion policy, 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 aligned with an exit 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 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.

By combining these actions, CNP Assurances is involved in the progressive phasing out of coal. CNP Assurances' policy on capping revenue related to thermal coal is in line with the projections of the Sustainable Development Scenario developed by the International Energy Agency, which is the scenario required to meet the objectives of the Paris Agreement.

CNP Assurances' new long-term commitment corresponds to the scenario of a limited temperature increase of 1.5°C developed by Climate Analytics: discontinuation of coal activities in European Union and OECD countries by 2030, and in the rest of the world by 2040.

3.3.4 Measuring temperature

In line with the temperature measurement launched in 2019, CNP Assurances has applied this measurement to all of its directly held equity and corporate bond portfolio.

Methodology

To estimate the portfolio's climate pathway, CNP Assurances relies on S&P Trucost, which provides data regarding the historical and projected greenhouse gas emissions of the issuers.

Greenhouse gas emissions data (scopes 1 and 2) is provided by the issuer (e.g. Annual Report, CSR Report, other data disclosed by the issuer, etc.). When incomplete, this data can be completed with estimates (e.g. if an issuer has published its carbon footprint but excluded a segment of its business, Trucost estimates the GHG emissions produced by this segment in proportion to the revenue generated). Future GHG emissions produced by issuers are estimated based on the targets published by companies and on production data. If no future information is available, Trucost then extrapolates the historical carbon intensity trend. Yearly and systematic dialogues with issuers are conducted by Trucost.

The emissions produced are then compared to a number of reference scenarios. In line with the recommendations of the Science-Based Targets Initiative, two distinct methods are used in a complementary fashion:

- for homogeneous-production sectors (where the emissions intensity of a single-sector issuer can be determined using a physical unit, i.e., in tonnes of CO_2 per production unit), for which there is a specific carbon footprint reduction pathway provided by the IEA and based on the IPCC scenario, Trucost uses the **Sectoral Decarbonisation Approach** (SDA). By using this method, the levels of carbon intensity per physical unit of activity (e.g. teqCO_2/GWh for energy production, teqCO_2/tonne of cement for cement plants) can be determined for each company, with a given temperature increase target. **This method can be used in the sectors producing the most greenhouse gases, such as metallurgy/aluminium production, energy production, cement and air transport**;
- for other sectors, or when the emissions produced by a company cannot be determined based on a single physical unit (as the Company has several business activities), Trucost uses the **GEVA** (Greenhouse gas Emissions per Value Added) method, plotting out a pathway using scenarios from the fifth IPCC report (RCP 2.6W, RCP 4.5W, RCP 6W and RCP 8.5W). Using this method, an annual carbon intensity reduction target (in teqCO_2 per million euros of value added) can be set for each company, whatever their business sector, that is also compatible with a given temperature increase target. For example, based on the RCP 2.6W scenario, carbon intensity must drop 4.2% every year from 2021. **This method can be used in sectors producing lower emissions such as the consumer, financial, health, industry (other than metallurgy and cement), real estate, energy distribution and information and communication technology sectors.**

For each issuer, the theoretical pathways to follow based on one of the two methods above are compared to the actual or estimated emissions of the issuer between 2012 and 2025. The gap between the actual pathway and the different theoretical pathways representing different temperature increases indicates the degree of alignment of each issuer. At the portfolio level, these discrepancies, synonymous with over- or under-consumption of the carbon budget of the various scenarios, make it possible to determine the alignment of the portfolio.

(1) Developed by Climate Analytics

Risks and opportunities related to climate change 3
1.5°C convergence

Application to the CNP Assurances portfolio

The Trucost data assigns a temperature increase to each issuer. The analysis covers 77% of the directly held equity and corporate bond portfolio at end-2020. It is compared to the CAC 40 index at the same date.

Estimate of the temperature of the equities and corporate bonds directly held by CNP Assurances	Estimate of the temperature of the equities directly held by CNP Assurances	Estimate of the temperature of the equities of the CAC 40 index
2.6°C	2.2°C	>3°C

The temperature measurement of the investment portfolio is based on several strong assumptions and/or approximations and has certain limitations that must be taken into account when interpreting the results. In particular, it relies on data of varying quality published by companies or estimated by data providers. Several methodologies for measuring the temperature of investment portfolios currently exist, but they do not give identical or consistent results. Temperature should therefore not be considered an unwavering indicator of investment portfolio alignment with the Paris Agreement.

Unlike the carbon footprint, which is a retroactive indicator, the temperature indicator is a forward-looking indicator, based on carbon emission projections between 2020 and 2025 based on an unchanged portfolio. Emissions aligned with a 1.5°C trajectory between 2012 and 2020 are therefore not sufficient to be aligned with a 1.5°C trajectory between 2020 and 2025. Moreover, these projections do not take into account possible management trade-offs between 2020 and 2025.

3.3.5 1.5°C scenarios

This summary covers comparisons of CNP Assurances' position and/or objectives with national and international scenarios giving references for alignment with 1.5°C pathways, which could be achieved with carbon neutrality from 2050.

CNP Assurances notes that the modelling of ESG and climate risk, based on current knowledge, requires a number of detailed assumptions about the climate impact of activities undertaken by companies, broken down by sector, geography, life cycle and other factors.

To assess the consistency of investment for the environmental and energy transition with CNP Assurances' 1.5°C approach, the criteria were analysed regarding the following 1.5°C scenarios by sector or equivalent:

- the International Energy Agency's (IEA) Sustainable Development Scenario (SDS), needed to meet the COP21 objectives – source: *World Energy Outlook 2017*.
- the 1.5°C scenario developed by the Intergovernmental Panel on Climate Change (IPCC) – source: Global Warming of 1.5°C - October 2018.
- the 1.5°C scenario, developed by Climate Analytics - source: *Global and regional coal phase-out requirements of the Paris Agreement: Insights from the IPCC Special Report on 1.5°C*, September 2019.
- the 1.5°C scenario of the One-Earth Climate Model (OECM) - source: *https://oneearth.uts.edu.au*

Since the data is not always available on all financial securities, the calculation was made with the objective of continuous improvement and learning from such comparisons. Participation in the Net-Zero Asset Owner Alliance projects will help to fine-tune the results year by year.

	1.5°C scenario (1)	CNP Assurances
All assets	To limit global warming to 1.5°C, carbon neutrality needs to be achieved by 2050	Joined the Net-Zero Asset Owner Alliance and committed to a carbon-neutral investment portfolio by 2050
Energies	**Coal** **16%** by 2030 Proportion of thermal coal by 2030 (IAE, WEO 2017 - world)	**Coal** **10%** Exclusion of investments in companies with more than 10% of revenue linked to thermal coal
	Coal 1.5°C scenario as developed by Climate Analytics: 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	**Coal** Zero-exposure to thermal coal in the investment portfolio by 2030 in the countries of the European Union and the OECD, and by 2040 in the rest of the world
	Electricity producers 1.5°C trajectories of the One-Earth Climate Model (OECM), taking into account the geographical location of directly owned electricity producers: 216 kgeq CO_2/MWh by end-2024	**Electricity producers** 17% reduction in carbon intensity between 2019 and 2024 to reach 216 kgeq CO_2/MWh
Securities of companies	**-45%** **between 2010 and 2030** Reduction in GHG emissions (2) between 2010 and 2030 worldwide (2018 IPCC)	**-51%** **between 2014 and 2019** Reduction in the carbon footprint of the directly held equities portfolio between 2014 and 2019 A further 25% reduction between 2019 and 2024 of the portfolio of directly held equities and corporate bonds
Real estate	**-45%** **between 2010 and 2030** Reduction in GHG (2) emissions between 2010 and 2030 worldwide (2018 IPCC)	**-37%** **between 2006 and 2019** Reduction in the carbon footprint of the directly held real estate portfolio between 2006 and 2019 A further 10% reduction between 2019 and 2024

(1) Limit global warming to 1.5°C by 2100
(2) Greenhouse gas

Chapter 4

Risks and opportunities related to biodiversity loss

CNP Assurances' business, like that of any other company, is dependent on services provided by nature, also known as ecosystem services. Conversely, 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. CNP Assurances 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.

4.1 Biodiversity in our woodland investments

To manage its 56,488 hectares of forests at the end of 2020, CNP Assurances benefited from sustainable management by Société Forestière. Preservation of biodiversity is one of its management objectives and each year Société Forestière carries out actions in favour of biodiversity. It is committed to regularly conserving senescent or dead trees in the forest, whether standing or lying down, which are home to a 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 will help build up a geographical database aimed at preserving them from any forestry 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 the management agreement with Société Forestière has made it possible to define an action plan and objectives for preserving biodiversity over 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, developing ecological corridors, protecting the reproduction of the most sensitive species, banning fungicides and phytocides and limiting insecticides to health emergencies.

Installation of a nesting box at the top of a pine tree in a CNP Assurances forest

4.2 Biodiversity in our 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 our 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.).

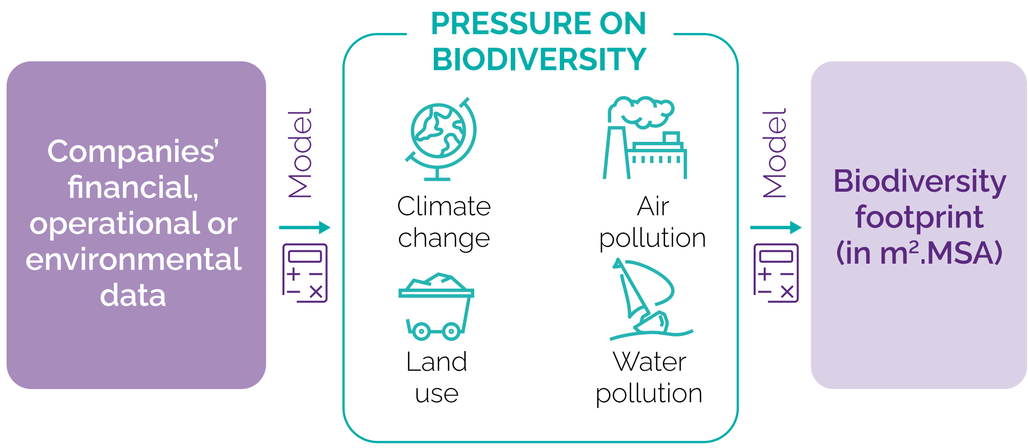
4.3 Biodiversity in our equity and bond investments

Since 2015, the pressure caused by climate change on diversity has been integrated into the carbon-neutrality strategy of our equity and bond investments. To reduce the impact of its investments on the environment, CNP Assurances has chosen to reduce, from 2021, its exposure to non-conventional fossil fuels: 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.

In addition, CNP Assurances supports a range of initiatives aimed at measuring the biodiversity footprint of our investments:

- 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 (Caisse des Dépots et Consignations);
- 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.

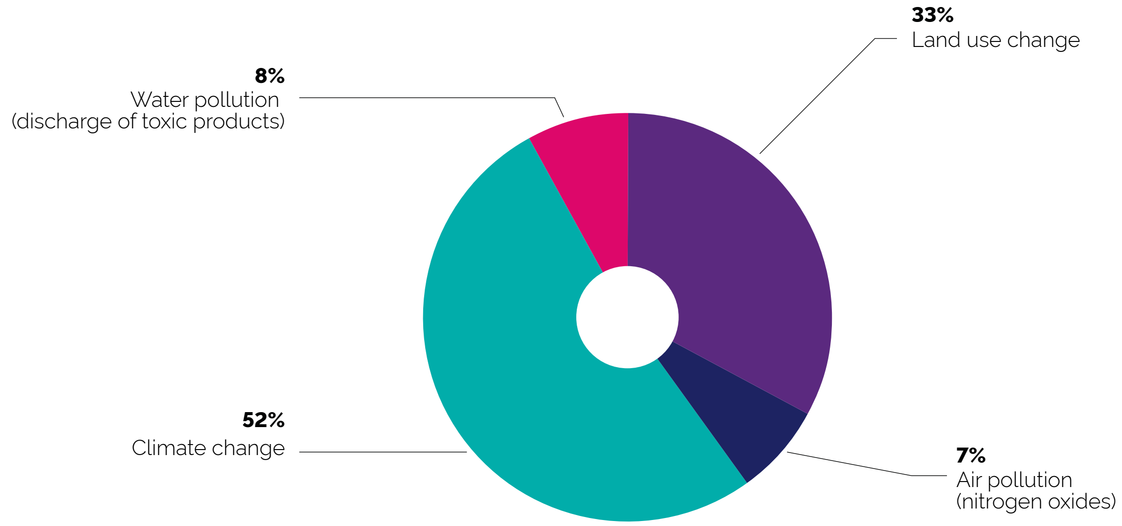
At the end of 2020, CNP Assurances carried out an initial test to measure the biodiversity footprint of its directly held equity and bond portfolio using the Corporate Biodiversity Footprint, a method developed by I Care & Consult and Iceberg Data Lab[1] Iceberg Data Lab provided data on companies in the sectors which have the greatest impact on biodiversity. The metric includes the following pressures on biodiversity as listed in the IPBES reports: land use change, contribution to climate change, air pollution (nitrogen oxides) and water pollution (discharge of toxic products). The tool estimates these pressures on the basis of financial, operational or environmental data published by the companies or modelled, taking into account the geographical location of the companies and their upstream and downstream impacts (scope 3). The impact is measured in annual m^2.MSA. The MSA (Mean Species Abundance) is a metric created by the PBL (Netherlands Environmental Assessment Agency) to measure mean species abundance. The direct or indirect impact of the Company on biodiversity is expressed in negative values of m^2.MSA. The m^2.MSA corresponds to the artificialisation of 1 m^2 of virgin natural space. This scientifically-recognised metric enables companies to be compared across different sectors.



The test carried out at the end of 2020 on five sectors (agrifood, oil and gas, energy, woodland and paper, waste) estimates the biodiversity footprint of the equity and corporate bond portfolio held by CNP Assurances at -14 m2.MSA per thousand euros invested. The distribution by pressure is as follows:

Distribution of the biodiversity footprint by pressure

(Test on 5 sectors of the directly held equity and bond portfolio)



(1) More information on the Corporate Biodiversity Footprint approach is available on the website www.icebergdatalab.com

The biodiversity footprint measurement of the investment portfolio is based on several strong assumptions and/or approximations and has certain limitations that must be taken into account when interpreting the results. Companies' varying levels of transparency on their activities and environmental impacts are complemented by normative modelling, which makes it possible to compare their performance on an isoperimeter basis, but leads to a variable level of quality for the final measurement.

As a consequence of the nascent and evolving nature of the biodiversity footprint measurement, we observe a lack of alignment between the different methodologies for measuring portfolio footprints. More than the true measurement of an exact footprint, the Corporate Biodiversity Footprint offers non-financial accounting of biodiversity, allowing the identification of large masses, the ordering of priorities and the measurement of the effects of an exclusion or engagement policy.

In addition, it offers the possibility of positioning a company within its sector and identifying the challenges of its activities and sources of contribution in terms of impact on biodiversity, making it possible to initiate engagement policies with these companies focused on reducing their impact. Lastly, this type of impact measurement encourages companies, particularly in the sectors with the greatest impact, to be more transparent about biodiversity, in line with regulatory requirements in this area.

4.4 Biodiversity in the 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 investee companies, and climate change in 91% of them.

Chapter 5

Raising policyholders' awareness

5.1 Communication with policyholders

CNP Assurances takes a responsible investor approach:

- both to traditional savings contracts, through the inclusion of ESG criteria in its investment policy;
- and to unit-linked contracts by integrating ESG criteria in its unit-linked funds approval policy.

Policyholders can give meaning to their savings by choosing responsible, green or solidarity-based unit-linked products. CNP Assurances strives to ensure that unit-linked funds are available to policyholders in its main contracts. This commitment is in line with that of its two major distribution partners – La Banque Postale and BPCE – whose asset management companies have set up such funds.

Since 2011, CNP Assurances has kept policyholders informed about the inclusion of ESG criteria in its investment strategy in its yearly customer statements. In 2020, more than 10 million letters were sent to policyholders (by post or online) outlining CNP Assurances' adherence to the Global Compact and its responsible investment strategy.

CNP Assurances' ESG-climate approach is also described in the Group's CSR Report published each year since 2010. In addition, the website www.cnp.fr explains CNP Assurances' CSR approach.

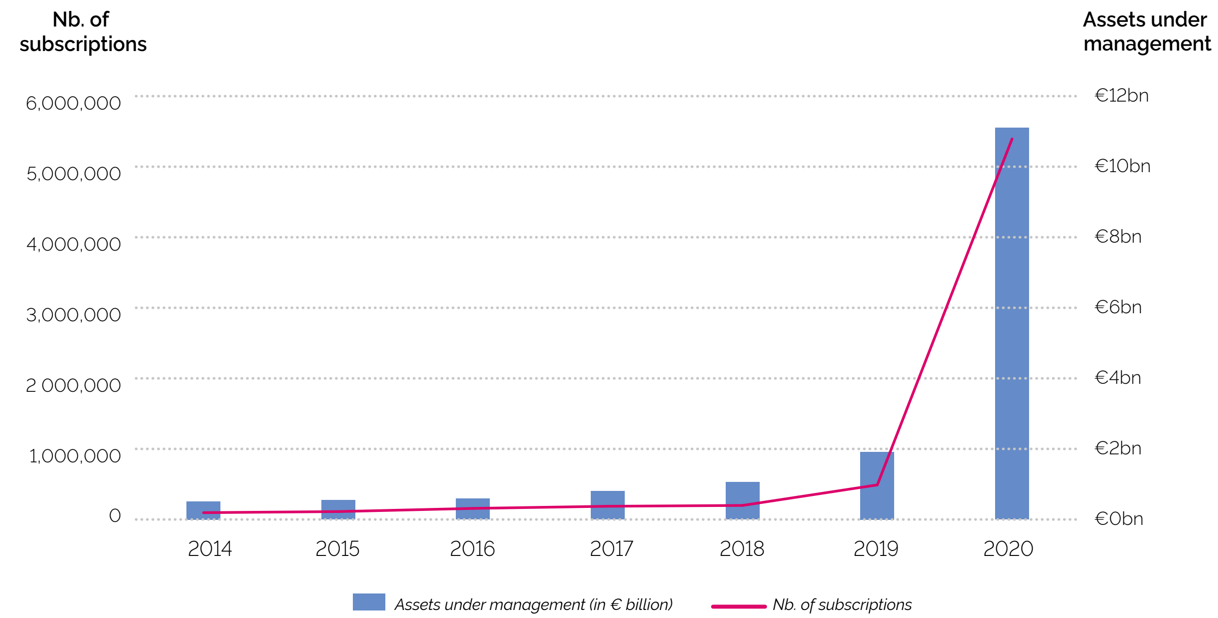
In 2020, CNP Assurances published a brochure (in French) on its website to explain how responsible savings work. It promotes CNP Assurances' responsible savings offers to policyholders and the general public, highlighting the various types of green, responsible and solidarity-based unit-linked products, as well as the responsible investor approach it implements in the traditional savings contract. This brochure also helps the general public understand the technical jargon and acronyms used (SRI, ESG, exclusion, etc.), and find their way among the various sustainable finance labels (SRI, GreenFin, Finansol).

5.2 Responsible unit-linked offering

When it comes to personal insurance, direct action by policyholders in support of an inclusive and sustainable society is reflected in the selection of responsible unit-linked products in their savings contracts. These products have been available for many years in each of the flagship unit-linked contracts in the individual insurance offerings from CNP Assurances.

At the end of 2020, there are nearly 5 million subscriptions in responsible unit-linked funds through CNP Assurances savings and pensions contracts. They represent assets of €11.1 billion, a five-fold increase compared with end-2019. This very substantial increase is attributable both to demand from policyholders for responsible savings vehicles and to the efforts of asset management companies, notably LBPAM and Ostrum AM, to label and integrate a responsible investment strategy into existing funds.

Responsible unit-linked products in CNP Assurances contracts



Most of the responsible unit-linked products sold in CNP Assurances life insurance contracts have a sustainable finance label:

Type of labelling of unit-linked products [1]	Assets at 31/12/2019	Assets at 31/12/2020	Number of subscriptions in labelled unit-linked products
SRI label (Socially Responsible Investment)	€1,670 million	€10,941 million	5,316,000
Greenfin label (Green Finance)	€588 million	€930 million	355,000
Finansol label (Solidarity Finance)	€203 million	€235 million	79,000

(1) A unit-linked product can benefit from several labels, so the amounts in the table cannot be added together

Chapter 6

Appendices

TCFD | RISK MANAGEMENT   TCFD | INDICATORS AND OBJECTIVES

The methodology appendices are available in the 2019 Sustainable Investment Report.

6.1 Important information about the methodologies

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6.2 Glossary

ADEME: French Environment & Energy Management Agency

AML-CFT: Anti-Money Laundering and Combating the Financing of Terrorism

APM: Anti-personnel mines

BBC: Low-carbon building

CBI: Climate Bonds Initiative

CDP (Carbon Disclosure Project): Non-profit organisation collecting the Annual Reporting of greenhouse gas emissions and environmental strategies of several thousand companies worldwide

CSR: Corporate Social Responsibility

EET: Environmental and Energy Transition

ESG: Environment, Social and Governance

EU: European Union

FATF: Financial Action Task Force

FFA: French Insurance Federation

FPS: Specialised professional funds

GBP: Green Bond Principles

GCEL: Global Coal Exit List

GEVA: Greenhouse gas Emissions per Value Added

GHG: Greenhouse gas

Global Compact: A United Nations initiative 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

Greco: The energy efficiency programme for the CNP Assurances real estate portfolio

HQE: High environmental quality

HSE: Health, Safety and Environment

IEA: International Energy Agency

ILO: International Labour Organization

IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

IPCC: Intergovernmental Panel on Climate Change

kgeqCO_2: Kilograms of CO_2 equivalent

KYC: Know Your Customer

LBPAM: La Banque Postale Asset Management

MSA: Mean Species Abundance. The MSA is a scientifically recognised metric created by the PBL (Netherlands Environmental Assessment Agency) to measure mean species abundance.

NCST: Non-cooperative states and territories

NDC: Nationally Determined Contributions, the greenhouse gas reduction targets set by each country that signed the Paris Agreement

OECD: Organisation for Economic Co-operation and Development

PACTA: Paris Agreement Capital Transition Assessment

Paris Agreement: A global agreement on global warming approved in December 2015 by 195 states at the Paris Climate Change Conference (COP21). The agreement calls for global warming to be kept well below 2°C above pre-industrial levels by 2100, and for continued action to limit the rise in temperature to 1.5°C.

PEFC: Programme for the Endorsement of Forest Certification

PIK: Potsdam Institute for Climate Impact Research

PRI: Principles for Responsible Investment

RCP: Representative Concentration Pathway, the scenario set out by the IPCC relating to increases in greenhouse gases, radiative forcing and temperature

SCI: Non-trading real estate company

SDA: Sectoral Decarbonisation Approach

SDG: Sustainable Development Goals

SDS: Sustainable Development Scenario, climate scenario of the International Energy Agency

SRI: Socially Responsible Investment

SSE: Social and Solidarity Economy

TCFD: Task Force on Climate-related Financial Disclosure

TECV: Energy transition for green growth

teqCO_2: Tonnes of CO_2 equivalent

UCI: Undertaking for Collective Investment

UCITS: Undertaking for Collective Investment in Transferable Securities

WEO: World Energy Outlook, published by the International Energy Agency

GET TO KNOW CNP ASSURANCES BETTER

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

28 JULY
First-half 2021 premium income and profit

19 NOVEMBER
Third-quarter 2021 premium income and results indicators

May 2021 – CNP Assurances/CSR department

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