ANNUAL REPORT

2012

"This document is exclusively available in electronic format, in line with SCOR's policy of lowering the direct environmental impact of its activities according to the environmental protection principles promoted by the United Nations Global Compact, of which the Group is a member."

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THE ART & SCIENCE OF RISKS

"The reinsurance industry is all about combining technical expertise and experience with the developments of science. However many tools we use to conduct our activities (models, databases, pricing tools, reserving tools, and so on), we also need personal judgments, human expertise, convictions, feelings even, to correctly underwrite. This is what we call the art of underwriting. Reinsurance is a knowledge industry. Expertise is an accumulation variable. The most advanced tool will never replace the intuition of a seasoned underwriter facing a complex risk. Because at the end of the day, you have to make a decision, to sign, to underwrite. And what we have underwritten, we cannot overwrite - our word is our bond, as is our signature. This dimension of our business, linked to the art of underwriting, is more important than some observers would have people believe. One way to acquire this art is to share experiences – both good and bad – and to share doubts and questions. Artists always belong to a school, from which they learn their craft. Like artists, we have to learn, imitate, mimic, and then innovate, in order to find our own style and create our own distinctive work."

Denis Kessler - Chairman and Chief Executive Officer of SCOR SE

Group profile

5th largest reinsurer in the world

A global presence structured around 6 Hubs
(Americas, Cologne, London, Paris, Singapore and Zurich), 37 offices

Premium income of EUR 9.514 **billion in 2012**
SCOR Global P&C 49 % of overall premium income
SCOR Global Life 51 % of overall premium income

More than 4,000 clients
around the world

2,150 employees *
> 50 nationalities
> spread across 31 countries
> equally distributed (47% women / 53% men)

Rating upgraded by all 4 agencies in 2012:
S&P A+
AM Best a
Moody's A1
Fitch A+

Annual SCOR Share performance of + 13% in 2012

A proposed Dividend of EUR 1.20 per share for 2012

Net income of EUR 418 million in 2012
+ 26.7% compared to 2011
> ROE of 9.1 %

Total balance sheet of EUR 32.6 billion
at 31 December 2012

Operating cashflow of EUR 4,810 million
at 31 December 2012

▲ SCOR offices

You will find the 2012 Registration Document and all of the Group's financial information at www.scor.com

* at 31 December 2012, excluding ReMark

1. Message from the Chairman

Ladies and Gentlemen, Dear Shareholders,

The year that has just ended could be "committed to memory" as a good year. However, this assessment actually covers some very positive developments, others that are less positive, and a few unfavourable ones. Taking stock of these various different developments raises the problem of which order to list them in. Let us begin, therefore, with the reasons to be satisfied.

First reason: **SCOR is a dynamic group**. The Group continued to progress throughout 2012. The amount of total premiums collected exceeds EUR 9.5 billion– i.e. around USD 12.3 billion - up by around 11% compared to pro-forma gross written premiums in 2011, which include the total annual business of Transamerica Re (acquired at the beginning of August 2011). This growth demonstrates the dynamism of the underwriting teams, who have done an excellent job. We are strengthening our market positions virtually everywhere. SCOR Global P&C, which is responsible for Non-Life reinsurance, grew by 17% in 2012, while SCOR Global Life, which is responsible for Life reinsurance, grew by 6% pro-forma. The respective weight of these two major business divisions in terms of premiums is now virtually identical (51% for Life reinsurance and 49% for P&C reinsurance).

Second reason to be satisfied: **SCOR is a profitable group**. First of all from a technical point of view. The combined ratio in P&C stands at 94.1% for 2012, within the range indicated to the market at the beginning of the year. The technical margin in Life reinsurance stands at 7.7%. Thus, 2012 provides additional proof of the quality of our technical underwriting management. These good technical results have not managed to completely offset the lower financial contribution made by asset management. Nevertheless, SCOR generates a ROE of 9% above the risk-free rate, slightly under the objective of 1000 basis points set out in the Strong Momentum plan. Excluding impairments on the share portfolio, which clearly demonstrate the scale of the financial crisis faced by the world for the past five years, the ROE is slightly higher than 10% above the risk-free rate.

Third reason to be satisfied: **SCOR is a highly solvent group**. The four rating agencies upgraded the Group's ratings in the spring of 2012. SCOR is now at the A+ rating level, which is just one notch below our main competitors. Along with profitability, solvency is one of the Group's two strategic objectives. Thanks to the prudent management of its capital, its underwriting and its investments, SCOR has continued to improve the quality of its signature, and is now viewed as a solid group with the financial means necessary to respect all of its commitments. As another demonstration of this recognised strength, in the autumn of 2012 SCOR issued CHF 315 million of perpetual subordinated notes at best-in-class conditions.

Fourth reason to be satisfied: **SCOR is a group advancing and innovating** in a large number of fields. Thanks to all the work conducted by the Chief Risk Officer's team, in 2012 SCOR was able to present its internal model to the regulators. This is a full model, which faithfully reflects the risks linked to the Group's business and the ways in which these are covered. Whatever the new agenda of the European legislator, SCOR has decided to respect the initial schedule set out by Solvency II. This internal model – pillar 1 -, and all the provisions set out for the two other pillars, are not just designed for the regulators;

they are primarily useful tools for the company, guiding its strategic, underwriting and management choices. The creation of the "One Ledger" for accounting, and the "Cat platform" initiated by the SCOR Global P&C teams, along with the overhaul and extension of our information system Omega, constitute other major examples of the Group's desire to have the most sophisticated and modern management tools. These are major investments but they should improve SCOR's efficiency and productivity, enabling it to reach the forefront of efficiency and to remain there. Innovations in terms of products and services should also be mentioned, such as Telemed (remote medical underwriting), Atropos (a cat bond fund) and ReMark (a global direct marketing and consultancy company).

Fifth reason to be satisfied: **SCOR is a group with a recognised capacity for integration**. While 2011 saw the acquisition of Transamerica Re, 2012 was marked by its integration. Thanks to the mobilisation of all staff, the integration of this company, which is virtually complete, has been a resounding success. This has been a huge task, mobilising all of the company's functions: human resources, accounting, IT, asset management, and so on.

But 2012 was also marked by a series of challenges emanating from the environment in which SCOR is developing.

First of all, **the Group has been operating in a financial environment that remains very tough**. Investment yields have been weak. This is mainly due to the accommodating monetary policies implemented by the central banks to help governments and the banking system to refinance themselves. For the best-rated State bonds, yields fell by an average of 90 basis points between 2011 and 2012. Private bonds certainly had better yields, but the Solvency II regulations, as well as those of the rating agencies, imposed costly capital charges on them. The recovery of the share market was significant, but not sufficient to prevent us from having to record impairments in our accounts, which lowered the Group's results. In terms of investments, SCOR remained prudent in 2012, because the crisis has unfortunately not ended yet. Nobody knows when interest rates will rise again – this has been postponed by the massive intervention of the central banks – or when inflation will return. These phenomena still lie ahead of us, and the Group's policy is to minimise their consequences in terms of solvency and profitability. Prudence and prevention may be less profitable in the short term, but they are very beneficial when risks become reality.

Next, **the weight of natural catastrophes remained high in 2012**. In this regard, 2011 was more of a very bad year, due to the historic series of natural catastrophes that occurred, mainly in Asia. Nevertheless, 2012 suffered the consequences of the Thai events that occurred at the end of 2011, because the resulting losses continued to develop throughout the first half. The Thai floods will, moreover, remain one of the major events of the decade. Even if they don't make the newspaper headlines, natural catastrophes occur throughout the world and are covered and reinsured by the Group: tornadoes, floods, storms and earthquakes. In November 2012, SCOR had to bear heavy costs from tropical storm Sandy, which devastated the north-eastern quarter of the United States. SCOR's teams based in New York, whose personal and professional lives were affected, were able to directly measure the violence of this event, which forced the Group to find temporary premises in order to continue its operations. In total, the natural events that occurred in 2012 represented a net cost after retrocession of EUR 307 million.

Finally, **the fiscal environment has deteriorated, particularly in France**, and the Group has had to face new charges that our competitors based in other countries have not had to suffer. Thus, the Group has suffered a new, unjustified drain on its capitalization reserve, and is subject to higher wage taxes as of 2013. Moreover, tools for the remuneration of staff and executives, such as performance shares and stock options, are increasingly heavily taxed, making them very costly for the company and not very profitable for the beneficiaries. These new fiscal measures are totally inappropriate and unfair, given that performance shares notably enable companies to involve their employees in their asset development. The Group firmly believes in the need to align the interests of shareholders and employees.

Ladies and Gentlemen, Dear Shareholders,

The crisis is not over and a significant part of the world, particularly Europe, will continue to experience a difficult economic situation, marked by the stagnation of GDP, the credit crunch, rising unemployment, and painful restructuring. Since the crisis broke out 5 years ago, the SCOR group has decided to remain prudent, to make no bets, and to avoid any major financial risks that may be anticipated. Respecting the basic principle of consistency, the Group has also decided to maintain a controlled "risk appetite" in terms of underwriting, for both Life and Non-Life business. The time has not yet come to change these policies. The adverse effects of the monetary policies followed to manage the crisis will emerge sooner or later. The process of deleveraging economies is far from finished.

The strategic orientation of our Group is tailored to foreseeable developments in the economic and financial environment in which it operates, in order to meet the challenges of a low-yield universe. It is in line with the transformations currently underway in the reinsurance market on both the supply and demand sides, in order to confront sharper competition, a possible fall in demand and sector concentration. It is tailored to the evolution of various risks, in both the Life and P&C fields, to ensure that SCOR puts controlled risks onto its books. It is compliant with the new regulatory universe – notably Solvency II – in order to transform the constraints created by the new regulations into opportunities; and it is likely to further increase SCOR's earning capacity for its shareholders, whilst raising its solvency. This is all part of the new strategic plan due to be finalised mid-2013, which will serve as our *vade-mecum* for the next three years. The three-year plan "Strong Momentum" is ending, and the Group is on the point of achieving most of its objectives. The new plan is under preparation, and will respect the basic principles on which SCOR has been built: strong business franchise, controlled risk appetite, high diversification, and very strict capital management.

The SCOR group's ambitions remain intact: (1) to generate a high level of profitability, which will enable it to remunerate its shareholders, who support its development, (2) to be a leading global reinsurer, (3) to serve its clients whilst nurturing long-term, trust-based relationships with them, (4) to ensure a high level of solvency in order to respect its commitments, despite an increasingly complicated risk universe, (5) to be a genuinely global Group, (6) to achieve the highest possible level of efficiency, (7) to be recognised for its expertise and risk analysis skills, and for its contribution to technical and scientific progress, (8) to continue its efforts in terms of corporate and environmental responsibility, (9) to intensify the progress already made in terms of managing its human capital, focusing even more on recruitment, development and the retention of talent.

I would like to thank the Group's clients for the high quality of the relationships we have built together, its employees throughout the world for their contribution to the company's development, and the shareholders for their confidence and their support, which are indispensable to SCOR's success.

Denis Kessler
Chairman and Chief Executive Officer

2. SCOR Shares

Investor Relations

The Group has continued its policy of transparency, maintaining close contact with its investors and the financial community. The Group attended several major financial conferences throughout the year, and on 6 September 2012 presented the final part of its three year strategic plan, which runs from 2010 to 2013, at its Investor Day "Strong Momentum Season Three". The tradition of meeting investors continued, and over the course of the year 400 management meetings were organized with institutional investors around the globe.

Technical share data

SCOR shares hold the ticker symbol SCR, with ISIN code FR0010411983. SCOR's shares were consolidated on 3 January 2007. The consolidation was conducted through the exchange of 10 old shares for 1 new share. The old shares were delisted on 3 July 2007.

2012 Share Development

SCOR shares closed the year at EUR 20.41, corresponding to an annual performance of +13.0% (+19.1% including the dividend in cash). The average daily trading volume in 2012 was 413,448 shares, representing a daily capital turnover rate of 0.23%*. The Group's market capitalization stood at EUR 3,749,616,517 at 31 December 2012.

* Daily capital turnover rate calculated based on SCOR's total shares outstanding as at 31/12/2012

SCOR shares and the European insurance indices since 1 January 2012

2012 Share development

Market Indices

SCOR shares are included in the SBF 80, the SBF 120, the CAC Large 60, the Euronext 100, the CAC Next20 and the EURO STOXX Select Dividend 30, amongst others.

Listings

SCOR shares are listed on Eurolist Paris (deferred payment, continuous, ISIN code FR 0010411983). SCOR has also had a secondary listing on the SWX Swiss Exchange since 8 August 2007. On 4 September 2007, SCOR delisted its ADS from the New York Stock Exchange and terminated the registration of its securities under the US Securities Exchange Act of 1934. SCOR's ADS securities can nevertheless still be traded on the US over-the-counter market.

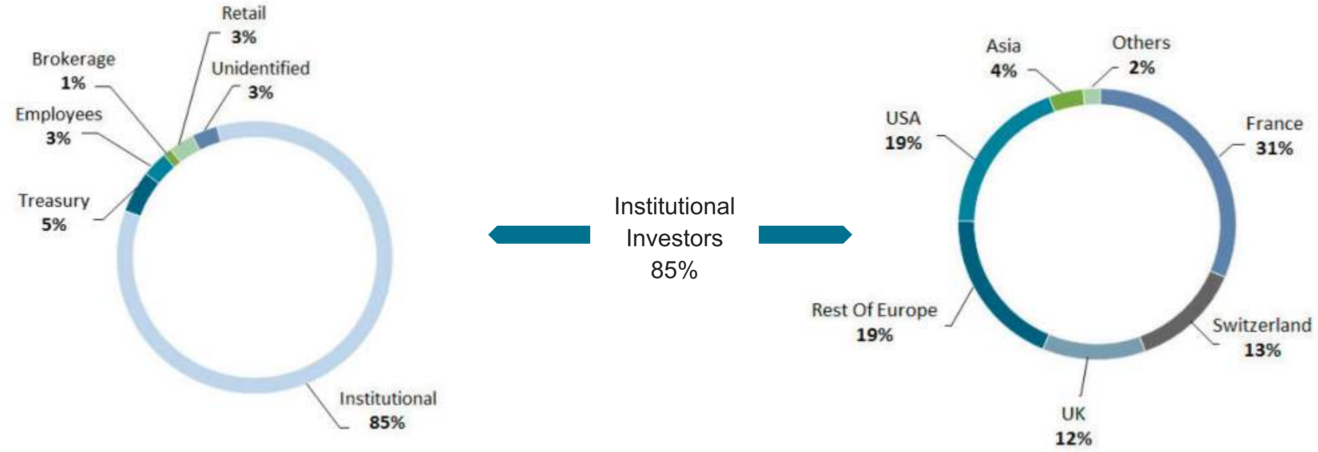
Principal Shareholders

Distribution of capital (number of shares, % of capital and voting rights) – (i) shareholders having more than 2.5 % of the registered capital and/or voting rights and (ii) shareholders represented on the Board of Directors (on the basis of a study of identifiable share bearers ("Titres aux Porteurs Identifiables" – "TPI") conducted by the Company as at 31 December 2012):

AS AT 31 DECEMBER 2012	NUMBER OF SHARES	% OF CAPITAL	% OF VOTING RIGHTS(1)
Patinex AG(2)	15,000,000	7.80%	8.18%
Alecta Kapitalförvaltning AB(2)	8,690,000	4.52%	4.74%
Générali Investments France S.A.(2)	5,903,700	3.07%	3.22%
Groupe Malakoff(2)	5,875,500	3.05%	3.20%
BNP Paribas Asset Management (France)(2)	4,049,000	2.10%	2.21%
Covéa Finance(2)	4,034,300	2.10%	2.20%
BNP Paribas Investment Partners Belgium SA(2)	3,691,300	1.92%	2.01%
Ofi Asset Management(2)	3,594,900	1.87%	1.96%
Treasury Shares	8,930,686	4.64%	0.00%
Employees	6,189,679	3.22%	3.37%
Others	126,425,154	65.71%	68.91%
Total	**192,384,219**	**100.00%**	**100.00%**

(1) The percentage of voting rights is determined on the basis of the number of shares at closure, excluding the company's own treasury shares.
(2) Source: TPI and IPREO share analysis on 31/12/2012

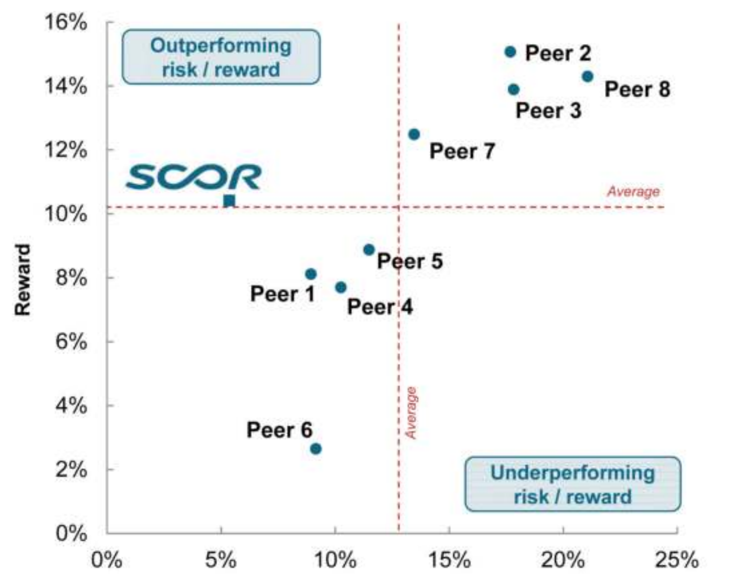
Distribution of identified shareholders and geographical distribution of identified institutional shareholders



* Rest of Europe includes, among the principal countries: Sweden: 6%, Germany: 4%, Belgium: 3%, Netherlands: 2%, Norway: 2%

SCOR's offers strong returns with low volatility

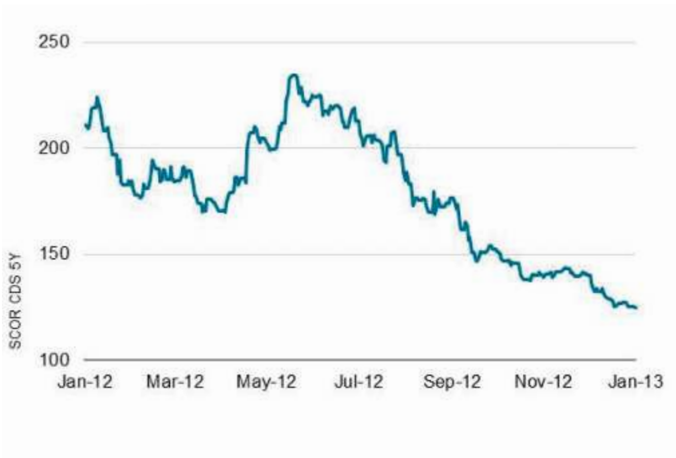
Risk / Reward since January 2005



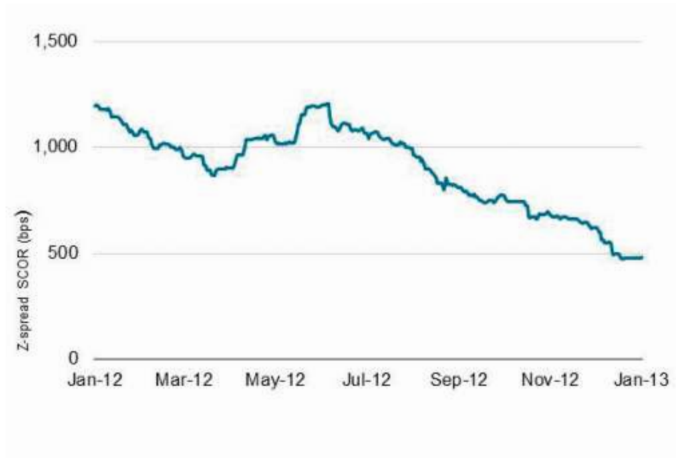
Reward: average quarterly RoE in % 2005 – 2012; Risk: standard deviation of quarterly RoE 2005 – 2012; Peers as of Q4 2012 (unless specified) in alphabetical order: Axis, Everest Re, Hannover Re (Q3 2012), Munich Re (Q3 2012), Partner Re, Renaissance Re, Swiss Re, XL Re;

Evolution of SCOR's CDS and Bond spreads

SCOR CDS SPREAD DEVELOPMENT



SCOR BOND SPREAD DEVELOPMENT



SCOR Debt Overview

Type	Original amount issued	Current Amount Outstanding (Book Value)	Issue date	Maturity	Floating/ Fixed rate	Coupon + Step-up
Subordinated floating rate notes 30NC10	U.S.$ 100 million	U.S.$ 67 million	7 June 1999	30 years 2029	Floating	First 10 years : 3-month Libor rate + 0.80% and 1.80% thereafter
Subordinated floating rate notes 20NC10	€ 100 million	€ 94 million	6 July 2000	20 years July 2020	Floating	First 10 years: 3-month Euribor + 1.15% and 2.15% thereafter
Undated deeply subordinated fixed to floating rate notes PerpNC10	€ 350 million	€ 261 million	28 July 2006	Perpetual	Fixed	Initial rate at 6.154% p.a. until July 28, 2016, floating rate indexed on the 3-month Euribor +2.90% margin
Undated subordinated fixed to floating rate notes PerpNC5.5	CHF 650 million	CHF 650 million	2 February 2011	Perpetual	Fixed	Initial rate at 5.375% p.a. until August 2, 2016, floating rate indexed to the 3-month CHF Libor + 3.7359% margin
Undated subordinated fixed to floating rate notes PerpNC5.7	CHF 315 million	CHF 315 million	8 October 2012	Perpetual	Fixed	Initial rate at 5.25% p.a. until June 8, 2018, floating rate indexed on the 3-month CHF Libor + 4.8167% margin

3. Calendar 2012

18-20 JANUARY

Yvan Besnard, keynote speaker at the 5th India *Rendez-Vous*

SCOR Global P&C was a sponsor of this 5th annual conference, organized by GIC Re and Asia Insurance Review in Mumbai. Yvan Besnard (Chief Underwriting Officer Treaty P&C Worldwide, SCOR Global P&C) gave a presentation entitled "Insurers & Reinsurers partnering to rise to the needs of the market", which covered the dynamism of the Indian insurance industry, the boom in the retail insurance sector and the imperative for reinsurers to rise to the occasion, in order to offer not just traditional capacity but also innovative solutions for the rapidly growing Indian insurance market.

26 JANUARY

Sudden Adult Deaths Medical Paper

Some high profile Sudden Adult Death cases hit the headlines in the UK in late 2011- mainly involving young sportsmen – prompting SCOR Global Life to produce a paper on the subject that was distributed to all its clients. The paper discussed the pre-existing medical conditions that might cause such deaths to occur and the features to look out for when assessing such claims.

8-10 FEBRUARY

SCOR Global P&C at the 20th year of the AMRAE meetings in Deauville

The French Association of Risk Management - AMRAE – brought together nearly 2,000 risk-related professionals (risk managers, insurers and brokers) to discuss the theme of "Discontinuity and Anticipation" at the 20th year of the AMRAE conference in Deauville.
In addition to the plenary sessions there were also workshops and roundtables with international senior executives. Denis Kessler and Evan Greenberg took part in a roundtable entitled "The Insurance market – 20 years: discontinuity and anticipation".
During the conference, brokers, insurers and reinsurers highlighted the unprecedented changes experienced in the risk universe over the past two decades, along with the increase in non-standard events (which are difficult to anticipate), the growing complexity of traditional risks, and the emergence of new risks. They also highlighted the necessity of anticipating future shocks and being able to manage these, namely through innovation.

9 FEBRUARY

SCOR successfully concludes the January 1, 2012 renewals: 13.9% growth, satisfactory pricing conditions (+2%) and expected technical profitability

SCOR Global P&C records a very satisfactory increase in its business in 2011: gross written premiums are up by 8.8% to EUR 3.982 billion at current exchange rates. At constant exchange rates, the growth of SCOR Global P&C's gross written premiums in 2011 reaches 11.6%.
The January 1, 2012 renewals were concluded following a year marked by an exceptional series of natural catastrophes,

Life | Non-Life

which included a number of different events with varying levels of severity. Throughout the past year, SCOR has demonstrated the soundness of its business model, based on diversification that is simultaneously high and controlled. Its risk management and capital shield strategy has enabled the SCOR group to absorb major shocks and approach the renewals under favourable conditions.

The key takeaways of the 1 January 2012 renewals for SCOR are as follows: (1) total premium growth of 13.9% - P&C Treaty business is up by 12%, while Specialty Treaties are up by 18%; (2) the weighted average pricing level is up by 2.2%; (3) technical profitability is stable, and rests on prudent projections, particularly for those business lines most exposed to economic uncertainties; (4) terms and conditions remain largely unchanged, except for contracts and regions impacted by the natural catastrophes that occurred in 2011; and (5) there is a higher level of differentiation between cedants within a given market, and the markets themselves remain fragmented, in accordance with the scenario that SCOR has been putting forward for several years.

The renewals also enable the Group to gauge the progress achieved in terms of implementing the various different initiatives set out in the "Strong Momentum" plan, and more specifically the concretisation of significant private transactions – notably in motor insurance in China and the UK; and the expansion of the "Business Solutions" platform, with a 27% increase in premium income and a rise in prices of around 2.8%[1].
These developments are in line with the expectations in terms of pricing evolutions voiced at the 2011 *Rendez-Vous de Septembre* in Monte Carlo, and are also in line with the figures set out in the strategic plan "Strong Momentum V1.1", which anticipates (1) organic growth of 9% per year, and (2) a combined ratio of 95-96%.

In the current environment, SCOR Global P&C estimates that its gross written premiums should reach EUR 4.5 billion in 2012.

[1] For the period from 1 October 2011 to 1 January 2012.

27-28 FEBRUARY

Presentation of SOLEM to clients

A presentation of the new pricing manual SOLEM was held in Cologne for Eastern European and Middle Eastern clients. SCOR Global Life Asia-Pacific also organised several conferences in major Asian cities (Taipei, Bangkok and Kuala Lumpur) in order to present SOLEM to a large number of clients.

8 MARCH

SCOR holds its course: combining growth, profitability and solvency to record a net result of EUR 330 million in 2011

In a year marked by exceptional nat cat losses and financial turmoil, SCOR's strong enterprise risk management and robust capital shield policy have proved their effectiveness, allowing the Group to deliver a net income of EUR 330 million in 2011 (ROE of 7.7%). This performance is sustained by an operating cash flow of EUR 530 million in 2011.

Life | Non-Life

The Group was able to seize growth opportunities, both internally driven, due to SCOR's strong franchise and high level of expertise, and externally driven through the acquisition of Transamerica Re. SCOR records strong growth, with gross written premiums up 13.6% to EUR 7.6 billion in 2011 (+16.5% at constant exchange rates). Pro-forma, gross written premiums reach EUR 8.6 billion (+28.3%).

SGPC gross written premiums are up by 8.8% to EUR 3,982 million (+11.6% at constant exchange rates). The net combined ratio reaches 104.5% in 2011, heavily impacted by exceptional nat cat losses, among others: floods in Australia and earthquakes in New Zealand and Japan in the first quarter; US tornadoes in the second quarter; Denmark floods in the third quarter; catastrophic floods in Thailand in the fourth quarter.
SGL gross written premiums reach EUR 3,620 million in 2011, up by 19.3% compared to 2010 (+22.3% at constant exchange rates). SGL records a solid improvement in its technical margin, which rises from 5.4% in 2010 to 8.1% in 2011 (operating margin of 7.4% and 6.5% respectively). This improvement is notably due to SGL's prevailing focus on biometric risks following the acquisition of Transamerica Re, which has reinforced SCOR's positioning in Life reinsurance, making the Group the second largest player in North America in terms of new business volume.
SCOR Global Investments (SGI) achieves a return on invested assets of 3.7% in 2011, despite a very challenging economic and financial environment, by strengthening its so-called rollover strategy, which consists of maintaining a relatively short duration (3.1 years) and generating recurring cash flows, whilst actively managing its asset portfolio.

Shareholders' equity rises to EUR 4,410 million at the end of 2011 (+1.3% compared to the end of 2010), after EUR 201 million of dividends distributed to shareholders in May 2011 for the year 2010. Following the issuance of CHF 650 million of perpetual debt that allowed SCOR to complete the Transamerica Re acquisition without issuing new shares, the Group's financial leverage stands at 18.1% at the end of 2011, a level still below the industry average. A dividend of EUR 1.10 per share is proposed for 2011, representing a payout ratio of 61.6%

15 MARCH

Fitch upgrades SCOR's rating to "A+"

Fitch Ratings has upgraded SCOR's Insurer Financial Strength (IFS) ratings and Long-term Issuer Default Ratings (IDRs) from 'A' to 'A+'.

Fitch notably mentions having taken into account *"SCOR's strong solvency and moderate debt in relation to its risk profile."* The rating agency also notes *"SCOR's ability to successfully expand its business position via external growth and to swiftly integrate acquired operations. As a consequence, business position and diversification have significantly improved over the past five years"*.

Calendar 2012

15 MARCH

SCOR UK Ltd, via SCOR Global P&C's Large Corporate Risks business unit, SCOR Business Solutions (SBS), is the lead underwriter on Europe's largest civil engineering project

SCOR UK Ltd, via SBS, is the lead underwriter on Europe's largest civil engineering project: the high-speed rail link between Tours and Bordeaux, which is the subject of a 50-year concession contract won by the LISEA Consortium. This public-private partnership represents an investment of EUR 7.8 billion and unites the state and local authorities, the French railway network (RFF) and LISEA. LISEA's shareholders are Vinci, CdC Infrastructure, AXA PE and Meridiam. The project plans to construct 340km of railway with several viaducts, cut-and-cover tunnels and 10 connections to the existing rail network. When it is completed, it will link Bordeaux to Paris in just 2 hours.

1 APRIL

SCOR inFORM publication entitled "Life (re)insurance and Solvency II"

With the new European supervisory System, Solvency II, even though the implementation timetable has now been modified compared to the initial planning, insurers and reinsurers will face important and far-reaching changes in all areas of corporate management. This SCORinFORM publication looks at how Life reinsurance can be used to efficiently optimise a company's solvency capital requirements under Solvency II.

16 APRIL

SCOR Global P&C publishes a technical newsletter entitled "Exploring Systemic Weather Risk and the Diversification Possibilities of Agricultural Risks in China"

This newsletter provides an overview of systemic weather risk for both insurers and reinsurers active in the agricultural sector in China. It focuses on a survey of agricultural production risk and recent developments in agricultural insurance in China, and on an investigation into systemic weather risk conducted over 17 Chinese agricultural regions.

17-18 APRIL

SCOR takes part in the 4th reinsurance conference organized by Reactions Magazine in Brazil

SCOR Global P&C was the Gold sponsor of the 4th annual reinsurance conference organized by Reactions Magazine in Rio de Janeiro. This event attracts senior executives from local Brazilian insurance companies, reinsurance companies, broking and consulting firms every year. The objective of the conference was to discuss how to sustain a profitable reinsurance market and continue to maximize the potential of the booming Brazilian economy. The conference welcomed key players in the Brazilian reinsurance market, who also discussed the latest developments and innovations in the industry. Benjamin Gentsch, Deputy CEO of SCOR Global P&C, gave an overview of the macroeconomic environment entitled: "How will Brazil be affected by the global economic uncertainty?" Other SCOR Global P&C experts, including Simon Dejung from the Engineering team and Stefano Lusenti from Credit & Surety, took part in roundtables.

Life Non-Life

"The Life insurance market in Latin America"

Maurice Piault,
Managing Director Latin America,
SCOR Global Life

SCOR is a historic player in these Latin American markets, what is SGL's positioning now?

We have solid market share in Mexico (20% in 2011) and Chile (15% in 2011) and we're increasing our presence in Brazil (7% in 2011). These are good positions to build upon, either through traditional reinsurance arrangements or value added solutions. Our focus on product consulting and development is well suited to the emerging Latin American markets, because life insurers there need innovative new products to meet the changing needs of their customer base.

How has the financial crisis impacted these markets? How do you think the Latin American markets will evolve?

Latin America has weathered the financial crisis quite well, but the continuing global economic recession is having an impact on the markets in the region. While these economies have slowed, they are still growing. And in key countries, like Brazil, the insurance industry is outperforming other sectors of the economy. We are highly optimistic about the evolving Life insurance markets in Latin America. While we must take into consideration the risks and uncertainties historically associated with this region, the potential of these markets is worth the risks involved.

What are SCOR Global Life's ambitions in these markets?

These markets are very important to SCOR's growth strategy. We have a well-articulated market strategy that combines traditional Life reinsurance capacity with value added services such as product development for Critical Illness and high net worth individual Life. This approach distinguishes SCOR from its competitors and directly targets the needs of primary Life insurers. We expect double-digit growth from Latin America.

18-25 APRIL

SCOR Global Life conferences in Mexico and Ecuador

SGL organised conferences in Quito, Ecuador and in Mexico on the topic of "New Trends in Life Reinsurance". Over the seven days of the event, SCOR Global Life speakers from Charlotte, Paris, Cologne, Santiago and Mexico shared their expertise in terms of pricing (including a presentation on SOLEM), product development, bancassurance, ERM, Solvency II and a number of other subjects.

26 APRIL

Thanks to its very favourable positioning, SCOR Global P&C records a premium increase of 11% and a pricing increase of 7% during the 1 April 2012 renewals

SCOR Global P&C (SGPC) records growth of 11% at constant exchange rates from the EUR 328 million of premiums up for renewal at 1 April 2012, with no increase in exposure to natural catastrophes. During these renewals, SGPC has continued to actively manage its risk portfolio, enabling it to achieve an average weighted price increase of 7% whilst reinforcing the quality of its portfolios: 7% of the business up for renewal has been cancelled or restructured.

The global pricing increase of around 7% benefits from the trends observed in natural catastrophes (+17%), particularly in Asia (+19%) and to a lesser degree in the United States (+10%), regions in which most of the nat cat premiums renewed in April are concentrated. The expected profitability of business renewed in April, measured by projections of the combined ratio and returns on allocated capital, is up sharply for both Non-life and Specialty treaties, with an improvement of around 2.5 points on each of the two ratios compared to the same projections made during the renewals of April 2011.

The premiums up for renewal, which represent around 11% of the total annual volume of treaty premiums, were distributed between treaties (69%) and Specialty treaties (31%) in three geographic areas: Asia (70%), Americas (22%) and EMEA (8%).

2 MAY

A.M. Best upgrades SCOR's Issuer Credit Rating to "a+"

A.M. Best has upgraded the Issuer Credit Ratings (ICR) of SCOR SE and its main subsidiaries from "a" to "a+". The agency has also affirmed the Financial Strength Ratings of "A" (Excellent). The outlook for all ratings is stable.
According to the rating agency, this decision reflects *"SCOR's resilient performance in challenging market conditions, demonstrating strong enterprise risk management, particularly pertaining to investment risk management and prudent capital management"*. A.M. Best further added: *"SCOR's risk-adjusted capitalisation continues to remain resilient, with its balance between Life and Non-Life reinsurance providing sound diversification and stability to earnings. Additionally, SCOR has further strengthened its global reinsurance presence during 2011, creating a sound platform to further expand its franchise."*

3 MAY

First SCOR Global Life conference in Ivory Coast

SGL's first Life conference in West Africa was held in Abidjan and was attended by approximately 75 clients from around 20 countries in West and Central Africa.

Life Non-Life

3 MAY

SCOR records net income of EUR 104 million in the 1st quarter 2012, confirming the dynamism of its franchise

SCOR Global Life Embedded Value grows by 50% to EUR 3.3 billion

Gross written premiums stand at EUR 2,327 million, up 13.2% on a pro forma basis (+39.8% on a published basis) under the combined impact of very good renewals for SCOR Global P&C (SGPC), which records a very sharp increase in premiums (+20.8% to EUR 1,151 million), and a strong commercial momentum at SCOR Global Life (SGL), which records growth of 6.6% on a pro forma basis (to EUR 1,176 million), strengthened by the smooth progression of the Transamerica Re integration. The Group's two engines record solid technical results, with a net combined ratio of 92.5% for SGPC and a technical margin of 7.4% for SGL.
SCOR Global Investments (SGI), which records a return on investments of 2.9% over the first quarter 2012, despite a difficult economic and financial environment, has started to prudently re-risk its invested assets.

Net income stands at EUR 104 million and ROE reaches 9.7%, essentially in line with the Group's objectives. Shareholders' equity stands at EUR 4,519 million, up 2.6% compared to 31 December 2011. Book value per share stands at EUR 24.46. SCOR Global Life (SGL) embedded value (MCEV) stands at EUR 3.3 billion in 2011 (+50% compared to 2010), demonstrating the strength of the portfolio and the benefits gained from the acquisition of Transamerica Re, and pointing to SGL's capacity to repatriate capital to the Group.

3 MAY

SCOR's Combined General Meeting of 3 May 2012 adopts all the proposed resolutions

SCOR's shareholders adopted all of the proposed resolutions, notably the payment of a dividend of EUR 1.10 per share for the 2011 financial year and the appointment of a new employee-elected Director, Mr. Kevin J. Knoer, for a mandate of two years.

9 MAY

Moody's upgrades SCOR's insurance financial strength ratings to A1

Moody's Investors Service has upgraded the insurance financial strength ratings (IFSR) of SCOR SE (SCOR) and various guaranteed subsidiaries to A1 from A2, and SCOR's subordinated debt rating to A3 from Baa1. All ratings have a "stable outlook".
According to the rating agency, this decision reflects SCOR's *"enhanced franchise strength, consistent good profitability aligned with very low results volatility, and very good financial flexibility, whilst maintaining very good business diversification, a relatively conservative investment portfolio and good capitalisation."*

"The space risk market"

Didier Parsoire,
Chief Underwriting Officer - Space,
SCOR Global P&C

What is space insurance?

Space insurance is defined on the market as the coverage of all risks that can occur from the moment a satellite is launched – rocket engine ignition or lift-off from the launch site – until the end of the satellite's lifetime. This includes:

- The actual launch phase (all malfunctions that may occur during the launch, mainly due to the launcher);
- The post-separation phase: once the satellite is separated from the upper stage of the launcher, this phase encompasses the actions that enable the satellite to reach its final orbit (station acquisition), and then to place itself into its operating configuration, which requires in particular the deployment of a number of appendages such as solar arrays and antennae. This phase also includes all the tests conducted to achieve satellite commissioning.
- In-orbit life: once the satellite is operational, this covers the in orbit risks. A geostationary telecommunications satellite has a nominal lifetime of 15 years. This operational phase is broken down into annual policies that are renewable until the end of the satellite's lifetime.

What are the various types of policy available?

Two types of policy are offered by the market:
- "Launch" policies that cover both the launch and post-separation phases. These policies generally provide a 12-month guarantee as of the launch and cover, beyond the test phase, the first months of the satellite's operation. This policy is non-renewable by nature.
- "In-orbit life" policies: annual policies renewable until the end of the satellite's lifetime.

What are the main losses for satellites?

Satellites are machines with highly complex technology condensed into only a few cubic metres: mechanical, electronic, thermal and pyrotechnical sub-systems, fluid management, propulsion, electrical power enabling the satellite to fulfill its mission and deal with unexpected events as independently as possible due to its distance from earth (geostationary satellites operate at an altitude of 36,000 kilometres).
Satellites are also subject to extreme conditions:
- Firstly during the launch phase, with substantial acceleration and very high vibration and acoustic levels;
- Then in space: satellites are exposed to the sun, and to the space vacuum with very considerable differences in temperature. They are also subject to the effects of cosmic radiation, particles, solar wind, etc.

The most spectacular loss is launch failure, particularly if it occurs during the first moments after lift-off. Satellites can have several malfunctions: problems in deploying antennae or solar arrays, fuel leakages, electronic failures, electrical short circuits, to name but a few!
Most problems are internal but the environment also provides a range of dangers: solar storms, space debris, micrometeoroids, etc.

What is SCOR's market position?

SCOR is a historic player in the space market, since we entered the market at the beginning of the 1980s. We now have a capacity of USD 40 million, which enables us to operate at the forefront of the market. Over the years we have built up very considerable expertise based on the technical analysis capacity of our underwriters (all of whom are engineers from the space industry), on our commercial presence and on the strong consistency of our underwriting policy. Higher than those of our peers, our results bear witness to this expertise, particularly at the low end of the cycle.

One specific feature of SCOR in the field of space insurance is that it is an insurer and not a reinsurer…

That's right; we act as an insurer, as do other major reinsurers. This is made possible by the highly specialised nature of this market. Moreover, SCOR's historical positioning on the market gives it a strong legitimacy that is not really challenged by insurers.

"The development of this market"

Stéphane Rives,
Senior Space Underwriter,
SCOR Global P&C

How has the market evolved in 2012?

Given the high number of insured satellite launches and the low loss occurrence, 2012 was very profitable, and contributed to the profits accumulated by the market over the past 10 years. These very good results were obtained in spite of the drop in premium rates over the past few years, which continued in 2012, assisted by the arrival of new insurance players on the market. At the same time, these attractive pricing conditions have led certain clients to anticipate the placement of their "launch" insurance programs, thereby contributing to the particularly strong underwriting activity in 2012.

What developments do you expect in the short and medium term?

We mainly insure telecommunication and earth observation satellites. In the telecommunications field, the increasing demand for satellites from emerging countries should offset the fall in demand observed in mature markets. Moreover, we are witnessing a global increase in orders for earth observation satellites.

With regard to pricing, greater differentiation between risks should appear in the short term, notably due to the repeated failure of Russian risks in terms of both satellites and launchers. Over the longer term, it is difficult to predict detailed pricing developments, but in the past the market has demonstrated its ability to adapt to losses very quickly.

15-16 MAY

Velogica is Demonstrated at a Major Insurance Technology Conference

SCOR Global Life America demonstrated the capabilities of Velogica, its underwriting solution for rapid issue term life insurance, at a tradeshow held in conjunction with the LOMA ACORD Systems Forum in Orlando, Florida. Life insurance IT professionals observed the way in which Velogica automatically underwrites Life insurance policies in a matter of minutes, using electronic data sources including prescription drug histories and motor vehicle records.

16 MAY

SCOR actively pursues its capital shield strategy by extending its innovative contingent capital solution by EUR 75 million

SCOR has signed a new natural catastrophe financial coverage facility in the form of a contingent capital equity line with UBS. This new facility is an extension of its existing 2010 contingent capital equity line*. Under this new arrangement, SCOR benefits from an additional EUR 75 million financial coverage, thereby increasing its existing contingent capital equity line from EUR 75 million to EUR 150 million.

The decision to increase the contingent capital equity line is consistent with SCOR's strategic plan "Strong Momentum V1.1" and represents an important part of its capital shield strategy, as communicated during the Investors' Day in September 2011. Following the Investors' Day, SCOR recalibrated the trigger point of the contingent capital to have a more remote probability of triggering. The contingent capital is considered as last resort protection, i.e. the cover is designed to be triggered after SCOR's traditional retrocession and insurance-linked securities (ILS) solutions. The issuance of new shares under the extended contingent capital equity line will only be triggered when SCOR has experienced total annual aggregated losses from natural catastrophes above a certain predetermined threshold in a given calendar year from January 1, 2012 to December 31, 2013.
In the absence of any triggering event, no shares will be issued under the facility. The facility may therefore reach its term without any dilutive impact for the shareholders.

** Under which a EUR 75 million equity line remains available further to the drawdown implemented in July 2011.*

1 JUNE

SCOR Asia-Pacific, via SCOR Business Solutions, the Large Corporate Risks business unit, continues its partnership with the Hong Kong-based railway company MTR Corporation

SCOR Asia-Pacific, via SCOR Business Solutions, has been chosen as joint lead underwriter for the new Shatin to Central project, an underground rail link between the new town of Shatin and Hong Kong Central Station. At a planned cost of HKD 66 billion, the 17km rail link project will construct a number of tunnels, using various different methods, as well as 10 stations, 6 of which will connect the line to existing lines. The project also includes the construction of an immersed tube tunnel, the third in Hong Kong. SCOR has been very active in the development and insurance of infrastructure

Life | Non-Life

projects in Hong Kong over the past 20 years, leading the underwriting on projects such as Hong Kong Airport, Western Harbour Crossing, Route 3 (1st private concession in Hong Kong), Route 8 and Stonecutter bridge, Ting Kau bridge, and the railway infrastructure of MTRC, KCRC and now MTR.

3-7 JUNE

The 2012 AGM of the International Union of Aerospace Insurers (IUAI) is hosted by SCOR

SCOR was one of the reinsurance companies hosting the 2012 meeting, which took place in Montreux, Switzerland. The event provided an opportunity to bring together 153 Aviation and Space insurers and reinsurers from 28 different countries. Topical subjects relevant to the Airline, Manufacturing, General Aviation and Space Industries were discussed and presented, along with legal updates from the industry. Didier Parsoire, Chief Underwriting Officer of the Space Specialty line at SCOR Global P&C, addressed the theme of the maximum solar activity expected in 2013, under the title "The return of solar max".

4-5 JUNE

SCOR Campus Seminar provides clues to understanding BI/CBI issues.

The main objectives of this seminar were to provide an overview of major losses involving strong BI (Business Interruption)/CBI (Contingent Business Interruption) issues, to analyse the lessons learned from such losses and to explore BI/CBI loss mitigation principles. The event provided an opportunity for the participants to exchange views and experiences in the fields of risk control, risk transfer and risk financing.

5 JUNE

Standard & Poor's upgrades SCOR to "A+"

Standard & Poor's has upgraded to "A+" from "A" the insurance financial strength ratings (IFSR) and long-term counterparty credit of SCOR SE (SCOR) and various guaranteed subsidiaries. All ratings have a "stable outlook".
Standard & Poor's asserts that *"the ratings reflect SCOR's "strong" business and financial profiles […] and its "strong" capitalization, "strong" operating performance and "very strong" investments"*.

Standard & Poor's further underlines that, in their view, *"the acquisition of Transamerica Re's business will give SCOR greater business and geographic diversification"*. The stable outlook reflects S&P's expectation that *"SCOR will conserve its strong competitive position while maintaining strong capitalization and earnings"*.

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"CBI risk"

(from left to right)
Santhana Gopalan, Chief Representative of SCOR in India, and Danny Ooi, Regional Claims Manager, SCOR Asia-Pacific

What is CBI? What does CBI risk cover? And how is the amount of cover calculated?

Due to globalization, outsourced manufacturing increasingly needs to realize cost efficiency and productivity gains, which in turn gives rise to complex supply chain management issues. CBI risk coverage is therefore a consequential product dependent on the twin "efficiency and dependency" of the supply chain, while just-in-time management concepts create even greater dependency on the integrity of suppliers & customers in terms of their supply and receipt obligations, particularly with regard to bottleneck and supply chain exclusivity. These challenges are dealt with through the management of business continuity risk and risk transfer. Risk transfer is primarily conducted through the purchase of CBI cover, as an additional endorsement under standard business interruption policies.
In essence, CBI seeks to cover financial losses stemming from disruption to a supplier, customer or utility company following physical damage to property belonging to the supplier, customer or utility company.
CBI risks are difficult to assess, because they are difficult to identify: CBI-related losses are frequently not known until companies announce their annual financial results. The amount of cover required may be calculated if the organization is able to identify (i) the products (which it sources or sells) that are vulnerable to CBI losses, (ii) the perils (Cat or man-made) that can trigger large CBI losses, and (iii) the regions in which the production of critical parts is concentrated. Assessing the level of accumulation is the key to calculating the level of exposure. Because it is difficult to assess exposure, (re)insurers often impose (sub) limits on CBI policies.

The recent events in Japan and Thailand have highlighted this often badly estimated or underestimated risk. How has the market reacted?

The reinsurance market is at the forefront of efforts designed to teach primary insurance companies to adequately assess and underwrite exposures, to adequately assess exposure accumulation, and to charge premiums that are in line with exposure.

Many primary companies are now recognizing that reinsurers will, one way or another, impose restrictions on the amount of coverage in treaty or facultative contracts for the upcoming period. Primary companies are also aware that, if the amount of coverage under the primary policy exceeds the coverage permitted under the reinsurance contract, then their balance sheet is likely to be strained if there is a major catastrophic loss. Therefore, primary companies are now making genuine efforts to realistically monitor accumulation and assess exposures.

Insureds are also aware that they may only be able to obtain limited coverage on CBI exposure, commensurate with the information they disclose and the risk management that they demonstrate, and are therefore driven to implement focused risk management measures to manage their exposures.

From a claims handling perspective, CBI poses additional challenges, because the supplier / customer involved is a third party to (re)insurers, and in most cases is not an insured entity under the BI policy, which means that it has no legal obligation to disclose its trade information to (re)insurers. The third party supplier or customer is consequently a party that (re)insurers may not be able to control or influence in the claims adjusting process. This introduces uncertainty and delays into the claims handling process, and may hamper effective decision making in terms of finding alternative ways in which to reduce supply chain losses.

How have your clients reacted? Have you seen a surge in demand for this risk?

Contingent Business Interruption is usually bought by large industrial corporations, with assets in multiple locations within their domiciled country as well as outside the country, which creates a certain level of interdependency. These organizations generally have a number of suppliers & customers for sourcing and selling products. In anticipation of a limited amount of coverage under reinsurance contracts, primary insurance companies are endeavouring to educate their clients about risk management via risk awareness transparency (in terms of providing information) and the monitoring of accumulation.
We have not yet seen a huge surge in CBI standalone cover in Asia. However, we observed from the Japanese earthquake and the Thai floods that CBI losses were not sufficiently insured. Although there is a demand for higher coverage limits, reinsurers are offering restricted sub-limits for CBI cover where there is inadequate disclosure.

What is SCOR's approach with regard to CBI risks?

In order to assess exposure accurately, SCOR will continue to strive for transparency in terms of obtaining full underwriting information, such as an understanding of the peak risks involved, critical chains of supply, accumulation and inter-dependency. The risk management of complex supply chains highlights the importance of constructing a comprehensive Enterprise Risk Management framework. The key elements of this ERM framework are:
1. Identifying risk in normal operating conditions
2. Identifying risk in stressed operating conditions for the most critical scenarios (Nat cat events)
3. Business impact analysis: quantification of financial exposure
4. Business Continuity / Recovery Plans and Crisis Management Plans

SCOR expects primary companies to follow effective risk management procedures, to price exposures appropriately and to control the maximum exposure values arising from a single claim event.

14-15 JUNE

SGPC organizes a Nat Cat Campus Conference, followed by a Focus publication

This conference, which was attended by more than 130 senior professionals, addressed "Key strategic issues and trends ahead of property catastrophes" and their impact on the (re)insurance industry. The conference was opened by Denis Kessler, Chairman and Chief Executive Officer of the SCOR Group, who spoke about the best strategy to adopt after the major events of 2011. Paul Nunn, Head of Natural Catastrophe Risk Modelling at SCOR Global P&C, gave a presentation on non-peak, non-modelled catastrophes and spoke about catastrophe capital under Solvency II. Victor Peignet, Chief Executive Officer of SCOR Global P&C, concluded the conference by demonstrating the importance of managing a diversified portfolio with a view to mitigating the impact of natural catastrophes, and the importance of being able to integrate such risks into a global underwriting policy.

Other topics included US tornadoes, the Copenhagen cloudburst of July 2-3, 2011, the tsunami risk assessment and new modelling tools such as OASIS.

The seminar presentations were subsequently used to prepare a Focus report, destined for a wider audience, on the importance of this topic for the (re)insurance industry worldwide.

14-20 JUNE

"Product Development and Life Reinsurance" Campus seminar in Zurich

The first international Campus seminar, held in Zurich and entitled "Product Development and Life Reinsurance", brought

together a large number of participants from 17 different countries. Speakers from all over the world, from Europe to the United States via Singapore, enabled SCOR Global Life to share its experience and know-how.

15 JUNE

SCOR publishes a Medical Paper on Multiple Sclerosis

Multiple Sclerosis is one of the highest triggers of critical illness claims in the UK and can be particularly troublesome for claims assessors and underwriters alike. SCOR Global Life produced a very comprehensive guide to the diagnosis, treatment and prognosis of Multiple Sclerosis and discussed the associated claims and underwriting aspects. The paper was followed up by presentations to clients.

25 JUNE

SCOR is a founding signatory of the Principles for Sustainable Insurance (PSI)

SCOR is a founding signatory of the Principles for Sustainable Insurance, a global initiative announced in the run up to the United Nations conference on sustainable development, created under the aegis of the United Nations Environment Programme – Finance Initiative (UNEP FI).

With this founding support of the PSI, SCOR is strengthening its commitment to sustainable development, which the Group began in 2003 when it joined the United Nations Global Compact. For the past 10 years, SCOR has practiced a policy of sustainable development based on three crucial elements: transparency, the accumulation and sharing of knowledge, and the spreading of a risk culture.

25-27 JUNE

Longevity risks workshop in Singapore

In conjunction with the inaugural Insurance Risk and Research conference, SCOR Global Life Asia-Pacific organized a one and a half day workshop on longevity risks, in order to build on the longevity topics discussed during the conference. The event attracted over 40 participants from eight markets across the region.

While the longevity risks market in Asia is still in its early stages, the rapidly ageing population in many Asian countries has meant that it is important to start preparing early for the market when it finally takes off.

26 JUNE

SCOR Global P&C organizes its 6th "Matinée Décennale" in Paris

This title of this *Matinée Décennale* was "European Construction Products: which certification?". The presentations were led by Jean Tuccella, Chief Underwriting Officer of the Inherent Defects Insurance Department, and his team. The purpose of the event was to give attendees a clearer view of the certification process and to provide the tools necessary to understand the key challenges involved in this subject.

27 JUNE

Cologne annual Reinsurance Conference

SCOR Global P&C Deutschland organized its annual Reinsurance Conference in Cologne. Around 100 German participants attended the presentations, which examined the topics of Solvency II, the impacts of the economic crisis on the (re)insurance industry, the limits of (re)insurability through the prism of Solvency II capital requirements and the adaptation of solvency in a period of financial crisis. Victor Peignet, Chief Executive Officer of SCOR Global P&C, delivered the opening address, and Michel Dacorogna, Group Deputy Chief Risk Officer of SCOR, gave a presentation on the topics mentioned above.

2-3 JULY

Training course in Algiers

This training course was organised by CAARAMA, the leading Life Reinsurance client on the Algerian market. The CAARAMA actuaries, medical consultants, pricers and sales teams who took part in these two training days were particularly interested in bancassurance products for two banking partners and in the implementation of additional coverage for group death cover contracts.
The Algerian market has been stimulated by the creation of new Life companies, and SGL confirms its ambition to accompany and assist its clients thanks to an extended range of services designed to profit from these new development opportunities.

4 JULY

SCOR is elected "Reinsurance Company of the Year"

SCOR was elected "Reinsurance Company of the Year" at the prestigious "London Market Awards" 2012. Organised each year by Reactions magazine, the London Market Awards are based on votes cast by worldwide insurance and reinsurance professionals present on the London market.

Over the past few years, SCOR has regularly been distinguished by the most prestigious awards in the industry.

"Long-Term Care risk"

Laure de Montesquieu – Manager of SCOR Global Life's International R&D Centre for Long-Term Care Insurance (CIRDAD)

How do you define long-term care?

It's a difficult concept to define because the definition is cultural. In the Anglo-Saxon countries and in Germany, long-term care is associated with the care services provided in relation to it. The very term bears witness to this: Long-Term Care, Pflegeversicherung. In France, the word "care" has a lot of different meanings, so another term was chosen ("Dépendance") that relates to the state of the person – medical care should not be confused with the assistance provided as part of Long-Term Care. Long-Term Care implies the inability to execute the actions vital to daily life: moving around, transferring from one state to another (getting up, going to bed, etc.), washing oneself, feeding oneself, getting dressed and managing hygienic bowel and bladder evacuation (incontinence).

What are the objectives of the long-term care R&D centre?

CIRDAD was created in 2000 and was the first research centre created by SCOR. Its primary objective is to help different markets to develop Long-Term Care insurance within their areas. It deals with applied research, but this is initially relatively theoretical. For example, when an actuarial model for long-term care is created, i.e. when a mathematical model is created, the parameters of the model are also modelled. However, their calibration is completed by actual data in order to enable practical application.
Our risk experience is put to use in discussions with local authorities, for example in Korea during the development of the first long-term care products. In 2011, I was involved in the Charpin group as part of the working group on long-term care implemented by the French government. We compared the trends we observed to those of the INSEE or the INED, which sometimes gave rise to conflicting views.

How long have there been biometric databases on long-term care?

As soon as SCOR launched itself on the Long-Term Care at the beginning of the 1990s, it developed biometric databases. These have been enriched by experience acquired through partnerships, notably PAQUID, or by using general surveys such as HID for France, as well as through the use of data taken from insureds' portfolios, since we now have enough data to calibrate rules.
Long-Term Care, like disability insurance, has a specific characteristic: several rules come into play in the model.
• An initial rule concerns the death of people in a state of autonomy: how long will they remain in good health, without needing help to execute activities of daily living (ADL)? This first rule is established fairly quickly. Death simultaneously marks the end of premium payment and the disappearance of the risk from the portfolio.
• The second rule is the rule of Long-Term Care incidence, i.e. the moment when people become definitively dependent. It should be noted, however, that on a certain number of markets it is normal practice to cover even temporary dependency.
• Because the products provided for long-term care frequently consist of more than just a lump sum, and may take the form of an annuity or allowance to be paid while the person is still alive and in a state of dependency, we also have to be able to assess the amount of time that the insured will remain in such a state. This is the third rule.

Is it possible for SCOR to take a global approach, or do you need to take a market-by-market approach?

We inevitably use a market-by-market approach. Of course, we use our strong experience in France and a few other countries to help us implement biometric databases abroad, whilst taking account of the specific features of each country. For example, if life expectancy in the country is lower than life expectancy in France, or if, on the contrary, the health system enables people to live much longer than in France, we will not be able to use France as a benchmark.

Is the Long-Term Care market specific to certain countries?

Yes, it is.
- The United States represent the largest market in this business line, with 7-7.5 million insureds, which is a low figure compared to the size of the American population. Coverage takes the form of reimbursements and is therefore not issued on a fixed-sum basis, contrary to most Long-Term Care markets.
- In second place is France, with 5.5 million insureds. There are 1.5 million individual insureds.
- In third place is the Israeli market, with over 5 million insureds, a massive proportion of the population. This is a socio-cultural characteristic: in the past, all people arriving in Israel had to choose between four healthcare funds, which all offered compulsory long-term care cover. Today, insurance companies provide long-term care insurance, but people have got used to insuring themselves against Long-Term Care risk. The first Long-Term Care product in the world was moreover created in Israel in 1978.
- Conversely, in a country like Norway, there is no Long-Term Care insurance because the coverage system is the same for everyone, across the board: Norwegians pay 80% of their disposable income once they are admitted to a Long-Term Care institution. Consequently, the need for Long-Term Care insurance is less apparent.

What is SCOR's positioning on this market?

SCOR is considered an expert on the Long-Term Care market, because the Group has been analysing data for a very long time.
We are also experts on the various markets of our competitors. For example, we never intervene on the US market. In the US, the system is allowance-based (assistance is reimbursed up to a certain limit), whereas in France and in the majority of other Long-Term Care insurance markets, it is organised on a fixed-sum basis. For the moment, SCOR does not intend to intervene on the allowance-based markets.

9 JULY — SCOR Global P&C publishes a technical newsletter addressing the issue of serious bodily injury compensation

This newsletter, written by Jean-Marc Houisse, Head of the bodily injury unit for the EMEA Markets, provides an overview of the consequences of the high level of legal uncertainty associated with the compensation of serious bodily injury in France.

9-10 JULY — SCOR hosts Pandemic Risk Conference in Paris

As one of the global leaders in Life reinsurance, SCOR has a vested interest in the management of biometric risk. As part of its commitment to providing leadership in the understanding and management of pandemic risk, and in an effort to promote the exchange of knowledge in this field, SCOR hosted a two-day Pandemic Risk Conference in Paris in July 2012. Experts from a wide variety of fields, from both the industrial and academic worlds, presented recent studies and perspectives on pandemics.

Life Non-Life

24 JULY — SCOR achieves a strong performance with 24% premium growth and a 3% price increase during the June-July P&C renewals

During the June-July renewals, SCOR Global P&C (SGPC) delivered a strong 24% premium increase at constant exchange rates to EUR 462 million (+26% to EUR 220 million in P&C Treaties and +23% to EUR 242 for Specialty Treaties). Prices are up 3% on average compared to 2011 (around 3% for Non-Life Treaties and around 2% for Specialty Treaties), and conditions have met expectations, thereby helping to improve year-to-date expected technical profitability, which is in line with the objectives of Strong Momentum V1.1.

Around 12% of the annual P&C treaty premiums were up for renewal at June-July 2012. The EUR 372 million premiums up for renewal were mainly from Latin America (27% of the total), the US (24%), China (14%) and Australia (10%), split evenly between Specialty Lines (53%) and P&C Treaties (47%).

These renewals have benefitted from the Group's excellent franchise and market positions, which have been reinforced by the recent rating upgrades. On a year-to-date basis, prices are up 3%, and the expected operational performance from renewed and newly underwritten business meets all internal profitability targets.

27 JULY — In a challenging environment, SCOR meets its targets and records net income of EUR 206 million in the first half 2012

SCOR's growing franchise provides underlying profitability levels in the first half 2012 in line with its operational assumptions, with strong gross written premium growth to EUR 4,635 million, up by 10.2% on a pro forma basis (+36.3% on a published basis), from both business engines: growth of 16.0% for SCOR Global P&C (SGPC) gross written premiums to EUR 2,255 million, and growth of 5.3% on a pro forma basis for SCOR Global Life (SGL) gross written premiums, to EUR 2,380 million.
The net combined ratio stands at 93.8%, SCOR Global P&C having exceeded Strong Momentum V1.1 profitability assumptions. The Life technical margin stands at 7.4%, as SCOR Global Life continues to deliver a technical performance consistent with Strong Momentum V1.1 assumptions. SCOR Global Investments achieves a return on invested assets before impairments of 3.4%, in line with prior indications. The return on invested assets after impairments stands at 3.0%.

SCOR continues its focus on cost control, with a Group cost ratio of 5.3%, while actively investing in the future.
The Group delivers a strong net income of EUR 206 million, compared to EUR 40 million in the first half 2011 on a published basis, and a return on equity of 9.3%. Excluding impairments, the net income is EUR 226 million and the return on equity reaches 10.2%.

Operating cash flow stands at EUR 239 million. Shareholders' equity increases to EUR 4,588 million at 30 June 2012, compared to EUR 4,009 million at 30 June 2011, after the distribution of EUR 203 million in dividends for 2011 (EUR 1.10 per share). Book value per share stands at EUR 25.01 at the end of the first half 2012, compared to EUR 21.97 at the end of the first half 2011.

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Life Non-Life

Calendar 2012

5-6 SEPTEMBER

SCOR and its management receive two prestigious prizes, awarded by insurance and reinsurance industry professionals

The "Worldwide Reinsurance Awards", organised each year by Insurance Day magazine, were held in London on 5 September 2012. Denis Kessler, Chairman and CEO of SCOR, was named "Industry Personality of the Year".

At the "Insurance Insider Honours", held in London on 6 September 2012 and organised by Insurance Insider magazine, SCOR was named "Risk Carrier of the Year", which is the event's most comprehensive distinction for a reinsurance company.

SCOR had already been named "Reinsurance Company of the Year" at the Reactions London Market Awards in July 2012. These distinctions, awarded by insurance and reinsurance industry professionals throughout the world, reward the performance and strategy of the Group, which notably recorded very good results in the first half 2012, and has been upgraded to "A+" or equivalent by all of the rating agencies over the past few months.

6 SEPTEMBER

SCOR Investors' Day 2012: "Strong Momentum" Season 3

At its annual Investors' Day in Paris, SCOR presents updated information and analyses demonstrating that the Group is consistently delivering on its promises and is in a perfect position to seize new profitable growth opportunities, leveraging on its competitive advantages.

In spite of an increasingly uncertain environment with high market volatility, low yields and economic stagnation, SCOR's operational performance is consistent with the assumptions and objectives of its strategic plan "Strong Momentum V1.1", a three-year plan launched in September 2010.

SCOR's return on equity is in line with its "Strong Momentum V1.1" target. Improved solvency and recent A+ upgrades confirm SCOR's capacity to provide an AA level of security to its clients. The Group experiences double-digit growth, supported by robust January, April and July 2012 P&C renewals and a deepening global franchise. SCOR Global P&C exceeds "Strong Momentum V1.1" technical profitability assumptions, confirming an ongoing positive trend, while SCOR Global Life delivers a technical performance consistent with "Strong Momentum V1.1" assumptions, with the successful integration of the ex-Transamerica Re. SCOR Global Investments maintains a prudent strategy with high investment flexibility. SCOR's cost ratio trends towards the "Strong Momentum V1.1" assumption, while actively investing for the future, with more than 25 ongoing projects.

"The Brazilian reinsurance market"

(from left to right)

Jean-Paul Conoscente, SVP Chief Underwriting Officer, SCOR Global P&C
and Francisco A.C. de Toledo, Country Manager of SGLA – Brazil

You have taken steps to obtain a local Life and Non-Life reinsurance licence, can you tell us why? What does the Brazilian market represent for SCOR and what are your ambitions?

Jean-Paul Conoscente: Brazil represents the largest insurance and reinsurance market in Latin America, with an estimated USD 75 billion of written premiums and USD 3.5 billion of ceded premiums. The current regulations heavily favour local reinsurers, giving them privileged access to ceded business. Therefore it is imperative to become a local reinsurer if we want to access the best business in Brazil. Given the current state of the reinsurance market, we believe that the best opportunities reside within the specialties lines, and our local reinsurance licence will allow us to take advantage of these opportunities as we uncover them.

Francisco A.C. de Toledo: A local licence will further enhance our ability to participate more effectively in the Brazilian insurance market. It will improve the support that SCOR is able to provide for a wide range of clients and will leverage our international reinsurance experience in the traditional and value added services arena. Brazil is a relevant part of our Latin America growth strategy. Becoming a local company also sends a clear message that SCOR is committed for the long term, supporting insurers' existing needs as well as providing underwriting and marketing expertise for new opportunities.

Do you think that Brazil is the most dynamic insurance market in South America? If so, why do you think this is? What level of development is the country at? What are its needs in terms of reinsurance?

Jean-Paul Conoscente: While many of the insurance markets in Latin America are growing at close to double-digit rates (Colombia, Chile, Peru, Mexico), Brazil remains the most dynamic. This is due to the industrialization of the country (Brazil is the 7th largest economy in the world and will be the 5th largest by 2015), to the investments being made for two upcoming world events (Football/Soccer World Cup and Olympic Games), to agricultural expansion, to the discovery and extraction of major oil and raw materials reserves, and to the country's organic growth driven the growing Brazilian middle class. Today Brazil's insurance market is as large as all the other Latin American markets put together, and forecasts predict that it will double in size by 2015. From a reinsurance point of view, however, this means that as the market grows, insurance companies will become more sophisticated in terms of risk and capital management - as they are already very well capitalized, they will increasingly retain more business and cede, more selectively, only peak risks and the least controlled risks. Nevertheless, this large market remains very attractive for reinsurers, as it is mostly spared from natural catastrophes and has tremendous growth potential.

Francisco A.C. de Toledo: Brazil is a preferred destination for international investments. This is an important time in the development of the Brazilian insurance and reinsurance industry, as consumers recognize the need to protect their families. The market offers excellent opportunities for primary insurers and reinsurers to work in partnership. As Brazil sees an increase in population and average family income, insurers are realizing the need to improve underwriting, due to the decrease in financial results driven by lower interest rates. Increased regulation has also created new capital requirements, which generates opportunities for reinsurers to provide capital solutions.

How do you think the market will evolve?

Jean-Paul Conoscente: Many reinsurers are currently active in Brazil, and some are trying to gain market share by offering highly competitive terms and conditions. Although this climate has persisted since the opening of the market in 2008, we believe that, at some point in the future, the Brazilian reinsurance market will mature and become a more balanced market where reinsurers have opportunities for volume and profit.

Francisco A.C. de Toledo: We believe that market forces will positively influence the future of Brazil's insurance industry. The insurance market has already undergone significant evolution, although more progress is needed in the regulatory arena in order for Brazil to be a truly free and open reinsurance market. Brazil is now considered a global economic power and we believe it will live up to its position in the world. Good internal economic regulations, coupled with low unemployment and increasing internal consumption, are creating a desirable environment for the insurance industry. The Brazilian market is increasingly attracting international insurers and reinsurers, as the industry contributes more to the country's GDP. These new players enhance competition and play an increasingly important role in terms of establishing a freer and more open reinsurance market.

10 SEPTEMBER

SCOR successfully places CHF 250 million perpetual subordinated notes

SCOR successfully places on the Swiss franc market perpetual subordinated notes with a first call date in June 2018, for an aggregate total amount of CHF 250,000,000.
The strong market demand that has enabled SCOR to achieve this issuance bears witness to the attractiveness of the SCOR group's credit, the performance of SCOR's existing bonds, and the confidence of investors in SCOR's "Strong Momentum V1.1" strategic plan.

The coupon has been set to 5.25% (until 8 June 2018) and resets to 3-month CHF LIBOR plus a margin of 4.8167% thereafter. The notes' expected ratings are A- / A3 (hyb) by Standard & Poor's and Moody's, respectively.
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14 SEPTEMBER

SCOR is included in the ASPI Eurozone® index

SCOR was included in the ASPI (Advanced Sustainable Performance Indices) Eurozone® index when the composition of the index changed on Friday 21 September 2012.

SCOR has made a number of commitments in the field of corporate social responsibility (CSR), having joined the United Nations Global Compact in 2003 and, more recently, the Principles for Sustainable Insurance (2012). Vigeo's inclusion of SCOR shares in the ASPI Eurozone® constitutes an independent recognition of the actions SCOR has taken over the past few years as part of its CSR programme.

The ASPI Eurozone® is composed of the 120 top-rated companies in the Eurozone according to Vigeo, based on a best-in-class approach in six assessment areas: the environment, human rights, human resources, community involvement, business ethics and corporate governance.

Investors may notably use this index as part of SRI (socially responsible investing) or ethical investment policies, to compare the performance of their investments against an SRI index or to create index-linked funds, trackers or structured funds.

16-18 SEPTEMBER

Victor Peignet, keynote speaker at the Aon Risk Symposium

SCOR Global P&C was a sponsor of the 2012 AON Risk Symposium in Warsaw. Speakers and delegates discussed how to successfully transfer solutions from mature risk markets such as the U.S, the UK and Australia to emerging countries. An increase in risk management models is anticipated in these countries over the next 5 years. Moreover, the formation

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of captive insurance companies should be a key strategic evolution for many firms. Victor Peignet spoke about the global insurance market, highlighting the challenging macro environment and growing uncertainties in this area. He also took part in a roundtable on supply chain issues in the (re)insurance industry.

20 SEPTEMBER

SCOR receives two "Global Awards"

SCOR received two prestigious "Global Awards", as part of the awards programme organised each year by Reactions magazine in New York. The Group was named "Best Reinsurance Company for Life" for the second year in a row and "Best Reinsurance Company for the London Market".

Each of these awards rewards SCOR's major achievements over the last few quarters. SCOR increased its Life reinsurance activity by around 50% with the acquisition of Transamerica Reinsurance in August 2011, and in January 2011 the Group launched a new Lloyd's syndicate, Channel 2015, which reinforces its presence on the London market.

20-21 SEPTEMBER

SCOR Global P&C and SCOR Global Life celebrate the 15th birthday of the NRV in Paris

The Dutch Association for Reinsurance (Nederlandse Reassurantie Vereniging or "NRV") celebrated its 15th birthday on 20-21 September at SCOR's Paris headquarters. With more than 210 members, the NRV is a platform for everyone involved in reinsurance in the Netherlands. The mission of the association is to promote interest in the reinsurance market and to expand and intensify knowledge within the sector, for example by organising meetings, exchanging information and facilitating networking opportunities.
Denis Kessler gave a presentation entitled "Toil and Trouble in deflating the debt bubble". The topic "Transferring (Nat Cat) risk, traditional & ILS Solutions" was also discussed.
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24 SEPTEMBER

SCOR successfully increases its recently placed perpetual subordinated notes by CHF 65 million to a cumulated issuance of CHF 315 million, following strong market demand

SCOR successfully increased the perpetual subordinated notes it recently placed on the Swiss market by CHF 65,000,000 on 24 September 2012. The strong market demand observed prompted the Group to extend its placements from CHF 250,000,000 to a total of CHF 315,000,000.
The conditions for this placement remain the same as those for the placement of 10 September 2012.

27 SEPTEMBER

SCOR Global Life organises the 15th medical conference on diabetes in Cologne

Around 70 insurers, claims managers and doctors from Germany, Switzerland, Liechtenstein and the Netherlands took part in the annual diabetes conference.

28 SEPTEMBER

Sweden Re launches new version of PRIO – Medical Underwriting Manual for Children's Insurance

Sweden Re released the new version of its medical underwriting manual for children´s insurance, PRIO. For children who are born premature, there is often a need for a certain observation time before child insurance can be issued. From a medical insurance point of view, it is important to ensure the child's growth. The new version includes a new feature that analyses the growth of premature babies. To mark the release, Sweden Re organised a seminar for our clients, at which Paediatrician Catherine Brodd Strand gave a presentation on current neonatal care, the risks for the children involved and the associated ethical issues.

1 OCTOBER

SCOR Global Life publishes a Focus document on Long-Term Care insurance

This Focus publication, available in English, French and Spanish, presents an international panorama of state-run and private insurance systems throughout the world. It also takes stock of the fundamental aspects of designing Long-Term Care products.

2 OCTOBER

SCOR reinforces its central functions

SCOR reinforces its central functions with several appointments, effective as of 1 October 2012:

Frieder Knüpling is promoted to Deputy Group Chief Risk Officer, reporting to Philippe Trainar, Group Chief Risk Officer. He is a member of the Group's Executive Committee, and was previously Deputy Chief Executive Officer of SCOR Global Life.

Bruno Latourrette, Chief Actuary of SCOR Global Life, joins the Executive Committee of SCOR Global Life and takes over responsibility for SCOR Global Life's Actuarial & Risk Modelling from Frieder Knüpling.

Mark Kociancic is promoted to Deputy Group Chief Financial Officer, reporting to Paolo De Martin, Group Chief Financial Officer. He was previously Chief Financial Officer of SCOR's Americas Hub.

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Paul Christoff, currently Chief Accounting Officer of SCOR US in the Americas Hub, is promoted to Chief Financial Officer of SCOR's Americas Hub, replacing Mark Kociancic.

Sébastien Musset, previously Global Head of Compensation & Benefits / Labour Relations, is promoted to Group Human Resources Director, reporting to the Group Chief Operating Officer.

15-17 OCTOBER SCOR Global Life Seminar in Sri Lanka

23 participants from markets all over South Asia attended the seminar held at the Cinnamon Grand Hotel in Colombo, Sri Lanka. The topics discussed ranged from Cancer, Critical Illness development and Long-Term Care to financial underwriting.

23 OCTOBER SCOR Global Life Milan market seminar on the Gender Directive

On 22 December 2011 the European Commission (EC) issued guidelines on the application of the European Court of Justice (ECJ) Test-Achats decision on gender-specific insurance tariffs. More than 30 clients from all over Europe attended the debate in Milan, keen to hear SCOR Global Life's opinion on the opportunities and risks that actuaries and product designers will have to take into account as of 21 December 2012.

5 NOVEMBER SCOR launches a new catastrophe bond programme, Atlas Reinsurance VII

As part of its policy of diversifying its capital protection tools, on 1 November 2012 SCOR successfully placed a new catastrophe bond ("cat bond"), Atlas Reinsurance VII Limited, which will provide the Group with twofold protection of USD 60 million ("Class A Notes") against US hurricanes and earthquakes, and EUR 130 million ("Class B Notes") against European windstorms, for a risk period extending from 1 January 2013 to 31 December 2015.

Atlas Reinsurance VII Limited is an Irish reinsurance vehicle. Aon Benfield Securities Inc., Natixis and BNP Paribas managed the transaction and the book on the deal. Standard & Poor's rates Atlas VII Class A Notes at BB-, and Atlas VII Class B Notes at BB.

The loss payments covered by the Class A Notes are based on market share factors applied to the market insured loss, as reported by PCS for the US on an annual aggregate basis. Class B Note losses are covered on a per-occurrence basis, using the PERILS index.

The protection of its capital constitutes a strategic axis for the Group. SCOR regularly uses solutions proposed by the capital markets, with 13 transactions completed to date.

13 NOVEMBER SCOR records net income of EUR 318 million for the first nine months of 2012, confirming the strength of its business model.

SCOR overcomes a tough macro environment, delivering a strong performance for the first nine months of 2012 founded on robust and improving operational profitability:

Gross written premiums from both business engines increase sharply to EUR 7,214 million, up by 13% on a pro forma basis (+33% on a published basis), driven by increased visibility in the industry: (1) high growth of 18.0% for SCOR Global P&C gross written premiums, to EUR 3,517 million, (2) growth of 8.0% on a pro forma basis for SCOR Global Life gross written premiums, to EUR 3,697 million.

The net combined ratio reaches 93.7%, with SCOR Global P&C exceeding Strong Momentum V1.1 profitability assumptions and confirming ongoing positive trend.

SCOR Global Investments achieves solid returns while maintaining a prudent and defensive strategy (ongoing return on invested assets before equity impairments of 3.4%, and return on invested assets after equity impairments of 2.8%).

Operating cash flow stands at EUR 556 million, already above its full-year level of 2011. The Group continues its cost control policy, with a cost ratio of 5.1%, alongside active investment in the future with more than 25 ongoing projects.

SCOR delivers a strong net income of EUR 318 million, compared to EUR 228 million in the first nine months of 2011 on a published basis (+39.5%). Consistent ROE stands at 1,045 basis points above the risk-free rate excluding equity impairments (924 basis points including impairments), demonstrating clear capacity to deliver strong results in spite of a challenging environment.

Shareholders' equity increases to EUR 4,734 million at 30 September 2012, compared to EUR 4,410 million at 31 December 2011, after the distribution of EUR 203 million in dividends for 2011 (EUR 1.10 per share). Book value per share stands at EUR 25.73 at 30 September 2012, compared to EUR 23.83 at 31 December 2011.

SCOR financial leverage stands at 16.3% at 30 September 2012, excluding the CHF 315 million perpetual subordinated placement, as this was closed on October 8, 2012 (the leverage ratio stands at 19.9% including the effect of this placement). In addition, SCOR actively managed its liabilities, buying back an existing debt for 80% of its EUR 50 million par value.

Life Non-Life

6 DECEMBER

Merger of SIRI and SGLRI

Judge Peter Kelly of the High Court approved the merger of SIRI (SCOR International Reinsurance Ireland) business with SCOR Global Life Reinsurance Ireland (SGLRI) with effect from 1 January 2013, as per the Draft Terms of Merger, whereupon SIRI will be automatically liquidated by the Companies Office. This merger was initiated during the summer of 2012, with the publication of the Draft Terms of Merger in July. The Central bank of Ireland (CBI) sent a letter in October confirming that it had no objections to the business plan, and the hearing took place on 6 December.

7 DECEMBER

2012 Actuarial Awards: SCOR further reinforces its support for the development of actuarial science

Each year, in various European countries, SCOR rewards the best academic work in the field of actuarial science with prizes. These prizes are designed to promote actuarial science, to develop and encourage research in this field and to contribute to the improvement of risk knowledge and management. They are recognized in the insurance and reinsurance industries as a mark of excellence.
2012 was the inaugural year for SCOR's Actuarial Awards for the Iberian Peninsula. As of 2013, the Awards will be expanded to the Asia-Pacific region and subsequently to the United States.

On 19 November in Worpswede, Germany, Frieder Knüpling, Deputy Chief Risk Officer of SCOR SE and President of the jury, awarded the prizes for Germany in the presence Daniel Dubischar, Head of Group Financial Modelling and Risk Analysis at SCOR Zurich. The winners were Marco Ehlscheid, of the University of Cologne, for his dissertation entitled "Dividend Strategies in the Brownian Risk Model", Jan-Philipp Schmidt, of the University of Ulm, for his dissertation entitled "Market-Consistent Valuation of Long-Term Insurance Contracts" and Daniel Geldner, of the Technical University of Munich, for his dissertation entitled "Wetterderivate und Simulation der Stromnachfrage" ("Weather derivatives and the simulation of electricity demand").

On 26 November in Madrid, Luis Saez de Jáuregui, Director of the Life, Pensions and Financial Services branch of AXA Spain, Director of the Spanish Institute of Actuaries and President of the Jury, in the presence of Miguel Alferieff, Head of Southern Europe and Middle East at SCOR Global Life, and of Diego Aragon, General Manager of SGPC Ibérica Sucursal, awarded the actuarial prizes for Spain and Portugal in conjunction with the Spanish Institute of Actuaries. The first prize went to Peter Diko and Miguel Usábel of the Carlos III University in Madrid, for their dissertation entitled "Determining the capital requirement and its optimal allocation in realistic economic scenarios", while the second prize went to Juan Casanovas Arbó, of the University of Barcelona, for his thesis entitled "La medición de la solvencia del riesgo de suscripción en el Ramo de Crédito" ("Measuring the solvency of underwriting risk in Credit & Surety"). The jury also gave a special mention to Marta Muñoz, of the Carlos III University in Madrid, for her dissertation entitled "Lifestyle underwriting en seguros de vida. Aplicación de modelos lineales generalizados. Materialización en casos prácticos" ("Lifestyle underwriting in life insurance. Application of general linear models. Materialisation of practical cases"), and

"The ILS market"

Vincent Prabis, Head of ILS, SCOR Alternative Investments

Could you briefly define ILS?

ILS ("insurance-linked securities") are a set of policies between Insureds looking for protection or coverage from insurance-type risks, and providers of capacity on the financial markets. ILS involve the financialization or securitization of insurance risk transfer mechanisms, not from an insured to a traditional insurer or reinsurer, but from an insured directly to investors or investment funds. Intermediation between these two parties is conducted through an "ad hoc" vehicle that presents no counterparty risk. With a traditional insurance or reinsurance contract, the insurer or reinsurer promises its client, in exchange for a premium, to pay for losses if and when these arise. The regulator monitors the solvency of the insurance or reinsurance company to ensure that, in the event of a loss, the insurer or reinsurer is able to pay the amount due to the insured. In the case of ILS, the ad hoc vehicle collects the insurance premiums but places as risk-free collateral (generally invested in liquidities) the maximum compensation amount payable in the event of a loss. Thus, in the absence of a claim, the investor or investment fund recovers all of the collateral. Conversely, if there is a claim, all or part of the collateral is paid by the ad hoc vehicle to the insured as settlement for the insured's cover, and the investor or investment fund, de facto, loses the same amount.

What are the different products on the ILS market?

We can separate the ILS market into three distinct categories: cat bonds, "industry loss warranties" (ILWs) and collateralised reinsurance and retrocession contracts.

Cat bonds are notes issued by an ad hoc entity (SPV), with a maturity of three to four years. The investor is remunerated by a quarterly coupon in exchange for the risk of a natural catastrophe occurrence. If a natural catastrophe occurs, and depending on the attachment and detachment points of the issued note, the investor will see his initial capital reduced. The advantage of this instrument is its liquidity and its standard settlement and delivery process (Euroclear, Cedel). However, it should be noted that this market is mainly exposed to the risk of hurricanes in the US, and therefore offers little diversification. Today, a notional amount of around USD 16.5 billion is outstanding, and new cat bonds amounting to just over USD 6 billion were issued in 2012.

ILWs are collateralised swap contracts with a maturity of one year, in which one of the parties receives an up-front premium against payment of the notional amount in the event that a market loss defined in the contract is exceeded. The trigger here is calculated on the basis of a threshold, there is therefore no tranche and the risk of loss is binary. The advantage of this instrument resides in the fact that it enables greater diversification by region and by type of risk. Nevertheless, there is no secondary market for ILWs and their liquidity is weak. The outstanding amount on this market represents around USD 6 billion.

Collateralised reinsurance and retrocession contracts are identical to those traded on the traditional reinsurance market between a cedant (an insurance company) and a reinsurer, with one unique difference: the entire risk limit is deposited as collateral throughout the duration of the contract, typically one year. For each of these contracts, a collateral account is created to hold the notional amount, which cancels out any counterparty risk for the coverage buyer. The collateralised reinsurance and retrocession capacity currently in place is estimated at around USD 18 billion.

Why did you launch your own ILS fund, "Atropos"?

One of SCOR's key activities is the provision of protection against natural catastrophe risks. Since 1999, moreover, SCOR has regularly issued cat bonds via the Atlas series, in order to protect its shareholder equity. The Group wanted to expand its expertise by offering investors this very specific know-how through an investment fund. ILS already represent more than 10% of the natural catastrophe market's global capacity, and this market should develop significantly in the years to come.

How does Atropos meet the objectives of the strategic plan?

The opening up to external clients of the Atropos fund, and of certain other funds managed by SCOR Global Investments, should enable the Group to diversify its sources of profit, with marginal additional costs and resources since we use the know-how and infrastructures that already exist in-house.

What is the main objective of Atropos?

The main objective of Atropos is to provide the fund's investors with access to an asset class that is de-correlated from the financial markets. The occurrence of a natural catastrophe in no way depends on interest rate levels or the stock market. Value creation resides in the ability of the asset management team to constitute a diversified portfolio, by type of risk (hurricane, earthquake, storm, etc.), and by major geographical region. This portfolio diversification will generate a stable and recurring performance over time.

What do you make of the strong growth on this market?

The growth of the ILS market is primarily due to the fact that the alternative capacity proposed by ILS is highly appreciated by the traditional insurance and reinsurance market. This collateralised protection has the effect of reducing credit risk for the buyer. This collateral, placed in segregated accounts for each transaction, is composed of risk-free bonds.
This growth is also due to the popularity of this asset class with investors. Its de-correlation from the traditional markets, its low volatility and the level of returns offered are all pluses that have seduced institutional investors, which are conceding an increasing share of their portfolios to this class of assets.

How has Atropos performed since it was created, and how has it done in 2012?

The Atropos fund was launched on 1 September 2011 and the net performance of the portfolio, annualised over these first few months, is 7.57%. This performance is in line with the target yield of 6% to 8% net for the investor, and includes the market reaction to Hurricane Sandy. We have recorded no months with a negative performance since the launch of the fund.

Do you envisage expanding your offer of services? If so, how?

We are looking at possibly offering other products to our investors who appreciate the ILS asset class, but could have yield objectives or risk appetites that are different to those proposed by Atropos. We are therefore looking at the possibility of offering one product with a higher risk profile, and another with a lower risk profile and therefore a more modest yield.

to Carlos Vidal Meliá, of the University of Valencia, for his dissertation entitled "Will it last? An assessment of the 2011 Spanish pension reform using the Swedish system as a benchmark".

On 29 November in London, Denis Kessler and Chris Daykin, former British Government Actuary and former director of the Groupe Consultatif Actuariel Européen, awarded the SCOR UK actuarial prizes in the presence of Alistair Darling, former Chancellor of the Exchequer. The winners were Eva Richardson and Jia Cheng, of the CASS Business School at City University London, for their dissertations entitled respectively "Application of Standard Actuarial Pricing Techniques for Health Microinsurance Schemes" and "The Cohort Effect in Cancer Incidence".

Life Non-Life

On 5 December in Paris, Denis Kessler and André Lévy-Lang, Chairman of the Louis Bachelier Institute and President of the jury, awarded the actuarial prizes for France, in conjunction with the French Institute of Actuaries. Christophe Dutang, of the University of Claude Bernard Lyon I, was awarded the Young Doctors' prize for his thesis entitled "Etude des marchés d'assurance non-vie à l'aide d'équilibres de Nash et de modèles de risques avec dependence" ("Study of non-life insurance markets using Nash equilibria and risk models with dependence"). The jury also gave a special mention to Aymric Kamega, of the University of Claude Bernard Lyon I, for his thesis entitled "Outils théoriques et opérationnels adaptés au développement de l'assurance vie en Afrique subsaharienne francophone – Analyse et mesure des risques liés à la mortalité" ("Theoretical and operational tools adapted to the development of life insurance in French-speaking sub-Saharan Africa – Analysis and measurement of risks linked to mortality"). Finally, Adrien Suru, of the *Ecole centrale de Paris* and Paris Dauphine University, received the Young Actuaries' prize for his dissertation entitled "Apports de la Physique à la modélisation du rachat" ("The contribution to surrender modelling made by Physics").

On 6 December in Milan, Denis Kessler and Ricardo Ottaviani, a professor at La Sapienza University in Rome and President of the jury, awarded the Italian prizes in the presence of Umberto Gavazzi, Regional Chief Underwriting Officer EMEA at SCOR Global P&C. The prizes went to Marco Longo, of the University of Trieste, and to Mariangela Scorrano, of the *Università Polictecnica delle Marche* in Ancona, for their dissertations entitled respectively "Analisi dei riscatti in una gestione separate" ("Analysis of surrenders in a portfolio") and "Valutazione Finanziaria in ipotesi di volatilità delle polizza GMWB" ("Financial evaluation in a volatile scenario of the GMWB policy").

14 DECEMBER

Transfer of the Sweden Re portfolio to SGL

The Swedish SFSA approved an application to perform a portfolio transfer from Sweden Re to SCOR Global Life via its Swedish branch, Sweden Re filial till SCOR Global Life SE, fully operational as of 1 January 2013.

20 DECEMBRE

Launch of the SCOR Corporate Foundation for Science

The SCOR Corporate Foundation for Science will lend its support to various different kinds of project, within the framework of its orientations and means, but in principle with no limitations in terms of geographical location, academic discipline or formalities. For example, this support may involve financing university chairs or specific research projects, launching calls for projects, being involved in conferences and publications, sponsoring scientific awards, and so on.
The Foundation will benefit from annual financial support from SCOR in order to support new projects, and will take responsibility for some of the Group's existing scientific research operations. In total, the Foundation will be responsible for a range of annual commitments amounting to around EUR 1 million.

The Foundation, the creation of which was registered in the Official Journal of Associations and Foundations of 28 July 2012, is chaired by André Lévy-Lang. The Foundation's Board of Directors will notably ensure that it functions properly

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and will present comprehensive public reports on its activities. The Foundation will also be supported by a very high-level interdisciplinary and international scientific board, which will help it to define its strategic priorities and to select projects to support.
The members of the Scientific Board are Laurent Abel (Inserm), Thibault Damour (*Institut des Hautes Etudes Scientifiques*), Georges Dionne (HEC Montreal), Pierre-Louis Lions (Collège de France), Erwann Michel-Kerjan (Wharton Business School), Nikolai Shapiro (*Institut de Physique du Globe de Paris*), Didier Sornette (ETH Zurich), Jean Tirole (Toulouse School of Economics) and James W. Vaupel (Max Planck Institute for Demographic Research).

"The Life insurance market in Northern Europe"

Fredrik Sundberg,
Managing Director of Sweden Re,
SCOR Global Life

What does the Life insurance market represent in the Northern European markets: what is its size per country, its weight and image in society, what products are developed for each country, etc.?

The Life Insurance market in the Northern European region is very much seen as complementary to the public social security system and to the cover provided by collective, trade union programs.
An important factor in the Nordic countries is also the comparably high income tax levels. In Sweden for instance, disability annuities are taxed as income, while premiums for loss of income protection are exempt from tax. In Finland, however, there is no tax deduction for these premiums. Consequently, Loss of Income protection is a fairly large market in Sweden, whereas in Finland it is more or less non-existent.
The 4 Nordic countries have a total Life premium income of around EUR 50 billion per year, of which more than 70% is generated in Sweden and Denmark. The Life market represents around 4% of GDP in this region, which is fairly low compared to many other developed countries. Products are generally fairly standard and similar between the Nordic countries.

You recently changed status to become a branch of SGL, what prompted this change?

On January 1 2013, Sweden Re was transformed from a subsidiary of SGL to a branch office. The reasons behind this transition were primarily to comply with the SCOR group's legal structure and to obtain a more efficient capital management structure on a Group-wide level. To some extent we will also achieve more efficient administration, since we are now writing business directly in the SCOR Global Life portfolio.

How is Sweden Re positioned on the Northern European markets? What are your ambitions?

Over the past few years, Sweden Re has gained a very strong, market-leading position in the Nordic region. However, in light of much fiercer competition in recent years, and due to the current stagnation in the Life market, we believe that we will need to significantly increase our marketing efforts over the next few years and be creative in terms of developing reinsurance solutions for our clients.

You launched the PRIO product aimed at children and young people – how is this product evolving? Do you want to launch it in other countries?

A few years back we launched PRIO, which is a web-based medical underwriting guide designed to help the Direct industry, primarily in Sweden, to assess and underwrite individual Child insurance policies. We have continuously enhanced the manual and in a few weeks' time will be launching a new version, which will be rolled out in several languages. The new release will also contain a function called "Company Notes" and "Underwriters Notes", which will, for example, allow our different client companies to adjust ratings to their specific products and underwriting philosophies.
We trust that the new multi-language and notes functions will significantly help our mission to launch PRIO in other countries outside of Sweden and Norway, where 12 client companies currently use the tool.

4. SCOR's Strategy

The Group's Strategy

In September 2012, SCOR published "Season 3" of its 2012-2013 strategic plan, "Strong Momentum", underlining its capacity to respect the objectives fixed by this fourth strategic plan launched since 2002, and demonstrating its perfect positioning in terms of seizing new and profitable growth opportunities thanks to its competitive advantages.

"Strong Momentum", launched in September 2010, had three objectives: (1) profitability of 1,000 basis points above the risk-free rate; (2) an "AA" level of financial security; and (3) a moderate increase in risk appetite.

Following the acquisition of the mortality business of Transamerica Re in August 2011 and the sale of its annuity business in the USA (IIC), the Group achieved new global dimensions, necessitating an update of the plan in September 2011: "Strong Momentum V1.1".

Despite a very uncertain environment, marked by strong market volatility, low interest rates and economic stagnation, SCOR's operating performances published in "Season 3" of "Strong Momentum" correspond to the scenarios and assumptions set out in the strategic plan, whilst underlining the relevance of the Group's business model:

- SCOR's return on equity is in line with its "Strong Momentum V1.1" target.
- Improved solvency and recent A+ upgrades confirm SCOR's capacity to provide an AA level of security to its clients.
- The Group experiences double-digit growth, supported by robust January, April and July 2012 P&C renewals and a deepening global franchise.
- SCOR Global P&C exceeds "Strong Momentum V1.1" technical profitability assumptions, confirming an ongoing positive trend.
- SCOR Global Life delivers a technical performance consistent with "Strong Momentum V1.1" assumptions, with the successful integration of the ex-Transamerica Re.
- SCOR Global Investments maintains a prudent strategy with high investment flexibility.
- SCOR's cost ratio trends towards the "Strong Momentum V1.1" assumption, while actively investing for the future, with more than 25 ongoing projects.

SCOR intends to continue its momentum by setting new ambitions, notably thanks to its significant growth potential across the reinsurance sector, to the strong competitive advantages of its two main business lines and to its solid positioning in terms of seizing new and profitable growth opportunities, in line with its principles and values.

SCOR and its teams are fully mobilised to prepare the next three-year strategic plan, which will cover the period from mid-2013 to mid-2016.

Major objectives of the SCOR's objectives plans

2013

Strong Momentum V1.1

- Optimizing the Group's risk profile;
- Providing an "AA" level of security;
- Producing a profitability of 1000 basis points above the risk-free rate over the cycle.

2010

Dynamic Lift V2

- Securing a ROE of 900 bps above risk free rate over the cycle;
- Providing an « A+ » level of security to clients by 2010;
- Self-financing the current business plan of the Group during the plan;
- Returning excess capital to shareholders through various means.

2007

Moving Forward

- Providing SCOR's clients with an "A" level of security over the entire period;
- Producing an underlying ROE of 6% above the risk-free rate.

2004

Back on Track

- Strengthening the Group's reserves to the "best estimate";
- Restoring its equity through two share capital increases of EUR 380 million and EUR 750 million;
- Streamlining the Group by reducing premiums underwritten in the Non-Life sector and implementing a new underwriting policy focused on short-tail activities and on less exposed markets and reducing capacity in the US;
- Restructuring the Group by appointing a new Board of Directors, new management and new procedures.

2002

"What does the future hold for Solvency 2?"

Philippe Trainar,
Chief Risk Officer of SCOR

It appears that the implementation of Solvency II may be postponed until 2016 or even 2017. What do you think about this?

The Omnibus II directive, which should finalise the Solvency II reform and pave the way for its transposition into national law, was ultimately not adopted in the autumn of 2012, which means that it will not be possible to implement the reform in 2014, as anticipated originally. Officially, this postponement is due to the difficulties encountered in the search for a satisfactory solution to the enhancement of long liabilities. European authorities referred initially to a delay of one year, but the various stakeholders gradually cited increasingly long delays, which now stretch to 2017 and beyond. Some people are even wondering about a possible indefinite postponement of pillar 1 of the reform, which concerns the calculation of capital requirements (and which justified the postponement). Whatever one thinks of the reasons for this delay, it is clearly bad news for the sector.

Why is it bad news, given that the declared objective is to improve the content of the project?

There are three main reasons why I think this. First of all, the Solvency II project is a substantial and undeniable advance compared to the current prudential regime, Solvency I. In particular, it has the advantage of taking a broader and more relevant view of risk, integrating the effects of risk sharing, which are at the heart of the insurance and reinsurance business. Secondly, the Solvency II project is a viable and operational project at this point. The issues currently still under discussion, essentially the LGTA (Long Term guarantee Assessment), could very well be the subject of subsequent amendments. Finally (and this is the main risk linked to the current delay), it can only encourage specific requests and make the finalization of the reform more difficult, if not impossible.

Are you not worried about the risk of a stalemate?

Stalemate is indeed the major risk now lying in wait for Solvency II. The postponement of the reform can only encourage all the parties concerned who did not get what they wanted in the first round of negotiations to come forward again and try to get their wishes approved. Why should the LTGA be the only topic under discussion? This process has already begun. Since all these requests are and will remain largely contradictory, the time taken to arbitrate them all again can clearly only delay the coming into force of the reform with regard to the initial schedule centred on the LTGA. And that's without taking into account all the new demands that the continuing crisis will inevitably trigger. A stalemate will therefore introduce uncertainties, not just regarding the date on which the reform comes into force, but also, and primarily, in terms of its content. Ultimately, under the pretext of improving the margins of a reform that is already satisfactory, we risk bringing it to a stalemate and even derailing it.

How far advanced is SCOR in terms of the implementation of the Solvency II directive?

SCOR has been preparing for Solvency II since the beginning, because the Group believes that this reform makes sense and that it constitutes significant progress in terms of insurance and reinsurance regulation. SCOR is therefore ready for the reform to come into force on time. The Group intends to finalise its internal model pre-application process with the ACP (French Prudential Control Authority) on time, mid-2013. Nevertheless, approval of the internal model by the ACP can only be granted once Solvency II has been transposed into French law. Moreover, Solvency II will also need to be adopted at a European level. Regarding the two other pillars of the reform, "Governance and Risk Management" and "Reporting", SCOR will be ready at the end of 2013 for the reform to come into force in its current format in 2014. The EIOPA and certain national supervisors like the ACP are nonetheless talking about changing this format, with a partial implementation of Solvency II limited to pillars 2 and 3, excluding pillar 1. The relevance of this proposal seems doubtful, since it is pillar 1 that provides consistency to the three pillars of the reform, and therefore to Solvency II as a whole.

5. The Group's Three Engines

SCOR Global P&C

"Reinsurance is a global industrial business"

SCOR's Property & Casualty reinsurance activities are united within a dedicated entity, SCOR Global P&C (SGPC). In P&C reinsurance, SCOR is one of the top five reinsurers in the world, with a significant presence on the European markets and strong positions in the rest of the world, with the exception of the US and third party liability business lines. These voluntary underweightings by the Group are linked to two major features of its policy, namely on the one hand a controlled risk appetite and the quest for low results volatility with a good level of capital remuneration, and on the other, cycle management anticipating the probable return of inflation in the short or medium term, which encourages prudence with regard to long-tail insurance branches. In the US, SGPC has decided to concentrate largely on local and regional players.

Products and services tailored to the needs of clients

Combining two approaches, one global and the other multi-domestic, SGPC provides its clients and commercial partners with value added products and services, guaranteeing the level of security expected from a leading reinsurer, whilst respecting the Group's requirements in terms of economic capital allocation, profitability and risk diversification. Today, as a top-5 Non-Life reinsurer, and in many markets one of the four leading players, SGPC is lead underwriter on around one third of the premiums it writes. It offers its clients its know-how through the design, structure and pricing of tailor-made risk transfer and financing solutions. To achieve this, SGPC uses its 40-plus years of experience and recognised multi-line expertise in Treaty, Specialty and Facultative business, which was strengthened by the acquisition of Converium in 2007.

SGPC's operating structure combines the commercial efficiency of an international network of offices on the ground, used to pricing and underwriting, with the centralised control of this underwriting through planning, pricing and risk control tools. Thus, SGPC can simultaneously select and price its risks as part of a framework of global insurance and reinsurance cycle management, whilst providing the proximity-based relationships and high level services expected by its clients. This centralised risk management is conducted through a single information system used by the whole Group.

Two categories of business

SGPC's activities are evenly distributed between Property & Casualty Treaties and the accompanying Facultatives on the one hand, and Specialty Treaties and Facultatives and large risk Facultatives on the other.

- Property & Casualty Treaties: this line of business is marked by the local characteristics of each market; it requires a technical approach based on a strong local presence, which creates in-depth knowledge of the legal and social environment surrounding the risks involved, of the conditions and foreseeable developments of the direct insurance markets, and of the needs of insurers in terms of risk financing and transfer. The central cross-sector functions of actuarial pricing, underwriting, modelling, risk and claims management, marketing and strategy, all provide their experience and expertise to SGPC's clients. Property & Casualty Treaties constitute the heart of SCOR's P&C business and are structured around three regions: Europe / the Middle East / Africa, the Americas, and Asia-Pacific.

- Specialties and Large Corporate Risks: this line of business involves a global approach across a wide range of generally unconnected economic sectors. Based around traditional reinsurance Treaties, this segment is carried by industry-specialised,


"The increase in natural catastrophes in the Asia-Pacific region"

(from left to right)
Paul Nunn, Head of Catastrophe Risk Modelling, SCOR Global P&C, and Michel Blanc, Chief Underwriting Officer Treaty, SCOR Asia-Pacific

Two years after the events in Japan, New Zealand and Thailand, how have P&C reinsurers been affected?

In 2010 and 2011, the Asia-Pacific region experienced large-scale catastrophes, with floods in Australia and Thailand, and earthquakes in New Zealand and Japan.
The costs to reinsurers from the earthquakes were manageable, even though the events themselves were significant and revealed the limitations of existing models.
The flooding in Thailand was an unprecedented event, with insurance costs currently estimated at between USD 16 and 18 billion, because it impacted Japanese manufacturers and other risks and created potential losses on large CBI policies.
These catastrophe events adversely affected the underwriting performance and financial strength of Asian Reinsurers and many of them had to restore their capital position, causing a change in their appetite for natural catastrophe risks.

What lessons have been drawn from these events?

The 9.0 magnitude Tohoku earthquake in March 2011 drew attention to unmodeled risks such as the tsunami. The New Zealand earthquakes also exposed the limitations of vendor models, which were not using damage factors anywhere near the levels recorded in Christchurch. The magnitude of the insured and reinsured losses from the Thailand floods caught all risk takers by surprise, as flood risks had not been adequately captured in their risk analysis and modeling.
The simultaneity of the events, as well as the complexity and sheer volume of claims, also revealed limitations in claims handling capabilities, particularly in New Zealand and Thailand. There were not enough qualified loss adjusters, experienced equipment valuers or repair/restoration specialists, which delayed the loss adjustment and payment/settlement processes.
Leading insurers have revisited their ERM and accumulation control and management policies in all countries with "un-modelled" cat exposures, redefining their critical threat scenarios and introducing measures to reduce risks – for instance by introducing sub-limits and reducing shares in areas where exposures are above their risk tolerance level, and buying additional reinsurance protections.
Reinsurers have also reassessed their risk appetites and tolerances. To improve the measurement and control of their exposures they have requested better data quality and greater transparency from their clients. This has resulted in an improvement in their risk management.

Asia-Pacific has subsequently been affected by a growing number of natural catastrophes. What is behind this?

The Asia-Pacific region is home to a significant proportion of the world's population, and throughout history major natural catastrophe events have taken their toll on it in terms of loss of life and displacement, although for many countries these have been largely uninsured. Economic growth and investment in the region has meant more insured assets; while urbanisation, special economic zones and industrialisation have all increased the concentration of insured interests at risk from catastrophe events. Helping societies to become more resilient to disasters is an important role played by our industry, however the flooding in Thailand demonstrates that the changing risk profile needs careful management. That the global climate is changing is beyond doubt for the scientific community, and while we cannot really say that particular events are caused by climate change, it is certainly affecting the pattern and frequency of some extreme weather events such as floods and wildfires.

How has this affected the underwriting policy of reinsurers?

Reinsurers have imposed coverage restrictions such as specific sub-limits for overseas Cat exposure, CBI coverage conditions under treaties restricted to FLEXA (fire, lightning, explosion and aircraft) perils for overseas interests, and full disclosure of information.
In most Asian markets, automatic capacity for Property and Engineering is predominantly provided through proportional treaties, and reinsurers have generally tightened the event limits for Cat. Reinsurers have a stronger appetite for Property Cat excess of loss programs.
In areas of China, India, Thailand, Indonesia and the Philippines, the ever increasing concentrations of assets are not matched by the development of catastrophe models or the improvement of data quality, which are both necessary to adequately quantify cat risks. To address this challenge, SCOR Global P&C has kept its capacity stable for non-modelled perils, working with selected clients, with whom exchanges of technical expertise have been established over the years.

expert teams with operational experience in target sectors. These teams operate from global centres of excellence and use the P&C Treaty network to market their expertise and maximise synergies. The business portfolio is distributed between three major components:

o Business Solutions is exclusively dedicated to the underwriting of large corporate and industrial risks, providing Property, Liability and Construction solutions in sectors such as Natural Resources (onshore, offshore), Specialties (construction, professional liability, captives) and Industrial and Commercial Risks (light and heavy industries, financial and service companies).

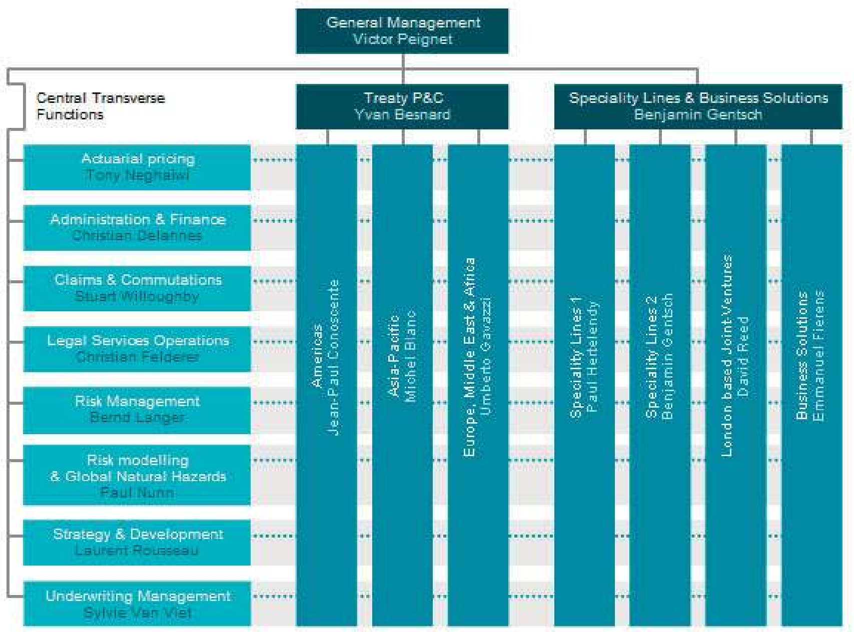
o Joint ventures and partnerships, with shares in syndicates on the Lloyd's of London market (including the syndicate controlled by SGPC, Channel 2015), LRA (La Réunion Aérienne) and GAUM (Global Aerospace Underwriting Managers).

o Specialty Lines, comprising Agriculture, Transport, Natural Catastrophes in the US, Construction and Breakdown of Machinery, Aviation, Credit & Surety, Inherent Defects Insurance and Space.

Over and above its commercial offering, SGPC offers a number of high added value services to its clients, such as technical and legal assistance in the assessment and management of risks and claims, training seminars conducted by Group experts (called "Campus" seminars) and numerous technical publications.

Thanks to its wide-ranging offer of services, its recognised expertise and its very positive brand image, SGPC's reputation has grown constantly over the past few years.

An integrated business model with a matrix structure combining proximity to clients and cross-sector, transverse functions



Strong Momentum V1.1

With the publication of its new strategic plan in September 2010, the Group set out its orientations for the next three years. The plan maintains SCOR's development model centred on profitability and on the balance between its Life and Non-Life reinsurance activities.

In September 2012, the Group published "Season 3" of its strategic plan, which once again confirms growth objectives with an upward trend in profitability for the Group's Non-Life reinsurance branch. SGPC has now achieved the eight objectives set out in the plan and is actively developing these, particularly the launch of the Lloyd's syndicate Channel 2015, the development of ILS risk transfer solutions for third parties, the expansion of the Natural Catastrophe portfolio in the US and the strengthening of the third party liability portfolio.

SGPC launched a new initiative in September 2012 with the objective of concentrating specifically on global insurers and designing dedicated coverage for them. SGPC has drawn up a list of insurers to be the focus of particular technical and commercial efforts. This initiative aims to better cover the reinsurance needs of global insurers. The latter continue to review their reinsurance protection structures and the placement of their programmes with a more global approach. They are increasingly using peak risk coverage and loss accumulations, in excess of loss per event structures and above all aggregate structures, which can combine several business lines and financial years. SGPC's technical expertise, along with its commercial responsiveness, position it well in order to understand, anticipate and satisfy demand.

This new initiative is part of a broader strategic framework that should lead to:
o premium growth of around 9% per year for SGPC throughout the duration of the "Strong Momentum" plan;
o the geographic rebalancing of underwriting towards the Americas and Asia-Pacific in P&C treaties;
o a continued policy of selective development and leadership affirmation in the Treaty, Specialty and Facultative fields, making the most of the strength of SCOR's franchise, the efficiency of the network and the synergies of Property & Casualty Treaties.

2012 Results

SGPC gross written premiums are up by 16.8% in 2012 (+10.8% at constant exchange rates) to EUR 4,650 million, in line with the growth assumptions set out in the Group's strategic plan Strong Momentum V1.1. This expansion comes mainly from P&C reinsurance business in the US, Asia and Europe, more specifically in the UK, Benelux and the Commonwealth of Independent States (CIS), and from robust development in Specialties and Joint Ventures, with Lloyd's and the Channel 2015 syndicate as well as in the Aviation line.

The very good renewals achieved over the past few months (+22% in July 2011, +14%, +11% and +24% in January, April and July 2012 respectively) were continued at the 1 January 2013 renewals, thereby confirming the dynamism of SGPC and the quality of its underwriting policy.

SGPC records an excellent combined ratio of 94.1% thanks to:
- a further improved net attritional loss ratio, in line with the 60% strategic plan assumption, excluding 2.2 points from the reserve releases in the fourth quarter 2012;
- Nat Cat net loss ratio of 7.6 points in 2012. In the fourth quarter 2012 alone, the Nat Cat net loss ratio stands at 15.7%, including EUR 137 million of losses from Super Storm Sandy which hit the Northeast of the United States, partly offset by reserve releases of EUR 90 million, primarily from the Aviation and Inherent Defect Insurance (IDI) business lines.

"The agricultural (re)insurance market"

René Kunz, Chief Underwriting Officer Agriculture,
SCOR Global P&C

How big is the share of agriculture in the economies of emerging countries compared to developing countries?

We estimate the global Agriculture premium to be in the range of EUR 18 to 19 bn. Of this, approximately EUR 4 bn comes from emerging markets (more than half of this from China, India, Brazil and Russia). Key drivers for premium growth in mature markets are the crop prices. The real business growth going forward will come from emerging markets, where insurance density is still very low and the full output potential of agricultural production has by no means reached its maximum. The implementation of proactive government policies and increased international and local investments will lead to an improvement in agricultural production practices, which in turn will require new or additional risk management solutions for farmers. Agricultural Insurance is one of the major ways in which farmers, financial institutions and the food processing industry cope with production shortfalls due to adverse weather developments, and it will continue to play an important role in the rapidly growing markets.

What insurance and reinsurance solutions are in place?

On the direct insurance side, the following main and sub-categories are common products all over the world.

Indemnity-Based Agricultural Insurance
• Named Peril (damage based)
• Multi-Peril (Yield loss)
Index-Based Loss Adjustment policies
• Area Yield Index (area-yield loss)
• Weather Index (rainfall, temperature)
• Mortality Index (livestock mortality index)
• Forestry Fire Index (ignition focus/burnt area payout scale)
Crop Revenue Insurance
• Yield and Price (Europe, Canada, USA)

The application of the different types of product depends very much on the structure of the respective market and its participants. For example, in the Indian market, which has 400 million farmers, an index-based product is currently the most efficient way in which to provide insurance to farmers. For a European market like France, with more than 100 years of Agricultural insurance in place and a well-established infrastructure, the acceptance of an index-based loss adjustment is very limited, as the insurance industry can provide an efficient and accurate loss adjustment. Nevertheless, the industry is constantly looking for new products that will better serve their clients and markets.
On the reinsurance side, the structures used most frequently are still proportional or non-proportional indemnity contracts, either on a one-year or multi-year basis. New parametric developments like financial covers (derivatives, cat bonds, etc.) are under review and are applied on a very limited basis, but market penetration is still very low.
However, the role of leading reinsurance providers like SCOR is not limited to providing capacity – reinsurers also help clients to develop new products and to transfer knowledge throughout the industry.

How do you see these markets evolving?

We will see significant improvements in farming in emerging markets over the coming decades. Today, the industry is facing the following challenges, which need to be solved:
a) According to the FAO, world population is expected to exceed 9 bn by 2050. To feed this amount of people, today's agricultural output must be increased by 60%.
b) As a result of economic success, increases in income in emerging markets such as China, India and Brazil have led to a rapidly growing demand for meat in these countries, which in turn boosts the demand for cereals to feed livestock.
c) Beyond the demand for grain linked to food production, there is an increasing demand in relation to energy production and biofuels. This is intensifying concerns over insufficient grain supply for food, which in turn inflates food prices.
d) Due to desertification and urbanization, an area of mostly fertile arable land the size of Italy or almost half of France is disappearing every seven years. In order to offset diminishing food production resources and to meet growing demand, the agricultural sector is using increasingly intensive production methods, which in turn require substantial financial investments.
e) Consequently, the above-mentioned factors have led to an increased awareness of the importance of a properly functioning agriculture industry in countries all over the world. Food security is an important topic and, following the example of the mature markets, emerging markets like China, India and Brazil began to implement Agricultural strategies years ago. These are designed to enable farmers to invest in modern infrastructure, which will ultimately lead to a higher production output. However, the various stages of investment in new farming technologies (seed, fertilizer, machinery etc.) also require new risk management tools. Agriculture insurance in its various forms is one of these tools.

What about the evolution of climatic conditions?

In recent years it has become obvious that climate change and adverse weather events are jeopardizing stable, intensive agricultural production. Climate change does not necessarily have a negative impact on all parts of the world - shifts in climate can also result in improved growing conditions in various parts of the world. Nevertheless, many farmers are facing higher levels of production volatility. This leads not only to increased risk awareness, but also requires intensified research and development in order to improve production methodologies (machinery, fertilizer, genetically modified crops/new crop varieties that are more resistant to drought or frost).
Once again, as new technology is generally very cost intensive, there is consequently also an increased demand for Agriculture insurance. SCOR Global P&C, with its geographically well diversified book of business, is helping its local clients to cope with these risks.

What about GM agriculture - are there any products tailored to this?

GMO as such is not an issue for the current forms of Agricultural insurance, as the covers are designed to cover production loss due mainly to weather perils rather than the faulty design of a modified seed. However, recent developments show that the food production industry, from farmers to retailers, could be confronted with increased liability issues. Insurance to help the various parties involved to defend their position does exist, but we do not believe that these kinds of perils will become part of an Agriculture Production Insurance policy.

Where is SCOR positioned on these various markets? What relationships and service offerings differentiate you from your clients?

With a team of specialized and dedicated underwriters and a vast network of local offices, SCOR is well positioned in mature and emerging markets. In the latter, as a result of an early commitment, and the ability to provide capacity as well as expertise and tailor-made solutions that go beyond pure reinsurance, SCOR has been able to build up leading market positions. We are working hard to improve expertise and skills within our team, our goal being to offer a first-class service to our clients all over the world.

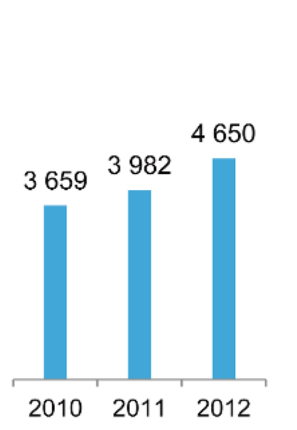
SCOR Global P&C

The effectiveness of SCOR's controlled risk appetite has been proved once again by its exposure to Sandy, the Group being among the least affected in the industry. Moreover, in 2013, SCOR further optimized its capital shield program, which protects the Group from being significantly affected should Sandy industry losses deteriorate.

Key figures 2012

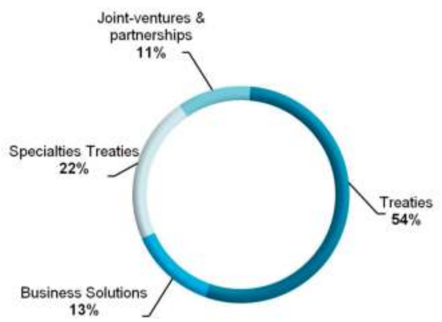
GROSS WRITTEN PREMIUMS in EUR millions

In EUR millions



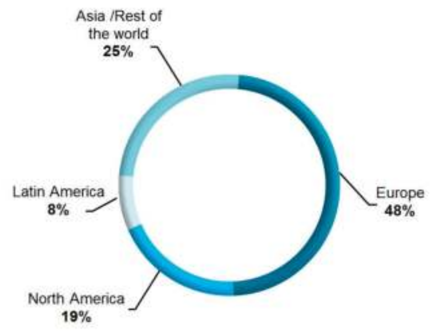
DISTRIBUTION OF PREMIUM INCOME BY LINE OF BUSINESS in %

in %. Total EUR 4.65 billion



DISTRIBUTION OF PREMIUM INCOME BY GEOGRAPHIC AREA in %

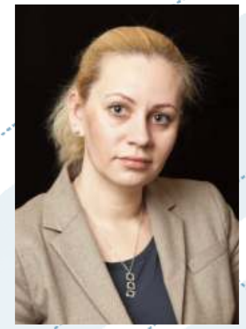
in %. Total EUR 4.65 billion



Confirmed objectives for 2013

When the strategic plan Strong Momentum comes to an end in 2013, SGPC is confident of its ability to satisfy the objective, fixed in 2010 and reiterated in 2011, of achieving a normalized combined ratio of between 95% and 96%.

SGPC announced robust treaty renewals at the beginning of 2013, reinforcing its position as a leading industry player. In a stable pricing environment, with unchanged market terms and conditions, SCPC records premium growth of around 9%, reaching a total of EUR 2.5 billion whilst improving expected technical profitability. SGPC continued to strengthen its competitive position during these renewals, both with existing clients and new cedants. The recent rating upgrades to "A+" recognise this business franchise and its constant reinforcement, as well as providing a catalyst for new opportunities that strengthen SCOR Global P&C's position at the very forefront of the reinsurance industry.



"The (re)insurance market in Russia"

(from left to right)

Dimitri Blagoutine, CEO of SCOR P.O. and Natalia Tarasova, Managing Director, Life Reinsurance Russia & CIS, SCOR P.O.

Why open a SCOR Global Life office in Moscow – was it to facilitate access to the market?

SCOR has a leading position in the Russian and CIS (Commonwealth of Independent States) P&C reinsurance market, having been present here for more than 10 years. So the "SCOR" brand is strong and very well known in Russia and the CIS. SCOR firmly believes in the future of the Russian market and invests in emerging market areas like the BRIC countries. In June 2011, our main friendly competitor in Russia and the CIS countries officially announced the closure of its Moscow Life subsidiary and the termination of local business activity as of 01.01.2012. In view of this, it was decided to take this unique opportunity to strengthen SCOR's Life operations in Moscow in order to conquer a large part of the business pie now on offer in the market. The long-term strategic decision was taken to invest in the Russian market and to expand the Moscow Life team, in order to gain a leading position on the Life reinsurance market in Russia. For Russian clients, it is crucial that a reinsurer (i) is local, (ii) offers competitive rates (iii) provides all services in the Russian language, including Underwriting, and (iv) is quick to react.

Is it an expanding market?

The Life insurance market has been developing since 2000. However, in the first few years it was driven by tax optimization schemes, which were sold via insurance companies. The authorities stopped these grey schemes, but genuine development of the Life market did not start until mid-2005. After three years of premium growth, the market dropped again in the wake of the credit crisis in 2007/2008. Finally, the market recovered in 2011 and premiums increased by 44% between 2010 and 2011. Life insurance business generated a premium volume of around EUR 2 billion in 2011. Bearing in mind the still very low penetration rate of just 0.1%, and a Life insurance density of EUR 6.6, the Russian Life insurance business is still at a very early stage of development.
In developed Life insurance markets, the market share of Life compared to Non-life is normally over 50% of the total insurance premium volume. If we compare this market share in Russia (2.2%) with the market share in France (68.7 %), the huge potential of the Russian market is immediately visible. Moreover, if we compare the population of Russia (142m) with that of France (65m) the possible Life insurance premium volume is extremely promising. Based on the global experience of emerging markets, in general the Non-Life market develops first and the Life market follows. The Non-Life market in Russia has already developed well over the past 10 years, and we are convinced that the next step will be the development of Life insurance.
SCOR firmly believes in the Russian Life market, and expects sustainable growth over the next few years, starting from quite a low level. Although the financial crisis in 2007 lowered the expected growth of the Life market, SCOR has taken a long-term strategic market decision to invest in this market because it is convinced of its positive development in the future.

What are your ambitions on this market? Which products would you like to develop? What is your image on this market?

SCOR Global Life in Moscow focuses on offering traditional reinsurance solutions, by tailoring the Group's innovative offers to suit the local needs of Russia and the CIS. We plan to keep increasing the number of SCOR clients and the reinsurance premium volume, and to maintain our leading position on the Russian Life Reinsurance market. We are sure to achieve this by providing excellent value added services and expertise in key fields (e.g. product development, medical underwriting, claims management etc.). We will continue to follow our strategy of focusing on building long-term client relationships. As part of the SCOR Group, we will transfer our global experience and international know-how to the Russian market. SCOR Global Life in Moscow can provide a full range of services, as a professional, locally-based reinsurer that can use the global support of SCOR Global Life whenever required.

What synergies are there between SGL and SGPC in Russia?

Having had a representative office in Russia for more than 10 years, in 2008 SCOR established a subsidiary (SCOR P.O.) for its Life and Non-Life Reinsurance operations in Moscow. As a Russian legal entity licensed in accordance with Russian legislation, SCOR P.O.is the only 100%-owned subsidiary of a foreign reinsurer offering Life and Non-Life reinsurance on the Russian market. SCOR P.O. is a highly rated reinsurer with a financial strength of "A+". It therefore meets all the capital requirements stipulated by Russian legislation. SCOR P.O. operates under a local licence in a safe legal and tax environment, and can conclude reinsurance treaties with clients under the same laws, supervisory system, language and currency. As SCOR has already been local since 1998, the Life team benefits considerably from strong brand awareness in Russia and the CIS, as well as from the Group's excellent reputation. The team takes advantage of cross-selling effects with Non-Life clients and can act very rapidly. The Russian entity complies with SCOR's general strategy of investing in emerging markets with high growth potential, and of acting with local people and speaking their language.

SCOR Global Life

"A top-tier Life reinsurer on the global market"

SCOR Global Life (SGL), SCOR's Life reinsurance branch, is one of the top five Life reinsurers in the world. Its strategy is based on the construction of long-term relationships with its clients throughout the world. Thanks to a network of 32 offices and subsidiaries, serving more than 80 countries, the specialists at SGL adapt to the specific local features of each market, thereby offering their clients a highly appreciated service based on proximity, creativity and efficiency. They are assisted by SCOR's four research & development centres (see below). SGL is structured around two major operating units: EMEAA (Europe, Middle East, Asia-Pacific, Africa) and the Americas (USA, Canada and Latin America).

SGL offers a vast range of products and services tailored to the specific requests of cedants, covering all insurance risks. SGL has experts in Death, Longevity, Disability, Critical Illness, Long-Term Care, Accidents and Health, and provides cover on all individual, collective and loan products. SGL offers its clients high value added services, including a dedicated risk selection team, the provision of pricing tools, portfolio analysis, claims management, training programmes, tele-underwriting, direct marketing, rehabilitation and prevention with regard to disability risks.

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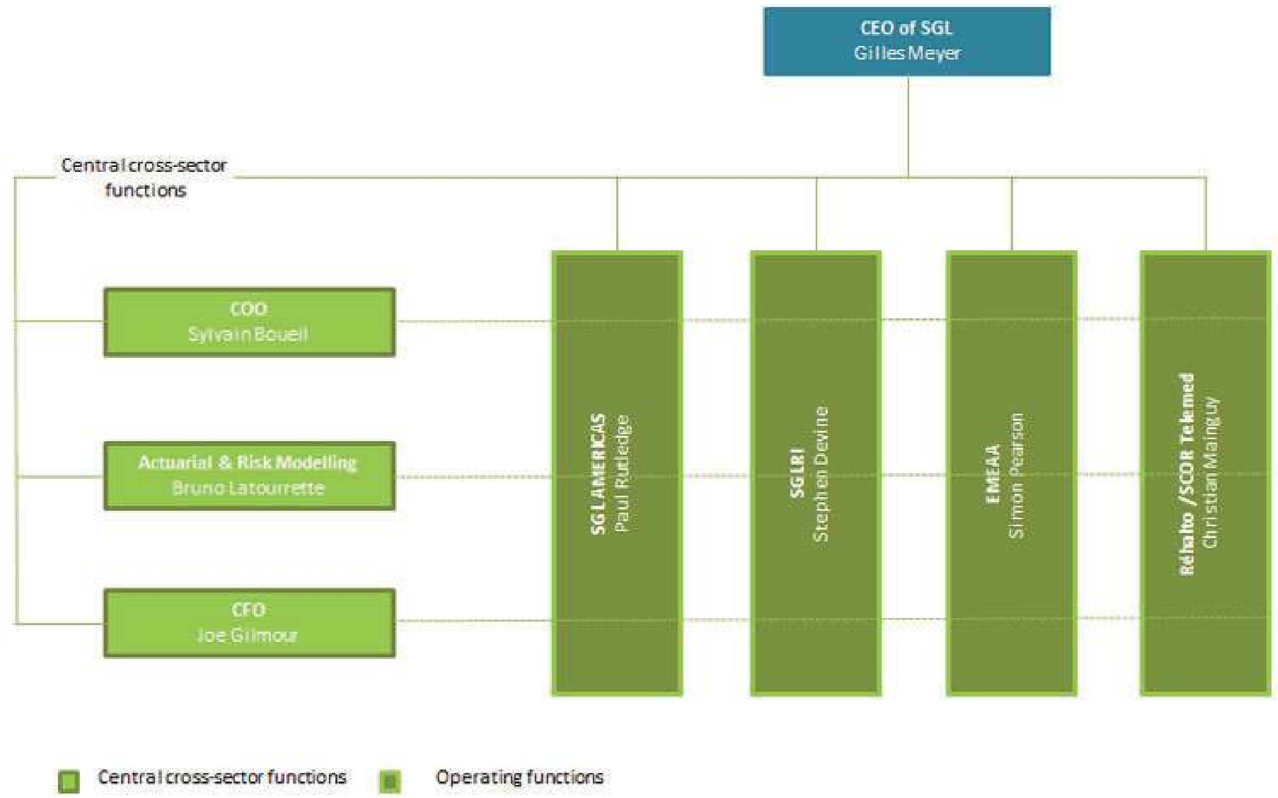
A dynamic, operational and international structure



SCOR Global Life

Integration of Transamerica Reinsurance

In 2012, SCOR demonstrated its ability to execute a large acquisition with the successful integration of Transamerica Reinsurance into the Group. SCOR and ex-Transamerica Re employees worked closely together as a global cross-functional team in order to transfer financial and operating systems to SCOR's OMEGA platform. Business flows were transferred to SCOR entities and treaty novations were completed for US, Latin America and Asia-Pacific clients, as required by the terms of the acquisition. This ambitious task was accomplished without interrupting business or adversely impacting customer relationships. The scale and complexity of the operation makes this an especially significant accomplishment in 2012.

A business strategy tailored to each region

A confirmed top-tier position in North America

US Life insurers continue to face competitive, economic and regulatory pressures, creating opportunities for SGL Americas (SGLA) to grow by providing the products and services insurers need in these dynamic and challenging times. SGLA maintains a top-tier ranking in the US market based on new business volume. While the majority of its business derives from traditional mortality risk transfer, SGLA is differentiated by value added offerings, for which it holds a pre-eminent position in the market. Nearly 30% of its new business was generated by solutions that combine value added services along with traditional Life reinsurance capacity. Velogica, an automated underwriting solution for rapid issue business, continued its strong performance in 2012, empowering client companies to effectively sell Life insurance to the underserved middle income market. SGLA is accelerating participation in capital management and in-force block transactions and is aggressively developing Longevity expertise to meet market needs.

Canada's Life reinsurance cession rate – still hovering around 70% – makes this a stable market for SGL, which expanded its new business there by 18% in 2012. As in other markets in the Americas, SGL is focused on providing value added services to Canadian companies. By leveraging resources in the US operation, SGL Canada is able to provide services such as advanced mortality and shock lapse experience analysis. In 2012, this value added capability was instrumental in solidifying a strategic reinsurance deal with a select Life insurer. SGL is moving forward aggressively in order to market Velogica to Canadian companies. The team is also working with US peers on Longevity solutions, an untapped market with huge potential.

A long-term presence in Europe

In **France**, SGL has a market leader position with a strong position on all lines of business. In the **UK**, SGL has an excellent market proposition and standing, and strong relationships with key market players. SGL visited all of its clients and some prospective clients individually in 2012 to present legal changes relating to non-disclosure and the effect of these on the assessment of claims going forward.

In **Germany**, SGL is one of the largest Life reinsurers in the market and has continued to enlarge its client base. Premium development in Germany is still influenced by run-off from past deals, which have been partially compensated by new business. The financial crisis has led to strong growth in the primary market, mostly in non-reinsured single premium business, whereas the level of new reinsured business has fallen. Opportunities for more substantial new business may arise from interest rate developments and increasing financial strain on client companies, as well as from new reinsurance initiatives for disability business and positive developments in the Long-Term Care market.


"The Life insurance and reinsurance market in Australia and New Zealand"

(from left to right)
David O'Brien, Deputy MD of SCOR Global Life,
and Craig Ford, CEO of SCOR Global Life Sydney

What does Life insurance and reinsurance represent in these two regions of the world?

The Australian and New Zealand markets represent total in-force Life premiums of EUR 10 billion and annual new business premiums of EUR 2 billion. The markets have been growing at around 10% p.a. and are forecast to continue to do so given an expanding population (currently 22 million) and relative economic prosperity. The latter is notably due to the regional demand from China for natural resources to support its continued growth.
Around 20% (EUR 2 billion) of the in-force Life premiums are reinsured

What is SCOR's history and positioning on these markets?

SCOR identified Australia and New Zealand as major market opportunities and opened an office in Sydney covering both markets in October 2010. Licences to operate in the markets were obtained in March 2011 (New Zealand) and May 2011 (Australia) from the relevant regulators, and a local Board and team (now comprising six staff) were established.
There are five long-established main competitors in these markets. In a market where Life reinsurance has been generally unprofitable over the past two years, the objective of the local subsidiary (SCOR Global Life Australia Pty Limited) has been to build a sustainable, profitable portfolio by providing technical and client service excellence to selective partners in our chosen markets. The company has the advantage of technical support, expertise and capacity from the Regional Hub in Singapore (which in turn leverages the global strength and expertise of the Group). This has been critical to its success and will continue to be a source of competitive advantage as the business expands.

Two years after it opened, what is your assessment of the subsidiary?

SCOR Global Life Australia has been very successful in building a portfolio of profitable Group and Individual business, substantially in excess of the original plan. A number of key long-term partnerships have been established and the timing of market entry has meant that the business has avoided the legacy issues encountered by many of our competitors. The subsidiary has an experienced and motivated team, supported by an excellent local Board and the Group's Regional and Global expertise. The combination of these factors, along with feedback from the market, support the fact that the business is set to make the major contribution to the Group's success envisaged at its launch.

What developments do you anticipate over the short, medium and long term for these markets? What are SCOR's ambitions?

In the short term for the Australian and New Zealand markets, we are seeing a return to profitability for the Life reinsurance industry as pricing more appropriately reflects recent experience. The industry is focusing on reducing under-insurance and on continued expansion, thanks to an increasing population and organic growth. This is supported by innovative product and distribution propositions from insurers seeking access to new reinsurance offerings. In the longer term, with an ageing population moving into retirement, there is a substantial need for new longevity solutions. As consolidation within the market continues over the longer term, this will drive the need for diversification amongst both reinsurers and insurers, creating further opportunity for local business.
Having established a very successful platform, the subsidiary has now increased its original plan to one that appropriately reflects its new ambitions. As a result, it will be a major reinsurance player in both markets by the end of the current three-year Plan.

In **Italy**, despite the drop in the Life market, SCOR maintains its position as the second largest reinsurer on the market, mainly thanks to the level of service it provides to its clients. The rollout of the new pricing manual SOLEM was highly appreciated by client companies.

In **Scandinavia**, Sweden Re has a continued strong position, improved juvenile underwriting guidelines, and key competitive advantages thanks to SCOR Telemed.

The **Greek** Life insurance industry has been affected by the severe economic crisis. On the one hand, financial earnings were hit by the haircut on Greek debt. On the other hand, premium volumes are falling as a consequence of peaking lapses and surrenders, as well as sluggish new business. Moreover, new regulations such as the Gender directive and Solvency II are additional burdens for most companies. In this complicated environment, SGL remains a loyal reinsurance partner to its Greek clients.

A strengthened presence in Asia-Pacific

2012 was a watershed year for SGL in Asia-Pacific. Following the Group's acquisition of Transamerica in August 2011, the integration of the Asian business of Transamerica was completed on schedule, leading to a significantly strengthened presence in the Asia-Pacific region. SGL's clients responded positively, with new business growth ahead of target from both traditional and capital management product lines. Although still in its early stages, the Group's market entry to Australia and **New Zealand** is also on track in terms of market recognition, underwritten portfolio profile and margins achieved to date.

SCOR Global Life benefits from development potential in emerging and growth-leading economies

Latin America is a high growth market with exciting opportunities for SGL's approach to Life reinsurance. SGL enjoys strong positions in the Life reinsurance markets in Chile, Mexico and Peru, and is actively working to pursue a local license in Brazil, which will enable it to work more effectively with clients in that country. The team is focused on executing a value added solutions strategy, with emphasis on product development services for products including Critical Illness, high net worth and individual Life. SGL is expanding strategic partnerships with the services of SCOR Telemed and ReMark, creating comprehensive client solutions that combine product development, direct marketing and underwriting capabilities. These value added solutions can help to build the primary markets in Latin America while creating growth opportunities for traditional Life reinsurance capacity.

Despite the challenging political and economic environment, the **Central and Eastern European** Life and Health insurance markets are in good shape. With an average premium per capita 10 times lower than the European average, the markets have significant potential for growth. With a strong focus on product development as well as underwriting services, SGL has managed to increase its customer base even further. New products such as Long-Term Care and Essential Abilities enable the insurance corporates to offer their clients optimal protection whilst benefitting from the dynamic Life market environment.

In 2012, the **Polish** insurance market had to deal with new regulations such as Solvency II and the Gender Directive, which meant that clients were extremely busy with internal issues. SGL was very active in terms of marketing ReMark in the Polish market, in order to further develop bancassurance distribution channels. The Polish market is generally keen on innovation; therefore we see a good chance of introducing SCOR Telemed's services.

"The Gender Directive"

(from left to right)
Andreas Doering, Head of Competitive Advantage, SGL Cologne,
Dominic Schwer, Senior Corporate Legal Counsel Life (EMEAA), SGL Cologne, and Nick Rendle, Marketing Actuary, SGL

What is the content of this new European Directive?

Actually, the Gender Directive is not new. It's been around since 2004, and is meant to combat gender discrimination in terms of access to and the supply of goods and services, based on the principle of equal treatment between men and women in the European Union. What is new, however, is that an exception for the insurance industry came to an end on 21 December 2012 by virtue of the famous "Test-Achats" verdict. While the Directive stated explicitly that, after 21 December 2007, all new contracts could no longer differentiate premiums or benefits by gender, it essentially allowed the individual member states to opt out of this regulation – which they all did. In their "Test-Achats" verdict, the European Court of Justice decided that a possibly indefinite prolongation of the exception was against the principle of equal treatment, and that the exception should end on 21 December 2012 – which it did. Since then, insurance has had to be sold on a so-called unisex basis in the EU.

What will the implications be for insureds?

Currently, those individuals already holding a gender-specific policy will mostly be unaffected by this change in regulation, as neither the Gender Directive nor the Test-Achats verdict makes any reference to concerns about existing business. For any EU individual taking out insurance after 21 December 2012, however, the conditions offered are, broadly speaking, the same for men and for women. While most situations clearly involve either new or existing contracts, with the respective consequences in terms of gender differentiation, this distinction is less obvious when it comes to changes, increases and extensions to existing insurance contracts concluded before 21 December 2012. The European Commission has published a guidance paper, which states that this distinction depends on whether or not all parties have to agree to such changes, increases or extensions. If they do have to agree, the contract should be reissued as a new contract, but if not, the old contract should continue. However, these guidelines are not legally binding, and moreover contradict certain local legal traditions dealing with the notion of new or existing business, mostly concerning tax changes. So, like many of the other detailed questions surrounding this subject, only time will tell which view prevails.

What will the implications be for insurers?

For insurers, the legal situation is even more difficult, as they provide insurance not only to individuals, in which case the Gender Directive is clearly applicable, but also to organisations and employers. These groups are set apart in the sense that, although they are not individuals, which means that the Directive is not addressed to them, the insurance policies that they buy may cover individuals, i.e. their members and employees. For employees there is a further complication, insofar as any employment or occupational matter regarding gender is excluded from the Gender Directive, and is regulated instead by the Equal Opportunities Directive, which permits differentiation for pension benefits under a slightly different clause. While most legal experts would doubt that this clause could be upheld in the light of the recent judgement, it is not directly impacted by the Test-Achats verdict. For insurers, this means that, if their national law does not state anything to the contrary, they could in fact still continue to sell gender differentiated collective insurance to such organisations.
Besides legal uncertainty, the verdict has generated a considerable amount of work for insurers in terms of re-pricing products to make them unisex. As the gender split evolves, products will need to be repeatedly re-priced, depending on the competitiveness of the market. Over time, we would assume that this first step towards reducing differentiation will trigger another

wave of product developments designed to address certain anti-selection issues, or to differentiate premiums in other ways in order to remain competitive for certain groups of individuals.

What will the implications be for reinsurers?

Legally, the only thing we can clearly say at this point in time is that reinsurers are not directly affected by this regulation. Of course, since our European cedants now sell exclusively on a unisex basis, there will be some requests for reinsurance to move to a unisex basis as well. Nevertheless, current practice will most probably just continue as it is, particularly where the gender split in reinsurance differs dramatically from the split in the insurer's original portfolio, or for facultative individual Life policies. In terms of business implications, we don't expect to see any noticeable effects, although the situation presents an opportunity to support our clients with their upcoming product developments through reinsurance.

How has this directive been greeted in the different countries of the Eurozone?

Reactions in the industry were almost unanimously negative, most outspokenly so in those countries impacted the most due to the prevalence of gender-specific business (e.g. the UK and Germany). The Gender Directive has been less of an issue for the Southern European countries and France, where a lot of business was already sold on a unisex basis – which may be partly because the dominant sales channels demanded this. Initially, consumer protection organisations welcomed the verdict, and indeed it was a consumer protection organisation, the Belgian consumer group Test-Achats, which brought it about. However, now they are realizing that prices have gone up overall, just as the insurance industry warned that they would. Of course, the consumer organisations see this as an unfair reaction by the industry, rather than a mere consequence of increased uncertainty about the future insured population. Since the European Commission announced in its guidelines last year that it would keep an eye on the situation in order to avoid unnecessary price increases, it remains to be seen whether or not the public complaints of consumer organisations amount to anything. Eventually, the industry will bring prices down anyway as insurers become more certain of the gender splits in their unisex portfolios.

The SGL Moscow Life team became the Russian market leaders in terms of premium volume, with several new clients in **Russia, the Ukraine, Kazakhstan** and **Georgia**. To further support this strong market position, the pricing manual SOLEM was translated into Russian and is highly appreciated by local clients.

In the **Middle East**, SGL maintained its positioning in 2012. The region still has a lot of potential in terms of Life and Health reinsurance and insurance business, since double-digit growth is still expected over the coming years in Life, Health and Re-Takaful lines. While business development in some countries is still suffering from the “Arab Spring”, other countries such as the UAE have started to recover from the financial crisis.

South Africa is a mature Life insurance and reinsurance market. SCOR Africa Life continues to make inroads into this competitive Life reinsurance market and has achieved premium growth in excess of 100% for the second year running. SCOR Africa proactively provides product development support to clients and has developed a market-first product for HIV+ individuals. This HIV+ product offers competitive whole of life cover with initial underwriting and no requirement for ongoing antiretroviral compliance, and will go to market in the first quarter of 2013. SGL is currently reviewing several opportunities in **sub-Saharan African** countries and continues to assist local clients with financing solutions.

Four research & development centres providing our clients with innovative solutions

In order to provide clients with the most up-to-date information, the SGL R&D centres regularly collaborate with researchers and academic institutions recognised as authorities in their given fields. Thanks to these partnerships, the R&D centres benefit from a wide range of expertise, thereby enhancing our risk assessment capabilities.

- R&D Centre for Longevity and Mortality Insurance

Mortality and Longevity are very common risks on insurance portfolios, notably through death cover and Life annuity products. This centre brings together statistical expertise and operational actuarial research in order to model and forecast risks. It also develops tools designed to facilitate claims analysis. Its portfolio study and risk projection services enable clients to predict future risk trends and to develop their range of products.

- R&D Centre for Disability and Critical Illness Insurance

Benefiting from the international experience of SGL, this centre assesses and projects the major trends in terms of serious illness and the factors contributing to disability risk.
One of the topics studied is the link between disability claims and economic cycles. Thanks to its local approach to risks, the centre is able to communicate the latest international product developments directly to new markets. Through its portfolio studies, this centre offers our clients personalised advice regarding product design and risk monitoring.

- R&D Centre for Long-Term Care Insurance

This R&D centre studies risks related to Long-Term Care (LTC) insurance and helps clients to manage long-term commitments. In addition to monitoring the global LTC offering, the R&D centre has developed numerous insurance products of its own. Now considered a key player in Continental Europe and Asia, the centre benefits from a particularly strong presence in France, Israel and South Korea.

- R&D Centre for Medical Underwriting and Claims Management

For insurers, the selection of insurance applicants is a key risk management tool. This centre manages SGL's risk selection and claims management policy and ensures its implementation across all SGL divisions. In addition, it monitors medical advances and measures their impact on the insurance industry. Finally, it analyses the causes and circumstances of claims and verifies compliance with risk assessment rules.

Each of these four international R&D centres contributes to SGL's overall offer of services by concentrating on a specific aspect of risk and working collaboratively to enhance each other's performance. In addition, these R&D centres share their research findings through publications and seminars.

A high added value, diversified offer of products and services

SGL is developing in order to offer its clients a broader range of high added value products and services. The Group wants to develop long-term relationships and centres its development primarily on the research and development of new products that meet the needs of its clients. The know-how, expertise and diversity of SCOR Global Life's offering are crucial assets for its clients.

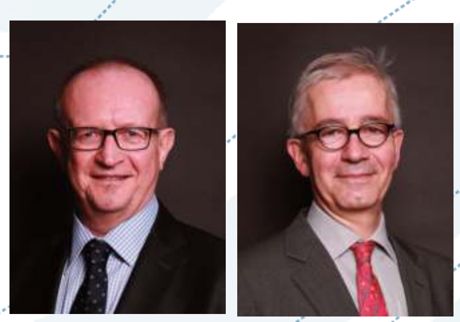
SGL offers a broad range of products and services:

- ReMark, a 100% subsidiary of SGL, designs and executes direct marketing programmes that establish and drive brand loyalty, increasing the lifetime value and profitability of each client. ReMark helps insurers, financial institutions and affinity organisations to acquire, grow and retain profitable clients.

- SCOR Telemed is a dedicated tele-underwriting subsidiary, designed to facilitate the underwriting and pricing process for Accident and Health risks. The company has developed a cutting edge software programme to conduct tele-interviews and uses an automated risk selection system, which enables it to deal with all cases, from the simplest to the most complex. In 2010, SCOR Telemed successfully began to propose its services to several clients in Spain and is now positioned as a leading tele-underwriting service provider on the Spanish market. SCOR Telemed also operates on the Swedish market, where a platform has been successfully installed.

- Réhalto, a 100% owned subsidiary of SGL, is a company dedicated to the development of workplace wellbeing. Present for more than 10 years in France and the Benelux countries, Réhalto promotes concrete and proven solutions for companies, leading to very significant improvements in their performance. In Accident and Health insurance, Réhalto's offer of services notably includes post-traumatic assistance and crisis management in a professional environment, the management of sick leave through helping employees to regain their health and return to work, and the prevention of psychosocial risks for staff and management. In Property & Casualty insurance, Réhalto offers post-traumatic stress prevention solutions following accidents or traumatic events.

- In October 2011, SCOR Global Life launched SOLEM, its new online risk pricing tool. SOLEM enables underwriters to price all products relating to death, accidental death, long-term care, disability and critical illness coverage. It includes a section on claims management, as well as calculation tools designed to facilitate day-to-day decision making. Since its launch, this new, unique and innovative tool has enabled users to save, retrieve and modify pricing decisions in five different languages, in



"Diabetes and its insurability"

(from left to right)
Michel Dufour, Head of Underwriting and Claims R&D (CREDISS), SCOR Global Life
and Dominique Lannes, Medical Doctor - Central Actuarial and Underwriting Department - R&D Associate Medical Director

Why does diabetes represent a non-negligible risk for (re)insurers?

We are talking about type 2, non-insulin dependent diabetes here, which involves 90% of diabetics and is advancing across the planet almost like an epidemic. Those affected may remain in apparently good health for a very long time, moreover many of them are even unaware that they have hyperglycaemia. Nevertheless, their arteries and micro blood vessels are progressively and quietly deteriorating. This disorder, through its primarily cardiovascular and renal complications, significantly increases the mortality and morbidity of those affected. Thus, by linking all this data together, we see that this disease can insidiously modify the technical results of (re)insurers that do not take it sufficiently into consideration in their risk selection policies.

What is its current impact on the population?

In 2012, around 350 million diabetics were identified worldwide, and this figure will probably double over the next 30 years. Moreover, there are many countries in which diabetics already make up close to 10% of the population. This increase is due to the progressive ageing of the population and the significant development of the major risk factors for this disease: imbalanced and high calorie diets, obesity and sedentary lifestyles. Nevertheless, not everyone becomes diabetic, which means there are also genetic susceptibilities that indisputably promote the onset of the disease.

Is this the disease of tomorrow?

Type 2 diabetes is now a major public health problem, which is increasing as the years go by. It is not impossible that in certain countries this condition will slow down, and even reverse, the evolution of survival curves, which until now have been increasingly favourable. China and India are going to be particularly affected by this metabolic "epidemic".
Type 1, insulin-dependent diabetes, which can manifest itself in childhood, is caused by multiple factors linked to genetic predisposition and the environment, such as a viral infection. For those who suffer from it, this type of diabetes is an everyday ordeal, exposing sufferers to the same complications as type 2 diabetes. Nevertheless, it remains numerically stable throughout the world and therefore does not expose (re)insurers as much as type 2 diabetes.

How do (re)insurers assess this risk? What tools do they have?

Type 2 diabetes has for many years been the subject of numerous, large-scale scientific studies, which have enabled us to properly clarify the risk involved in this field: basically, the more imbalanced the diabetic is in terms of high or instable blood sugar levels, the higher the risk of complications and death. In this context, the (re)insurer will have to ask insurance applicants for appropriate information in order to properly assess the glycaemic balance over the long term and highlight any possible complications. The risk may then be assessed as objectively as possible.
(Re)insurers also have experience statistics based on their portfolios of insured diabetics. It should be noted that this data enables them to observe the disease in a rear view mirror, being able to take into account neither its future, nor possible advances in medical coverage. Once again, (re)insurers must anticipate possible developments.

order to meet local needs as much as possible. The rollout of SOLEM was completed in 2012 and there are now 385 companies using the tool in 80 different countries, representing around 2300 users throughout the world. Since its launch, two new languages (Dutch and Russian) have been added to the original five (English, French, German, Italian and Spanish).

2012 Results

SGL gross written premiums reach EUR 4,864 million in 2012, compared to EUR 4,604 million in 2011 pro-forma, representing an increase of 5.6% (stable at constant exchange rates), thanks to the successful integration of ex-Transamerica Re operations. Decreases in the Middle East have been offset by significant increases in SGL business in Asia/Australia, Central and Eastern Europe, Canada and the UK/Ireland.

This growth has been supported by significant new business production (approximately EUR 840 million, i.e. +20% compared to 2011) from France, the US and Asia-Pacific, partially offsetting the reduction of in-force business, mainly in the German and Middle East markets. SGL also records double-digit growth in the Critical Illness, Disability, Longevity and Personal Accident lines.

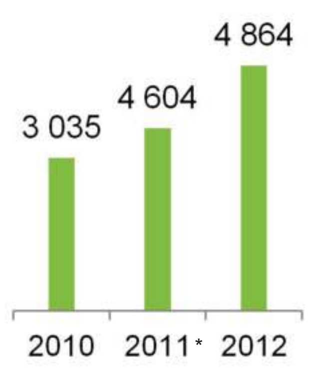
SGL generates a technical margin of 7.7% (including 0.3 pts of one-off items), in line with the assumptions of the Strong Momentum V1.1 plan and the pro-forma technical margin for 2011 of 7.9%, which contained 0.5 percentage points of non-recurring items, demonstrating the resilience of the technical results of its biometric risk portfolio.

2012 also marks the final integration of ex-Transamerica Re business and employees within SGL's structure and operations.

Key figures 2012

GROSS WRITTEN PREMIUMS
in EUR millions

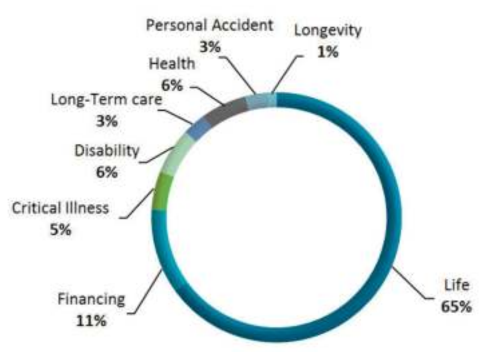
in EUR millions



* 2011 Pro-Forma

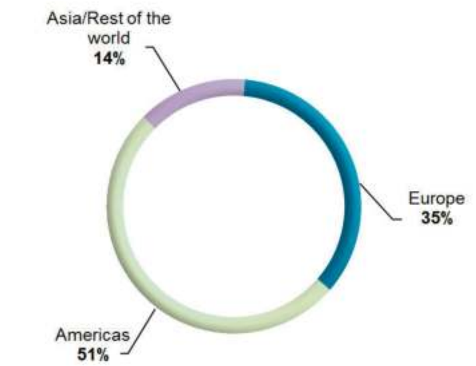
DISTRIBUTION OF PREMIUM INCOME
BY LINE OF BUSINESS in %

in %.Total EUR 4.9 billion



DISTRIBUTION OF PREMIUM INCOME
BY GEOGRAPHIC AREA in %

in %.Total EUR 4.9 billion



Strategic plan "Strong Momentum V1.1" Season 3

During the presentation to investors of Season 3 of the Strong Momentum plan, the Group gave a breakdown of the third and final year of its strategic three-year plan, notably the implementation of various initiatives launched by SGL since the beginning of the plan, and the achievement of its objectives.

SGL's expanded franchise provides stable earnings diversification and substantial free cashflow to the Group through:

- The significant expansion of its franchise over the past few years and its positioning as one of the leading Life reinsurers worldwide;
- Its focus on traditional mortality reinsurance risks, providing steady net technical results, excellent MCEV results and the robust creation of new business;
- Initiatives gaining strong momentum, such as a strong UK Longevity market presence, being ready for opportunities in follower markets, and a successful start to the Australian operations;
- An expectation to continue to deliver strong and stable technical results, thanks to a mature portfolio focused on biometric risks.
- An expectation to provide substantial free cashflow over the next few years, confirming its capacity to self-finance its own growth whilst repatriating cash to the Group.

At the end of Season 3, SGL confirms the technical margin assumption of 7.4% over the "Strong Momentum" plan period.

“A financial environment marked by a historically low interest rate environment“

In 2012, the heightened intervention of the central banks eased fears about systemic risks, such as the collapse of the banking system in Europe or the breakup of the Eurozone. The financial markets have progressively returned to normal, with banks and States once again able to refinance themselves. Consequently, the balance sheets of the central banks reached record levels: the ECB now has a balance sheet of more than EUR 3,000 billion, while the FED’s balance stands at close to USD 3,000 billion, through the direct or indirect purchase of the debts of States or similar issuers.

The positive outcome of the US “fiscal cliff” negotiations, although these were unfinished and incomplete, has also eased fears of a sudden end to the return to growth in the US.

This de facto management of yield curves has created an unprecedented environment in which the quest for returns led investors at the end of 2012 to favour the most risky asset classes, generating increases in value that were not necessarily carried by improved economic fundamentals. Thus, banking hybrid debts and corporate High Yield bonds recorded 2012 performances of 39.2% and 23.4% respectively in Europe. The share markets were not left out, with performances of 19.6% for Eurostoxx, 16% for the S&P 500 and 25.5% for the Nikkei. Nevertheless, performances were very mixed and erratic.

The European markets fell by 5% at the end of May, before rising again sharply. Certain sectors behaved very differently, like the financial industry, which was up by more than 30%, while the utilities sector was only up by between 2 and 3% on a global level, and European telecoms actually fell by 4%.

Over the year, the interest rate markets established new records, with US and German 10-year rates standing at less than 1.4% and 1.2% respectively in July 2012, then ending the year at 1.75% and 1.3%. After going through an extremely tense period in the summer, the five-year Italian and Spanish rates reached 6.3% and 7.5% respectively, before normalizing to finish the year at 3.3% and 4.1%.

A prudent and defensive investment policy

Having anticipated the sovereign debt crisis back in November 2008, SCOR withdrew from this market and was able to face the highly volatile periods of 2012 calmly, due to the absence from its balance sheet of public debt issued by Greece, Portugal, Ireland, Spain and Italy. As of 2011, SCOR also anticipated a significant global slowdown, and liquidated around 30% of its share market exposure before the sharp decline that occurred in the summer of that year.

In a year marked by strong volatility in 2012, when European equities, for example, rose by 12%, before falling by 15% and then leaping again by 26%, SCOR’s positioning remained prudent and defensive. Thus, SCOR Global Investments (SGI) continued its so-called “rollover” strategy, which gives it a significant cash reserve from redemptions and bond coupons, thereby enabling it not just to benefit from any rise in interest rates, by capturing a higher reinvestment rate more quickly, but also to seize market opportunities in the short term.

At 31 December 2012, this strategy has enabled SCOR to accumulate almost EUR 6 billion in cash that will be available in two years’ time, compared to EUR 5.5 billion at the end of 2011. In an extremely low interest rate environment, the duration of the bond portfolio was reduced considerably to 2.7 years (excluding cash), and also remained shorter than the average duration of liabilities.

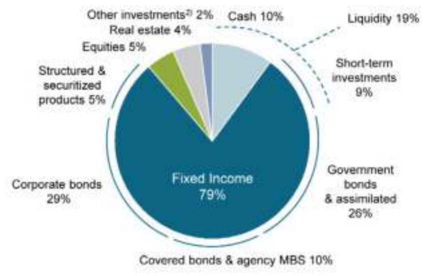
While the rating agencies continued to downgrade the ratings of numerous sovereign issuers in 2012, the particularly prudent positioning of the bond portfolio was maintained, with an average rating in the AA category.
Exposure to the equity markets was also slightly reduced over the year and exposure convexity was strengthened in order to partly protect SCOR against the negative impact of a significant drop in the markets.
Faced with very strong currency volatility, the Group maintains a strict policy of congruence between its assets and its liability commitments. The Group’s financial assets are thus invested in the same currencies as its reinsurance liabilities.

Major contribution to the Group’s results by asset management

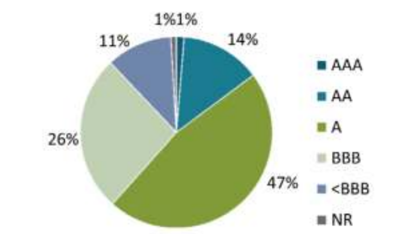
At 31 December 2012, invested assets were composed as follows: cash (10%), fixed income including short term investments (79%), equities (5%), real estate (4%) and other investments (2%). SGI’s contribution to the Group’s results was significant in 2012, with a return on invested assets of 3.5% before equity impairments, and of 3.0% after equity impairments i.e. EUR 394 million before tax. The impairment level remains contained at EUR 86 million, due to the absence of portfolio exposure to the most vulnerable sovereign debts. These figures demonstrate the relevance of SGI’s active management model, which is based on dynamic tactical allocation, risk diversification and maximum loss control.

Key Figures 2012

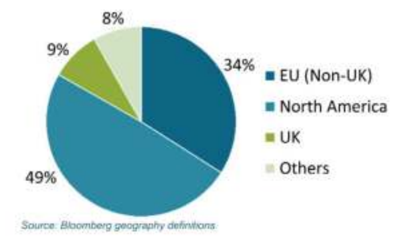
TOTAL INVESTMENTS
EUR 14.0 billion at 31/12/2012*



DISTRIBUTION OF GROUP
BOND PORTFOLIO BY RATING



GEOGRAPHICAL DISTRIBUTION
OF GROUP BOND PORTFOLIO



* Excluding funds withheld by cedants

"Which investment policy should be adopted in a low yield environment?"

Fabrice Rossary, Chief Investment Officer,
SCOR Global Investments

What is your investment policy in a low rate environment?

Our investment policy is devoted to fulfilling a twofold objective of asset-liability management and making a significant and recurring contribution to the Group's results, as part of a risk appetite calibrated by the internal model and approved by the Board of Directors. In this context, a predominant share (over 80%) of our assets is exposed to interest rate markets, but the duration of this exposure remains below that of liabilities so that we can benefit from any increase in interest rates. With a view to maintaining the recurring yield of the portfolio, the diversification undertaken since 2009 will intensify, notably on the debt market where the movement towards banking disintermediation, begun in response to the new regulatory framework, creates opportunities with a very attractive risk/return ratio, whether in the corporate, infrastructure or real estate financing sectors.

How do you see the markets evolving in 2013?

Initially, the interventionism of the central banks and the quest for investor returns in a low interest rate environment are playing a significant role in terms of maintaining and improving the value of financial assets. Indeed, since the end of 2012, the markets seem to have brushed aside (at least in the short term) systemic risks such as the breakup of the Eurozone or the collapse of the European banking system. The US elections have already taken place, so political uncertainty should also be lower in 2013 than in 2012, although the Italian elections at the end of February and the political situation in Spain could raise fears of systemic risk once again. Nevertheless; the dichotomy between these valuations and economic data cannot last. A genuine improvement in the economic situation, at least in the US, and particularly on the labour market, will therefore be necessary to perpetuate the performance of risky assets. The most predictable consequence of an improvement in the economic situation, or the way in which it is perceived, should be a rise in interest rates, which could turn out to be relatively acute. In the opposite scenario, the current bubble of financial asset valuation may burst.

Where are you in terms of opening up your asset management to external clients?

In order to give external clients access to innovative investment solutions on markets with high barriers to entry, SCOR Global Investments has decided to open up a certain number of its funds, in which SCOR has previously invested, to professional investors. Four funds are now open. Alongside Atropos (insurance risk fund) managed by SCOR Alternative Investments, the SCOR Euro High Yield, SCOR Euro Loans and SCOR Euro Credit Opportunity funds have generated interest amongst the Group's external clients. With around EUR 100 million of outstanding amounts collected in the first year, the objectives have been achieved, which confirms the relevance of our development model based on the rigorousness of our investment processes and the regularity of performances.

6. Corporate Governance

From left to righ*: Kevin J. Knoer, Charles Gave, Guillaume Sarkozy, Gérard Andreck, Guylaine Saucier, Daniel Valot, Denis Kessler, Claude Tendil, Georges Chodron de Courcel, Daniel Lebègue, Jean-Claude Seys, Peter Eckert

* Due to her absence on the day when the picture was taken, Monica Mondardini does not appear in the photo of the Board Directors.

SCOR's Board of Directors follows the best practices currently in force, and is involved via its various components in the Group's Enterprise Risk Management process. Beyond the French legal conditions and rules laid down by the stock market authorities, SCOR's corporate governance regulations also comply with the recommendations made by the AMF and by the French code of corporate governance.

SCOR's Board of Directors consists of 12 Directors, of which 10 are independent Directors, and one non-voting Director – of various nationalities and with expertise in finance, insurance, accounting and industry. The Board has been chaired by Denis Kessler since 2002 and governed by internal regulations since 2004. These were last modified on 4 May 2011. The Board met six times in 2012 and has four committees: The Strategy Committee, the Audit Committee, the Compensation and Nomination Committee and the Risk Committee. (see pages 80 - 82)

Denis Kessler (Chairman and Chief Executive Officer of SCOR SE)

Denis Kessler, a French citizen, is a graduate of HEC business school (*Ecole des Hautes Etudes Commerciales*) and holds a PhD in economics and advanced degrees in economics and social sciences. He was Chairman of the *Fédération Française des Sociétés d'Assurance* (FFSA), CEO and member of the Executive Committee of the AXA Group and Executive Vice-President of MEDEF (*Mouvement des Entreprises de France*). He joined the Group as Chairman and Chief Executive Officer on 4 November 2002.

Claude Tendil (Lead Independent Director)

Claude Tendil, a French citizen, began his career at the *Union des Assurances* de Paris in 1972. He joined the Drouot Group in 1980 as Chief Operating Officer; he was promoted in 1987 to Chief Executive Officer, and in 1987 was appointed Chairman and Chief Executive Officer of Présence Assurances, a subsidiary of the AXA Group. In 1989, he was appointed Director and Chief Executive Officer of Axa-Midi Insurance, Chief Executive Officer of AXA from 1991 to 2000, then Vice-Chairman of the management board of the AXA Group until November 2001. During this same period, he was also Chairman and Chief Executive Officer of the AXA Group's French insurance and assistance companies. Claude Tendil was appointed Chairman and Chief Executive Officer of the Generali Group in France in April 2002 and Chairman of the Europ Assistance Group in March 2003.

Gérard Andreck*

Gérard Andreck, a French citizen, has been Chairman of the MACIF Group since June 2006. Mr. Andreck has a deep interest in the mutual company and insurance sector, and he served as President of CJDES (*Centre des Jeunes Dirigeants de l'Economie Sociale*) from 1991 to 1993 and of CEGES (*Conseil des Entreprises, Employeurs et Groupements de l'Economie Sociale)* from May 2009 to December 2011. On 1 July 2008, he was appointed Chairman of the *Groupement des Entreprises Mututelles d'Assurances* (GEMA) for three years. He was re-elected in 2011 for a term of 3 years. In November 2010, he was appointed to the *Conseil Economique et Social et Environnemental* (CESE).

Peter Eckert*

Peter Eckert, a Swiss citizen, was a member of the Management Board (1991-2007) and Chief Operating Officer (2002-2007) of Zurich Financial Services, a member of the Swiss Federal Banking Commission EBK between 1 July 2007 and 31 December 2008, and Deputy Chairman of the Board of the new Swiss Financial Market Supervising Authority (FINMA) from 1 January 2008 to 31 December 2008. From 1 January 2009 to 14 November 2011 he was Chairman of the bank Clariden Leu and from 10 January 2012 to 31 March 2012 he was appointed by the Swiss Financial Market Supervisory Authority (FINMA) as an agent with executive authority of the insurer CPT at Berne (Switzerland).

Charles Gave*

Charles Gave, a French citizen, has been researching tactical asset allocation for over 40 years. In 1974, after three years as a financial analyst with a French investment bank, he created CECOGEST, an independent research firm through which he serviced a wide portfolio of clients across the world for 12 years. In 1986, Charles Gave stepped away from pure research to move into money management: he co-founded Cursitor-Eaton Asset Management, where he was in charge of investment policy, and managed over 10 billion U.S. dollars of institutional money on a global asset allocation mandate. Cursitor was sold in 1995 to Alliance Capital, which Charles finally left in 1998 to create GaveKal where he currently serves as Chairman. Today, he is a member of the boards of directors of Marshall-Wace, Grace Financial and the Turgot Institute. He holds a DESS in Economy (Toulouse) a degree from IEP (Toulouse) and an MBA from New York University.

Kevin J. Knoer

Kevin J. Knoer, an American citizen, has 30 years of insurance experience, including risk control & engineering and industrial risk underwriting. He holds a Bachelor of Science degree and an MBA and has served as a submariner in the United States Navy. Since joining SCOR in 1996, he has held various Treaty and Facultative Underwriting positions in the United States. From 2007 to 2010, he was the Deputy Regional Manager for SCOR Business Solutions (SBS) in Asia-Pacific. He is currently a Vice President/Senior P&C Underwriter for SBS in New York.

Daniel Lebègue*

Daniel Lebègue, a French citizen, has been Director of the French Treasury, Chief Executive Officer of BNP and of the *Caisse des Dépôts et Consignations*. He currently serves as the Chairman of the French Institute of Directors (*Institut Français des Administrateurs* — IFA) and of several associations and foundations.

Monica Mondardini*

Monica Mondardini, an Italian citizen, holds a degree in Economic and Statistical Sciences from the University of Bologna. Her first professional experiences were in publishing, first with the Fabbri group, then with Hachette, where she became Head of the "Hachette livre" international division based in Paris. In 1998 she joined the Generali group as CEO of Europ Assistance in Paris. Two years later she returned to Italy to join the headquarters of the Generali group, taking responsibility for the Planning and Control department. In 2001 she left Trieste for Madrid, where she became CEO of Generali Espana. She has been CEO of Gruppo Editoriale L'Espresso S.p.A. since January 2009. She is also a director of Crédit Agricole, Atlantia S.p.A. and Trevi Group S.p.A.

Malakoff Médéric Group (represented by Guillaume Sarkozy as permanent representative)*

Guillaume Sarkozy, a French citizen, is an engineer by training and a graduate of the *Ecole Spéciale des Travaux Publics* (ESTP). He began his professional career in 1974 at the Office of Public Safety in the Ministry of the Interior, before joining IBM France as a large corporate accounts manager in 1977. From 1979 to 2005, he was a company leader in the textile industry. Until June 2006, Guillaume Sarkozy exercised a number of responsibilities at the head of professional associations, in particular, the French Textile Industries' Union (1993-2006), the Industrial Federations Group (2004-2006), CNPF (1994-1998), MEDEF (2000-2006), CNAV (1994-1998), CNAM (2004-2005) and the *Conseil Economique et Social* (2004-2006). In 2004, he became vice President of the MEDEF and of the CNAM (2004-2005). Guillaume Sarkozy joined Médéric Group in June 2006 and was appointed Group General Manager on 1 September 2006. He was appointed Group General Manager of Malakoff Mederic Group in July 2008 with the merger of the Groups Médéric & Malakoff. Since 2004, he has been a member of the "*Haut Conseil pour l'avenir de l'Assurance Maladie*".

Guylaine Saucier*

Guylaine Saucier, a Canadian citizen, is a graduate of the *École des Hautes Études Commerciales*, a Fellow of the Institute of Chartered Accountants (F.C.A.) and a Fellow of the Institute of Corporate Directors. She was Chairman and Chief Executive Officer of the Gérard Saucier Group, a company specializing in forestry products. She sits on the board of directors of many major corporate entities, including La Banque de Montréal, Areva and Wendel. In the past, she has chaired the Joint Committee on Corporate Governance (CICA, CDNX & TSX), created in 2000, acted as Chairman of the Board of Directors of CBC/Radio-Canada and as Chairman of the Board of Directors of the "*Institut canadien des comptables agréés*". She was also the first woman to serve as President of the Quebec Chamber of Commerce. She became a Member of the Order of Canada in 1989 and a Fellow of the Institute of Corporate Directors in 2004, received the 25th McGill University Management Prize in 2005 and obtained the professional qualification of ICD.D from the Institute of Corporate Directors in 2010.

Jean-Claude Seys*

Jean-Claude Seys, a French citizen, has spent his career in the insurance and banking industry. He was Chairman and Chief Executive Officer of MAAF and MMA, where he remains a director. He is currently Vice-Chairman and Executive Director of COVEA, a leading French mutual insurance company.

Daniel Valot*

Daniel Valot, a French citizen, former student of the *Ecole Nationale d'Administration* and Public Auditor at the French Accounting Office (*Cour des Comptes*), was also notably Technical Cooperation Advisor to the French Embassy in Tunisia, Managing Director of Total South East Asia, Chairman and CEO of Total Petroleum North America, Chief Executive Officer of Total Exploration Production, then Chairman and Chief Executive Officer of Technip SA from September 1999 until 27 April 2007.

Georges Chodron de Courcel (Non-Voting Member)

Georges Chodron de Courcel, a French citizen, is Chief Operating Officer of BNP Paribas and holds various directorships with French and foreign companies, including subsidiaries of the BNP Paribas Group.

* Independent Directors

Committees of the Board of Directors

The Strategic Committee

The Strategic Committee is composed of Denis Kessler (Chairman), Gérard Andreck, Georges Chodron de Courcel (Non-Voting Member), Peter Eckert, Charles Gave, Daniel Lebègue, Monica Mondardini, Malakoff Médéric Group (represented by Guillaume Sarkozy), Guylaine Saucier, Jean-Claude Seys, Claude Tendil and Daniel Valot (the 'Strategic Committee'), is appointed by the Board of Directors and selected from among the voting and non-voting members of the Board of Directors. The members' term of office coincides with their term of office on the Board of Directors.

The Committee's mission is to study development strategies and to examine any acquisition or disposal plan concerning an amount in excess of EUR 100 million.

The Chairman of the Committee may hear any employee or officer likely to provide relevant information for a clear understanding of a given point; the presence and information provided by this individual being limited to the relevant items on the agenda. The Chairman of the Strategic Committee must exclude the non-independent members of the Committee from any discussions which might create an ethical problem or a conflict of interest.

On 4 November 2010, the Internal Charter of the Strategic Committee was modified by the Board of Directors.

In 2012, the Strategic Committee met on five occasions. These meetings lasted approximately two hours. Its work dealt with the whole strategy of the Group and, in particular, the review of acquisition plans.

The Audit Committee

The Audit Committee is composed of Daniel Lebègue (Chairman), Guylaine Saucier, Jean-Claude Seys and Daniel Valot (the "Audit Committee"). Each of its members is independent. According to its Internal Charter, the Committee comprises between three and five members appointed by the Board of Directors of the Company and selected from among the voting and non-voting members of the Board of Directors, in accordance with the AFEP and MEDEF corporate governance code for listed corporations. The term of the members' mandates coincides with their term of office on the Board of Directors.

Due to their past experience and the duties that they have held during their careers, each member of the Committee has a high level of competence in financial matters.

The Committee is responsible for reviewing the Group's financial situation, its compliance with internal policies, in addition to audits and reviews carried out by the auditors and by the internal control unit in charge of verifying the group accounts' quality and transparency.

The Audit Committee has adopted an Internal Charter, setting forth two imperative missions:

- Accounting mission, including the analysis of periodic financial statements, the review of the relevance of choices and correct application of accounting standards, the review of the accounting treatment of any material transaction, review of the scope of consolidation, review of off-balance sheet commitments, control of the selection and remuneration of statutory auditors, oversight of any accounting and financial reporting documents before they are made public;
- Ethical and internal control responsibilities. In this context, the Audit Committee is responsible for ensuring that internal procedures relating to the collection and auditing of data guarantee the quality and reliability of the Group's financial statements. The Audit Committee is also in charge of reviewing agreements with related parties ("*conventions réglementées*"), analyzing and responding to questions from employees with regard to internal controls, the preparation of financial statements and the treatment of internal accounting books and records.

The Committee may consult the Chief Financial and Accounting Officer, the Chief Internal Auditor and external auditors on these issues. During the financial year 2012, it met with the auditors, the Group Chief Financial Officer (during the review of the financial statements) and the Chief of Internal Audit. The review of the financial statements was accompanied by a presentation made by the auditors underlining the major results of their works, as well as a presentation made by SCOR's Chief Financial Officer describing risk exposure and its material off-balance sheet liabilities.

The Chairman of the Committee may hear any officer or employee likely to provide relevant information for a clear understanding of a given point; the presence and information provided by this individual being limited to the relevant items on the agenda. The Internal Charter of the Audit Committee was approved by the Board of Directors on 18 March 2005 and modified by the Board of Directors on 4 November 2010.

During its four meetings in 2012, the Audit Committee discussions focused primarily on the following matters: review of the quarterly and annual financial statements, review of the internal audit report, management of the Group's debt, impact of the financial crisis on the Group's assets, strategy plan, embedded value, impact of the litigations on the financial statements, annual review of the work of the Audit Committees of Group subsidiaries, annual review of the Group Policies and Group Guidelines.

The Risk Committee

The Risk Committee members are Peter Eckert (Chairman), Charles Gave, Daniel Lebègue, Malakoff Médéric Group (represented by Guillaume Sarkozy as permanent representative), Guylaine Saucier, Jean-Claude Seys and Daniel Valot.
All members are independent.

The Committee is responsible for highlighting the main risks to which the Company is exposed regarding both assets and liabilities, and for ensuring that the means put in place to monitor and manage those risks have been effectively implemented. It examines SCOR's risks and its Enterprise Risk Management (ERM) policy.

The Committee met four times in 2012, primarily to discuss the following matters: analysis of the main exposures of the Group, risk appetite, retrocession policy and coverage, solvency and contemplated Solvency II, internal model of assets and liabilities and capital allocation management, standards and guidelines for asset management, internal control and Directors' and Officers' liability insurance.

The Compensation and Nomination Committee

The Compensation and Nomination Committee is composed of Claude Tendil (Chairman), Georges Chodron de Courcel (Non-Voting Member), Charles Gave, Guylaine Saucier and Daniel Valot. According to its Internal Charter, the Compensation and Nomination Committee is composed of between three and five members appointed by the Board of Directors and chosen among the voting and non-voting members of the Board of Directors. The term of the members' mandates coincides with their term of office within the Board of Directors.

All the voting members of the committee are independent.

The Committee submits recommendations to the Board of Directors concerning compensation packages for the corporate officers and members of the Group Executive Committee, and concerning pensions, stock allotment, stock option and stock subscription plans, and makes proposals concerning the composition and organization of the Board of Directors and its Committees. Its missions are described in the Internal Charter.

The Committee met four times in 2012. Its works dealt with stock allotment and subscription plans, the remuneration modalities of the Chairman and Chief Executive Officer and other members of the Group Executive Committee. The Committee focused on the renewal and composition of the Board of Directors. The Committee also worked on the general organization and the remuneration policy, and on the succession schemes of the key officers of the Group. It also conducted an annual review of the director's fees and expenses for the all Directors within the Group.

The Chairman of the Committee may hear any officer or employee likely to provide relevant information for a clear understanding of a given point; the presence and information provided by this individual being limited to the relevant items on the agenda.

The Internal Charter of the Compensation and Nomination Committee was approved by the Board of Directors of the Company on 18 March 2005 and modified by the Board of Directors on 4 November 2010.

STATUTORY AUDITORS

Principal Auditors

MAZARS
Represented by Messrs. Michel Barbet-Massin and Antoine Esquieu
Tour Exaltis – 61, rue Henri Regnault
92075 La Défense Cedex
CRCC of Versailles

ERNST & YOUNG Audit
Represented by Mr. Guillaume Fontaine
Tour First
1, Place des saisons
92400 Courbevoie

Alternative Auditors

Monsieur Charles Vincensini
Picarle et Associés

Denis Kessler, Chairman of the Board of Directors and Chief Executive Officer of SCOR SE

Denis Kessler, a French citizen, is a graduate of HEC business school (*Ecole des Hautes Etudes Commerciales*) and holds a PhD in economics and advanced degrees in economics and social sciences. He was Chairman of the *Fédération Française des Sociétés d'Assurance* (FFSA), CEO and member of the Executive Committee of the AXA Group and Executive Vice-President of MEDEF (*Mouvement des Entreprises de France*). He joined the Group as Chairman and Chief Executive Officer on 4 November 2002.

Paolo De Martin, Chief Financial Officer of SCOR SE

Paolo De Martin, an Italian citizen, graduated from Ca' Foscari University, Italy, with a degree in Business Economics. He subsequently spent two years in the optical business as founder and managing partner of an eyewear manufacturer. He joined General Electric Company (GE) in 1995 as a finance trainee in London. In 1997, he joined GE's internal auditing & consulting Group, charged with assignments in multiple GE businesses in the Americas, Europe and Asia-Pacific. In 2001, Paolo De Martin was promoted to Executive Manager for GE Capital Europe, before joining GE Insurance Solutions as Financial Planning and Analysis Manager for Global Property and Casualty Reinsurance. In 2003, he was appointed Chief Financial Officer of GE Frankona Group before becoming Chief Financial Officer of Converium Holding AG in July 2006. In September 2007, Paolo De Martin was appointed Group Chief Financial Officer of SCOR SE.

Benjamin Gentsch, Deputy Chief Executive Officer of SCOR Global P&C SE

Benjamin Gentsch, a Swiss citizen, graduated with a degree in management from the University of Saint-Gall where he specialized in insurance and risk management. From 1986 to 1998, he held several positions at Union Reinsurance Company, where from 1990 to 1998 he directed treaty underwriting in Asia and Australia. In 1998, he joined Zürich Re as head of international underwriting responsible for strengthening the company's position in Asia, Australia, Africa and Latin America. He also supervised the "Global Aviation" reinsurance department and developed its "Global Marine" department. In September 2002, Benjamin Gentsch was appointed Chief Executive Officer of Converium Zürich, then Executive Vice President in charge of Specialty Treaties. In September 2007, he was appointed Chief Executive Officer of SCOR Switzerland and Deputy Chief Executive Officer of SCOR Global P&C SE.

Frieder Knüpling, Deputy Chief Risk Officer de SCOR SE

Frieder Knüpling, a German citizen, holds degrees in Mathematics and Physics from the Universities of Göttingen and Freiburg. He worked as a lecturer and research assistant at Freiburg University and several other colleges, until he received a PhD in Economics based on research on the econometric modelling of macroeconomic and financial data. From 1999 to 2002 he worked for Gerling-Konzern Globale Rückversicherungs-AG and its U.K. subsidiary, dealing with pricing and valuation. From 2003, he headed the Corporate Actuarial & Treasury department of the Revios group. Since 2007 Frieder Knüpling has headed SCOR's Corporate Actuarial Department, reporting to the Chief Risk Officer. He was appointed Deputy Chief Risk Officer of SCOR in December 2008 and member of the executive board (Vorstand) of SCOR Rückversicherung (Deutschland) AG in May 2009. In July 2010, he was appointed Deputy Chief Executive Officer of SCOR Global Life SE. He is a fellow of the German Association of Actuaries (DAV). On 1 October 2012 he was appointed Deputy Group Chief Risk Officer, reporting to Philippe Trainar, Group Chief Risk Officer.

Gilles Meyer, Chief Executive Officer of SCOR Global Life SE

Gilles Meyer, a dual French and Swiss citizen, holds a degree from a French business school and an MBA from GSBA in Zürich. Gilles Meyer started his career as an underwriter at Swiss Re before managing the facultative department of La Baloise in Basel. After 23 years of experience in facultative and treaty reinsurance, Gilles Meyer was Chief Executive Officer of Alea Europe from 1999 to 2006, where he was in charge of property-casualty reinsurance and Life reinsurance, and was Manager of group underwriting from 2005 to 2006. He joined the Group in January 2006 and has managed the German-speaking markets of SCOR Global P&C based in Hanover, Basel, and Winterthur. He was named head of Business Unit 1 of SCOR

Global Life and a member of the Group Executive Committee in November 2006, then Deputy Chief Executive Officer of SCOR Global Life SE in September 2007. In February 2008, he was appointed Chief Executive Officer of SCOR Global Life SE.

Victor Peignet, Chief Executive Officer of SCOR Global P&C SE

Victor Peignet, a French citizen, Marine Engineer and graduate of the E*cole Nationale Supérieure des Techniques Avancées* (ENSTA), joined the Facultative Department of SCOR in 1984 from the offshore oil sector. From 1984 to 2001, he held various positions in underwriting Energy and Marine Transport risks at SCOR, first as an underwriter and then as Branch Director. He has led the Group's Business Solutions (facultative) division since it was created in 2000, as both Deputy Chief Executive Officer and then, from 2004 onwards, as Chief Executive Officer. On July 5 2005, Victor Peignet was appointed manager of all property reinsurance operations at SCOR Global P&C. He is currently Chief Executive Officer of SCOR Global P&C SE.

Paul Rutledge, President and Chief Executive Officer of SGL Americas and Deputy Chief Executive Officer of SCOR Global Life SE

Paul Rutledge, a U.S. citizen, holds a Bachelor of Arts degree in mathematics from Duke University and attended Northeastern University for graduate studies in Actuarial Science. He is a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. Paul Rutledge has more than 30 years of experience in the insurance industry. He was president of Transamerica Re, a position he held since joining the organization in 1998 until August 2011. He also served on the boards of directors for Transamerica International Re (Bermuda) Ltd. and Transamerica International Reinsurance Ireland Limited. Before joining Transamerica Re, he served as President and Chief Executive Officer of Life of Virginia, a consumer business of GE Capital Services. Prior to Life of Virginia, he held positions at several Torchmark companies including Liberty National, Torchmark Holdings and United Investors Life. He is currently Chief Executive Officer of SCOR Global Life Americas and Deputy Chief Executive Officer of SCOR Global Life SE.

Philippe Trainar, Chief Risk Officer of SCOR SE

Philippe Trainar, a French citizen, is a former student of the *Ecole Nationale d'Administration* and has a BA in Economics. He held various positions in the French civil service from 1981 to 1999, notably as financial attaché to the French embassy in Germany (1985-1987), adviser in the Prime Minister's cabinet (1993-1995) and deputy-director in charge of international economic issues at the French Ministry of the Economy and Finance. He was also in charge of macroeconomic modelling at the Ministry of the Economy and Finance. In 2000, he joined the *Fédération française des sociétés d'assurances* (FFSA) as director of economic, financial and international affairs. In February 2006, he was appointed Chief Economist of SCOR. Philippe Trainar chairs the "*Commission d'analyse et de gestion des risques*" of the FFSA. He is a member of the expertise committees "*Comité Scientifique de l'Autorité de Contrôle Prudentiel*", and "*Commission économique de la nation*". Philippe Trainar has also written many scientific works on risk, insurance and solvency as well as on the economy, which have been published in scientific journals such as the Journal of Risk and Insurance, the Geneva Papers, Economie & Statistique and the magazine "Risques". He was appointed Group Chief Risk Officer on 1 April 2010.

François de Varenne, Chief Executive Officer of SCOR Global Investments SE

François de Varenne, a French citizen, is a graduate of the *Ecole Polytechnique*, a civil engineer of the *Ponts et Chaussées* and holds a doctorate in economic sciences. He graduated as an actuary from the I*nstitut de Science Financière et d'Assurances* (ISFA). François de Varenne joined the *Fédération Française des Sociétés d'Assurances* (FFSA) in 1993 as Manager of Economic and Financial Affairs. In London from 1998, he served successively as an Insurance Strategist with Lehman Brothers, Vice-President for Asset Management Solutions and Structured Transactions at Merrill Lynch, and as a specialist in insurance and reinsurance companies at Deutsche Bank. In 2003, he became Managing Partner of Gimar Finance & Cie. He joined the Group in 2005 as Director of Corporate Finance and Asset Management. On 3 September 2007, he was named Group Chief Operating Officer. On 29 October 2008, he was appointed Chief Executive Officer of SCOR Global Investments SE.

7. Social and Environmental Responsibility at SCOR

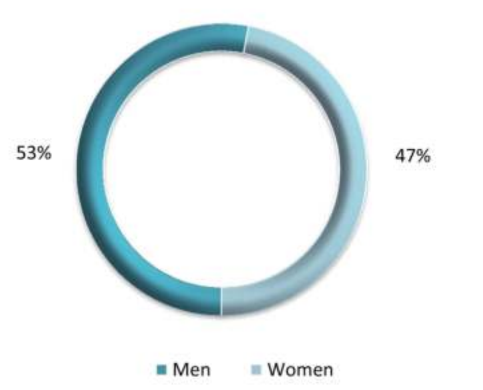
SCOR'S Human Resources policy is based on its corporate values and is incorporated within the strategic plan. At the end of 2012, the Group had 2,150 employees throughout the world (excluding ReMark).

The company's values and the core skills we look for in our employees reflect our commitment to the Group's stakeholders, i.e. our shareholders, our clients, the employees themselves and the company as a whole.

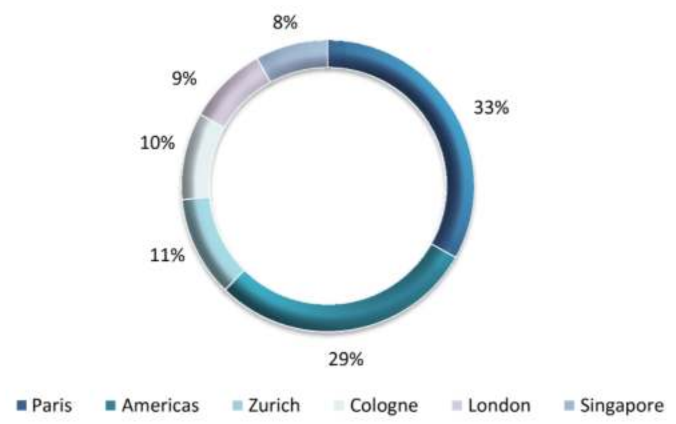
The company's values are:
- profitability, which relates to transparency, consistency, accountability and credibility;
- expertise, which relates to quality, trust, innovation, commitment and integrity;
- operational excellence, which relates to fair competition, agility, leadership and foresight;
- empowerment, which means equal opportunities, diversity, respect, loyalty, professional training, partnership and team spirit;
- sustainability, which means involvement, responsibility, equitable development, scientific progress and openness.

Group Figures

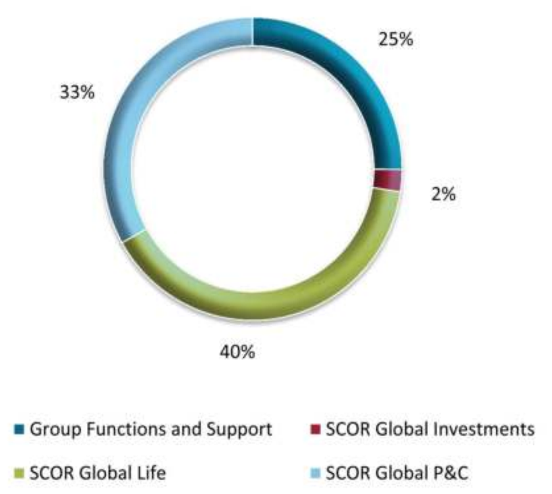
Breakdown of employees by gender



Breakdown of employees by Hub



Breakdown of employees by entity



Breakdown of employees by Business Line

Career management
With a view to the development and permanent evolution of its employees, SCOR pays specific attention to the internal mobility of all its employees, thanks to a policy of active individual career management.

Recruitment and integration

o Recruiting the best talent whilst respecting the principal of equal opportunities
SCOR wishes to attract the high level skills necessary for its business, and to recruit men and woman who share the Group's values and will participate in its development over the long term.
Compliance with the principle of equal opportunities is linked to our strong interest for multicultural and diverse educational and career paths.

o Developing access routes
Trainees and work experience students from the top engineering and business schools and universities are very regularly welcomed by the Group, which is keen to share its know-how and to contribute to the training of future generations. This is an integral part of our recruitment and integration policy. In this context, SCOR regularly welcomes trainees and apprentices from engineering and business schools or those studying for university degrees in fields as diverse as actuarial science, finance, accounting and law.

These people also represent an excellent pool of potential and skills in terms of our future recruitment.

o Creating partnerships with key schools
As part of its operating activities, SCOR has created a network of partnerships and cooperations with major players in the world of university and engineering/business school research.

The Group Human Resources department is also a partner to these players in terms of professional training, since it aims to promote the occupations associated with reinsurance in order to encourage professional relationships between academic courses and our business sector.

o Successful integration
A key moment in a career, integration within the company is a crucial step that SCOR has always kept an eye on, tailoring and customising programmes designed to welcome new employees and to encourage rapid understanding of the new environment.

Integration is also a major step that notably aims to give new employees a sense of "belonging" at the company. In this regard, the annual "DiSCORvery Meetings" (which have now been developed in the Group's various European Hubs), bring together all employees recruited throughout the year.

Development and training
In 2012, SCOR's commitment to training and to the development of skills within the company remains a crucial element of the Group's Human Resources policy. A powerful lever for progress and for encouraging loyalty amongst employees, the training policy takes a global approach based on individual career management.
An annual training plan is established via a detailed and regular process of analysing collective and individual needs, both present and future. This plan aims to promote the rapid acquisition of skills, or to reinforce existing skills, in order to ensure a high level of technical knowledge based on the best practices. It enables us to prepare for the challenges of the future, by anticipating the rapid evolution of the (re)insurance business and environment.

o Identifying potential talent and updating key positions
The Group's training policy is based on a set of processes linked to Talent Management, which aim to identify the company's key men and women and to regularly update the benchmark, fundamental functions of our organisation.
Strategic Talent Workforce Reviews (STWR) are conducted regularly by the Group's HR department in conjunction with the relevant Executive Committee members. These reviews enable the Group to map its employees and thus to provide each employee with career management solutions customised to their level of progress within the company.

o SCOR University
The principle of operating excellence is confirmed through the "SCOR University". The unification, globalisation and creation of synergies between training initiatives throughout the Group are presented in the form of a training facility resting on three pillars: a "Technical" pillar, a "Management & Leadership" pillar and an "Excellence" pillar, all of which contribute to individual development and to the performance of the Group as a whole.

Pillar 1 – Technical
This pillar includes training programmes based on the acquisition and development of practical skills and knowledge linked to the Group's strategic challenges and its expertise. These programmes thus deal with subjects such as actuarial science, underwriting, finance, claims, asset management, and so on. This pillar also includes programmes on global themes like Solvency II, Enterprise Risk Management, foreign languages, technical tools and/or tools relating to projects rolled out within the Group. Most of the programmes in this pillar are developed locally, but taught and shared on a global scale.

Pillar 2 – Management & Leadership
These programmes concern the managerial, methodological and strategic aspects of project management and change.

Pillar 3 – Excellence
This pillar is designed to provide high quality development support to the Group's talent and potential talent.
Individual, customised facilities may also provide high-level diploma courses and certifications, in conjunction with internationally renowned schools and universities. These training programmes are considered in close collaboration with the Executive Committee members concerned.

Promoting internal and international mobility
Professional development is a vehicle for recognition and evolution. SCOR undertakes to enable its employees to apply freely for opportunities offered within the Group. Internal mobility may of course also be international.

A mobility charter was defined several years ago in order to give each employee the freedom to apply for internal positions.

Remuneration policy

SCOR's remuneration policy follows the Group's corporate values and is based on the strategic lines of its three-year plan. It is defined and applied uniformly between the Group's different Hubs and sites, whilst respecting the legislation and regulations legally in force.

Merit and performance are the two fundamental principles driving SCOR's remuneration policy; annual appraisals are based on an individual appreciation and development appraisal. Thus, each employee has the assurance of knowing that the management will review his or her situation and performance every year, and that the concrete results of this appraisal will be recognised via the variable bonus payment.

With a view to sharing and transparency, an exhaustive document presenting and detailing the Group's remuneration policy has been drawn up and is available to all employees via the intranet.

SCOR's remuneration policy adopts best practices and follows the most recent governance recommendations for remuneration.

As part of an annual individual compensation and benefits review, every year each SCOR employee has access to a breakdown of his or her direct and deferred individual remuneration. This facility enables employees to compare their global remuneration situations with the previous year.

Since 2006, SCOR has applied a "Partnership" system for employees with major skills, particularly those holding key functions. The Partnership is also open to young high-potential employees and to experts within the Group.

"Partner" employees benefit from a specific cash bonus system, which is attributed each year and can account for between 20% and 80% of their fixed salary. This bonus is based on individual performance as well as on Group collective performance (ROE).

In 2012, the Group once again implemented a performance-related free share attribution plan for Partners and a stock option attribution plan for those Partners with the most responsibility. Furthermore, an average of 130 free shares was allocated to each of the Group's other permanent employees. This allocation of free shares was proportional to individual performance, as assessed through the Appraisal and Development Interview (ADI).

In addition to these two attribution plans, in 2012 the Group also attributed free shares to a limited number of Partners, as part of the Long-Term Incentive Plan (LTIP), thereby reflecting SCOR's desire to align its remuneration facilities with best market practices, in order to involve key employees in the Group's long-term development. In addition to the usual performance conditions applicable to other plans implemented by SCOR, this scheme is subject to a market performance condition based on a comparison of SCOR's Total Shareholder Return (TSR) with that of a peer group.

Finally, to ensure its remuneration competitiveness on the market and in each Hub, SCOR takes part in periodic remuneration surveys.

Social dialogue

Professional equality between men and women

The SCOR group, which is deeply committed to its responsible employer ethic, is determined to continue rolling out its diversity and anti-discrimination policy at all levels of the company.

Having reasserted its commitment to the promotion of professional equality between men and women, by signing a collective three-year agreement (2011 - 2012 - 2013) with union representatives, SCOR continued to implement the provisions of this collective agreement throughout 2012.

This agreement notably contains an innovative mechanism designed to remove any non-justified salary discrepancies between men and women by 31 December of each year, throughout the duration of the agreement.

It also enables SCOR to reiterate its desire to apply a Human Resources policy based on non-discrimination in terms of recruitment, career development, professional mobility and professional training, and to ensure a healthy work/life balance.

Employment of Seniors

SCOR has committed itself for three years (2010 – 2011 - 2012) to an ambitious policy in favour of the employment of seniors, by signing a collective agreement with union representatives. The assessment conducted in Paris in December 2012, in conjunction with the employee representatives of the companies comprising SCOR, highlighted SCOR's respect for its commitments under this agreement and the interest that the Group takes in seniors.

This collective agreement enables SCOR to reassert its principle of non-discrimination on the grounds of age, particularly in terms of recruitment, access to professional training, mobility, classification, professional promotion and remuneration.

The plan implemented principally aims to promote the continuation of professional activity by those employees aged 55 and over, by enabling the employees concerned to retain or return to a suitable professional activity.

SCOR thus implements its policy of enabling seniors to remain in employment by anticipating career developments, by using high-performance tools (professional interview as part of the Annual Appraisal and Development Interview, second half of career interview, skills review, Strategic Talent Workforce Review), by developing or updating skills, qualifications and access to professional training for seniors (particularly through the formal validation of experience acquired (*validation des acquis de l'expérience* or VAE), periods of professionalization, training passports) and finally, by facilitating the transfer of inter-generational knowledge and skills through the development of a mentoring system.

SCOR's commitment to the employment of seniors is also reflected in the continued recruitment of employees aged 50 and over.

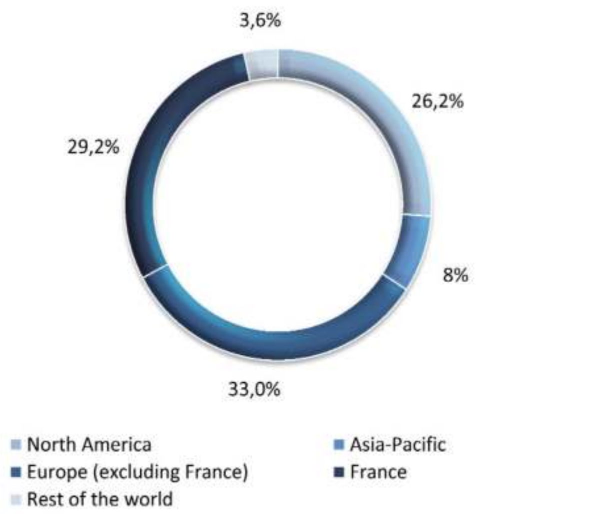
SCOR has set itself ambitious objectives in terms of keeping its staff in employment: the average age of retirement over the period between 2010 and 2012 must be greater than the average age of retirement observed at SCOR in 2009. The Group also aims to maintain a percentage of around 15% of employees aged over 55.

Improving the rate of employment of seniors is therefore a major challenge for SCOR in the short and medium term.

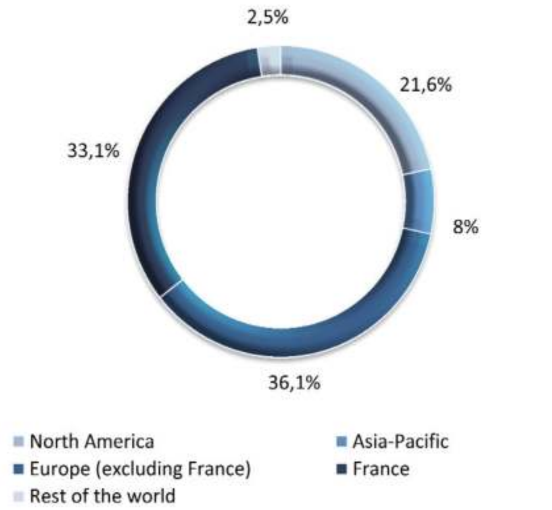
Human Capital

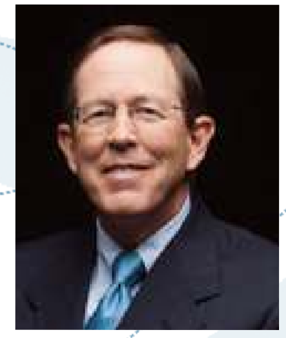
A Group with 2,150 employees

Distribution of employees in 2011 by nationality



Distribution of employees (Partners) in 2011 by nationality





"The overall Transamerica Re integration process"

Paul E. Rutledge, President and Chief Executive Officer of SGL Americas and Deputy Chief Executive Officer of SCOR Global Life SE

The scope of the integration was large and complex. It involved disconnecting from AEGON systems, platforms and controls and connecting to the SCOR world. And while differences in systems and controls are to be expected, this was amplified by the fact that we moved from a retail centered life insurance organization to a global reinsurance environment.

Additionally, most of our AEGON infrastructure was US-based, so we had never been plugged into an international set of platforms and technologies as we now are with SCOR. The integration also involved transitioning the administration of Transamerica's life reinsurance business in Europe and Asia to the SCOR teams in these regions plus merging life reinsurance operations in the US and Latin America.

Our primary rule of integration is to do no harm to our customers. We were resolute in getting the front office aligned with SCOR's processes as early and efficiently as possible in order to minimize any impact on our customers in the US and Latin America. Within weeks of the close of the transaction the sales teams from the respective units were fully integrated and our clients were able to maintain seamless communications with the new SGLA organization. We completed the integration of pricing and risk management processes early in 2012. The merger of back office platforms and IT took a bit longer but we successfully consolidated the New York, Plano and Charlotte operations into the Charlotte platform in late fall of 2012. We will achieve full integration of all administration and accounting platforms in 2013.

Integrations like this are always stressful as we do our best to perform day jobs of servicing our customers while implementing all the needed changes. Yet the process produces a great deal of value as two organizations collaborate, work together, and become familiar with each other. In the end, the process brings about a better set of relationships and a business that builds off the best practices and strengths that each organization brings to one another; thus providing a strong foundation from which to grow.

"The impact of the acquisition on our markets"

Glenn F. Cunninngham, Executive Vice President, US Markets of SGLA

The US market responded positively to the SCOR acquisition of Transamerica Reinsurance. To begin with, the market was favorably disposed to having a strong global reinsurer like SCOR in the US Life market because it kept the market from further concentration. Over the two years since the announcement, our business has grown, we have reinforced our large client base, we have enhanced our value-added offerings, and we have competed successfully against competitors.

This positive performance is due in large part to a carefully executed integration strategy that was structured to focus on value drivers, holding on to the right people, elevating critical decisions and keeping our customers continuously engaged and informed. While we were quick to put in place new organizational structures and operating procedures, we were also diligent in terms of balancing integration programs so that those activities did not distract from our core business. Integrating front-end processes was an early and critical priority. We worked on an accelerated timeline to complete the integration of Sales & Marketing, Pricing, and Medical Underwriting. This allowed us to minimize the impact of acquisition-related activities on our clients and to retain franchise value with the same quality of client services. We did not miss any important deal-related targets and, hence, protected the sources of value while managing key risks.

“Impact on our business”

Tom Freitas, Senior Vice President, COO Deputy Hub Manager, SGLA

Information technology is the backbone of our business, so the challenge of essentially performing a backbone transplant was intimidating, especially as we began the integration process. We basically had to move from an AEGON to a SCOR infrastructure and, at the same time, merge operations in New York, Plano and Santiago into the Life operations in Charlotte. In addition to this, we had to migrate the Asia and Europe technology and operations to the Singapore, Paris and Dublin offices.
The challenge for the technology team was the sheer volume of activity and the high number of interdependencies with other functional areas. On the operations side, the challenge was merging to the target location and harmonizing processing controls. Through careful planning and execution we were able to integrate in phases, in order to achieve a smooth and efficient transition.
We celebrated a number of milestones – the first one on Day 1 when employees logged on to their computers and literally stepped into the SCOR work environment. We have achieved ambitious targets for transitioning to SCOR’s administration and finance systems and we are on track to be fully integrated into the SCOR accounting platform in 2013.
Close collaboration among IT teams, operation teams, business leaders and the Integration Steering Committee was a big factor in terms of meeting our integration goals and timeline. With the greater part of the work behind us, I can say that it has been a valuable, knowledge-building AND high-mileage experience. The back and forth travel to SCOR locations involved in the integration was more than anyone here in Charlotte anticipated, but at the end of the day, that’s what it took to get the job done.

“Employee integration”

Zaira Goodman, Vice President, Head of Human Resources, SGLA

Once the sale was final, we began an intensive employee integration process. We had detailed plans for many areas such as benefits, compensation, finding internal synergies, and recruiting to fill open positions to support business needs. In addition, we needed to create a new shared work culture. These ambitious goals meant continuous internal communications with employees and managers to make sure questions and concerns were answered promptly and accurately, as well as extensive collaboration with the Group functions teams and our New York counterparts. From creating an effective Q&A forum so that communication channels were always available to all employees, to numerous meetings with managers and project management on multiple work streams, the effort to consolidate benefits and compensation programs was a large undertaking.
Employees in Charlotte are comfortable and actively engaged being part of SCOR, and feel good about SCOR’s commitment to providing a rewarding and challenging place to work. I think the move to our new offices helped employees to quickly transition from one organization to another in a very positive way. The work environment is beautiful and conveys energy and openness, but more than that, the new space establishes a strong visible SCOR presence and reinforces the fact that we are part of a new company with new opportunities and new expectations. Not just Charlotte employees but our whole community already identifies with SCOR. The road may have been bumpy at times, but our employees are committed to contributing to SCOR’s success, and the results are showing.

An environmentally and socially responsible company

The Group’s environmental initiative: GREENSCOR

Although SCOR is not an industrial company, the Group is very mindful of controlling its direct impact on the environment. Since 2003, SCOR has led several initiatives designed to align its activities with 10 widely recognised principles, three of which relate to the environment, as part of its membership of the United Nations Global Compact. In addition to this commitment, SCOR has been associated with other leading global insurers and reinsurers since 2009 via the Geneva Association’s Kyoto Statement. One of the Statement’s messages focuses on the will of its signatories to reduce their carbon footprint. Continuing this sectorial approach, SCOR strengthened its commitment in 2012 by becoming a founding signatory of the "Principles for Sustainable Insurance", a global initiative announced in the run up to the United Nations conference on sustainable development (RIO+20), and created under the aegis of the United Nations Environment Programme Finance Initiative (UNEP FI).

The philosophy and governance behind the initiative

The Group’s environmental policy is decentralised on a Hub level and is monitored on a Group-wide level by the GREENSCOR manager, who, aside from ensuring compliance with the environmental information obligations set out by the French law on the national commitment to the environment, encourages, coordinates and federates local environmental initiatives.

This manager, appointed in 2009, is assisted by and reports to the Corporate Social Responsibility Committee (CSR Committee), for which he also acts as secretary. The CSR Committee is chaired by the Group Chief Operating Officer, and is composed of the heads of SCOR’s six Hubs (Americas, Cologne, London, Paris, Singapore and Zurich), along with representatives from the Group’s central functions (Compliance, Human Resources, Communications, Risks) and business sectors (SCOR Global P&C, SCOR Global Life, SCOR Global Investments). This Committee reports to the Group Executive Committee.

The Group’s initiative forms part of the continued commitments made through SCOR’s membership of the United Nations Global Compact in terms of precautions, environmental responsibility and the promotion of environmentally friendly technology.

The initiative has three different dimensions, which the Group is tackling progressively:
- a commercial strategy designed to define and improve the products and solutions that SCOR offers its clients in order to reduce the risks associated with environmental challenges;
- an internal management strategy designed to continue to reduce greenhouse gas emissions throughout the Group;
- a communications strategy designed to ensure that each person’s environmental responsibilities are properly understood, both inside and outside the Group.

Main achievements in 2012

Whilst capitalising on the achievements of previous years, the Group’s environmental conservation actions in 2012 focused primarily on 4 major themes:

- the updating of its environmental reporting protocol and the publication in the management report attached to the Group’s Reference Document of the data collected within the scope of accounts consolidation. Particular attention was paid to data verification and business travel during the survey conducted in 2012, significantly expanding the scope of reporting in this area;

- the acquisition of office buildings, whether for use or investment, designed and constructed in accordance with environmental specifications;
- the application of the environmental principles of the United Nations Global Compact to the Group's paper policy, via the electronic distribution of annual reports and other documents, and the rollout of a powerful document management system (DMS), which should notably enable the Group to limit the volume of paper that it consumes. For a comparable scope, one tonne less of paper (-1.5%) was purchased in 2012 than in the previous year;
- the promotion of the environmental principles of the Global Compact amongst the Group's employees and clients, and reaffirmed support for corporate and community initiatives relating to climate change and the environment in a wider sense.

Reliable environmental data and a significantly broader scope

In order to reduce its environmental footprint, since 2008 SCOR has striven to gain a better understanding of its direct impact on the environment, by progressively expanding the scope of its environmental management system without sacrificing the quality of the data collected.

Based on the results of a pilot experiment conducted in 2011, the scope for monitoring the environmental impact of air travel has been expanded to all of the Group's operating sites. This data, as well as other environmental information published in the management report attached to the 2012 Reference Document, has been verified by a third party, as was the case in 2011. Ultimately, data in the Group's 2012 environmental report relating to the use of air travel now covers 95% of Group employees worldwide, while 85% of employees are covered in relation to other sources of emissions.

Air travel, due to the internationalisation of business, along with the use of office premises, constitute the main source of the Group's environmental footprint.

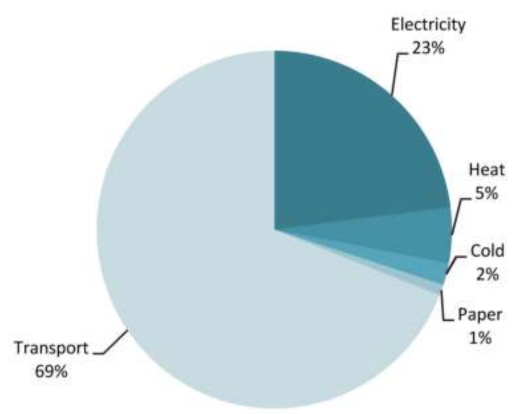
Environmental footprint 2012

As the main source of greenhouse gas emissions (GGE) emitted by the Group, representing between 69% and 80% of emissions (depending on whether gases outside of the Kyoto agreement are taken into account), air travel has a significant impact on SCOR's environmental footprint. The underlying data used to calculate CO_2 emissions, along with details of the calculation methods used, are available in Appendix D of the Group's 2012 Reference Document.

Breakdown of the Group's CO_2 emissions in 2012

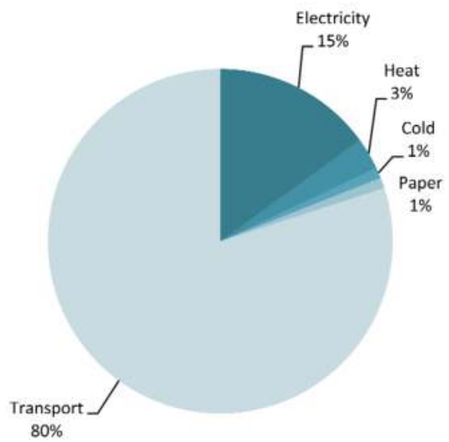
GGE breakdown excluding non-Kyoto gases

12,105 tonnes of CO_2 equivalent



GGE breakdown including non-Kyoto gases

18,479 tonnes of CO_2 equivalent



Reducing energy intensity: investment and operating real estate, site management

SCOR has continued its voluntary policy of reducing its carbon footprint in its main offices, notably focusing on the acquisition or rental of office buildings that meet demanding environmental criteria. Several projects initiated in previous years were completed in 2012, notably the move of a large proportion of employees to new premises meeting these environmental criteria.

As well as the BREEAM-certified building ("BRE Environmental Assessment Method") that houses the London teams, staff in Cologne have been working in a building certified by the European Green Building programme since March 2012. In Paris, the head office is certified *Haute Qualité Environnementale* (high environmental quality) or HQE for its design and construction, and now houses the vast majority of the Group's staff in Paris. Across the Atlantic, the employees of SCOR Global Life America in Charlotte, North Carolina, have moved into new office buildings certified LEED Gold. Three of these four buildings are the property of the Group.

With these multiple operations, excluding ReMark, the proportion of employees operating from a site designed and constructed in accordance with an environmental benchmark was over 60% at the end of 2012

The environmental initiatives undertaken by SCOR are not restricted to the acquisition and rental of office buildings constructed in accordance with environmental specifications. In order to involve its employees further in its environmental policy, the Group has confirmed the principle of responsible building use, applying recognised environmental benchmarks to its occupied premises. In addition to the Zurich site, whose ISO 14001 certification was confirmed in 2012, the Cologne and Paris sites will be applying EMAS (Eco-Management and Audit Scheme) and *Haute Qualité Environnementale Exploitation* standards respectively. The certification audits will take place in 2013.

SCOR also takes a proactive approach to the environmental certification of its real estate investment portfolio. Since 2011, the Group has owned one of the very first positive energy tertiary sector buildings, with a surface area of more than 23,000 m². This building combines energy saving solutions with the production of renewable energy, in order to meet its own operating needs. From its first year of operation, the Green Office TM has produced more energy than it uses. The environmental and financial assessment of this first year is very positive, since the difference between energy production and consumption has exceeded theoretical forecasts, notably thanks to higher than expected solar energy production. Aside from acquisitions, the quest for environmental performance also concerns the renovation of older properties. Confirmed in 2012, 11,000 m² of Parisian real estate will be renovated over an estimated period of 14 months. As well as BBC Effinergie Rénovation certification, this operation aims to achieve the triple certification of HQE, LEED and BREEAM at high levels of excellence. Once this renovation programme has been completed, the certified or labelled properties will represent around 30% of SCOR's real estate investments in France.

Reducing energy intensity: a "GREEN IT" initiative that travels well

The Group's IT Department plays a central role in the GREENSCOR programme, through initiatives that help to reduce the environmental footprint of IT systems themselves, and through the provision of powerful tools that enable the Group to roll out environmentally responsible policies.

In addition to the actions taken over the past few years both on a Group-wide scale (i.e. the virtualisation of servers, the consolidation of data-centres, the acquisition of equipment meeting demanding energy efficiency criteria, and the roll out of telepresence rooms) and more locally (e.g. the elimination of individual printers in Paris), SCOR's various IT Department units, as part of their involvement in CIGREF (an association of "user side" large companies) and in collaboration with ADEME (the French Environment and Energy Management Agency), worked on the development of a "Sectorial guide to the assessment of greenhouse gas emissions for organisations in the digital technology sector", which was published in 2011.

The Group used the opportunity provided by the various office moves that took place in 2012 to strengthen its network of telepresence rooms, and now has 26 of these rooms globally (as opposed to seven before). The objective of installing such equipment is to increase productivity and to provide employees with a means of reducing their intra-Group business trips. The rollout of additional tools is under consideration as part of the definition of the IT strategy for the next few years.

Promoting the environmental principles of the United Nations initiatives by reinforcing the Group's involvement in corporate and community initiatives

Promoting the environmental principles of the United Nations initiatives

By joining the United Nations Global Compact in 2003, SCOR clearly chose to promote the Compact's 10 principles amongst its employees and partners. This commitment was strengthened in 2012 with the signature of the Principles for Sustainable Insurance, an industry initiative developed under the aegis of the United Nations Environment Programme (UNEP), which notably invites its signatories to (i) "work together with their clients and business partners to raise awareness of environmental, social and governance issues", and (ii) "to work together with governments, regulators and other key stakeholders to promote widespread action" on these issues.

In terms of environmental issues, SCOR implements these principles at various different levels of its structure, using methods proportionate to the objectives pursued.

Internally, the Group ensures that all its employees are informed of the initiatives undertaken both globally and locally and reminds them of the environmental principles of the United Nations Global Compact. This corporate communication is complemented by local information, provided by staff representative bodies such as the Common European Companies Committee (CECC), or through the organisation of events open to Group employees on various topics relating to corporate social and environmental responsibility.

SCOR also contributes to the public debate on issues of adaptation and resilience to climate events, through its association with the work conducted by the Geneva Association within the CR+I working group. The objective of this working group is to reflect on the contribution made by insurance to society's resistance to extreme climate risks. Contributions are published and help to feed reflections on the multi-party seminars organised by the Association on feedback about operating experience. SCOR is also an active member of the French Insurance Association's Sustainable Development Commission.

SCOR devotes intellectual, human and financial resources to spreading its expertise to its clients, through seminars as well as more broadly through its publications in series such as Focus, SCOR Papers, Technical Newsletters, etc. This kind of interaction with the insurance industry, begun from an environmental angle with the topic of climate change, and through the modelling of climate risks, is expanding. With regard to climate risk modelling, SCOR has joined forces with Oasis (Great Britain), an initiative designed to facilitate the integration of the most recent scientific developments into the risk management frameworks of the insurance and reinsurance industry. This "open source" platform should notably enable users to create alternatives to existing models and to develop models for territories and risks that are not covered by solutions currently available on the climate event modelling market.

An environmentally and socially responsible company

Anti-corruption and anti-money laundering

SCOR is committed to exercising its activities with a high degree of integrity, professionalism and responsibility. In line with the principles of the United Nations Global Compact, of which it is a member, SCOR is particularly vigilant with regard to anti-corruption measures and principles. The Group's Code of Conduct prohibits all forms of bribery of public employees, clients, commercial partners and other concerned parties from the private and public sectors.

The Group's anti-bribery policy sets out a principle of zero tolerance regarding any attempt at bribery, including illegal facilitation payments. It specifies the prohibitions, principles and rules to respect in the following areas: (i) gifts, hospitality and entertainment, (ii) relationships with commercial partners, (iii) interaction with public authorities, (iv) charitable donations, political contributions, sponsorships (v) and the financial monitoring of payments. This policy also underlines the dos and don'ts and red flags regarding corruption attempts, and requires employees to contact the compliance officer or the legal director when such red flags are identified. The policy also defines the roles and responsibilities of the supervisory functions regarding anti-corruption.

This policy is supported by others, including the anti-fraud policy and the fraud incident management process, policies on conflict of interest management, anti-money laundering and terrorist financing, the reporting of concerns and other operational policies involving the delegation of authority, the approval of fees and travel.

The Group compliance framework is regularly updated to reflect economic developments and the tightening of a certain number of requirements. SCOR's Code of Conduct was amended in 2012 in order to include a specific reminder on the importance of complying with both national and international anti-bribery laws and regulations, and the serious consequences of any breach of these. Moreover, the Code of Conduct specifies that SCOR prohibits retaliation against any employee who reports in good faith any violation of the laws in force or of the principles of the Code.

In order to embed employee awareness of the absolute necessity of respecting the applicable laws and regulations (including anti-bribery laws and regulations), as well as the Group's other compliance policies, further training sessions were held in 2012 in all hubs and other major Group locations.

Supporting research

SCOR has a long tradition of supporting research and teaching. The Group has for many years been developing relationships with different kinds of institutions (foundations, associations, schools and universities, research centres) in various forms (corporate sponsorship, scientific partnerships) in a number fields linked to risk, both in France and abroad.

The creation of the SCOR Corporate Foundation for Science bears witness to this desire to develop scientific expertise and to support research in numerous disciplines. Following the creation of the SCOR Global Risk Center in 2011, the Corporate Foundation marks a new phase in SCOR's commitment to scientific disciplines, and beyond this to its contribution to society as a whole.

The promotion of actuarial science

Each year, in various different European countries, SCOR rewards the best academic work in the field of actuarial science with prizes. These prizes are designed to promote actuarial science, to develop and encourage research in this field and to contribute to the improvement of risk knowledge and management. They are recognized in the insurance and reinsurance industries as a mark of excellence.

In 2012, the SCOR actuarial prizes were awarded in five different countries: France, Germany, Italy, Spain and the United Kingdom. The prizes awarded in Spain, which cover the entire Iberian Peninsula, were a new addition. Moreover, the SCOR Fellowship prize for Switzerland, which consists of a research grant in actuarial science and mathematical finance, was awarded in the first quarter of 2012. The first Actuarial Awards to take place outside Europe will be held in Asia in 2013.

The SCOR Actuarial Awards juries are composed of researchers and insurance, reinsurance and finance professionals. The winning papers are selected using criteria such as the command of actuarial concepts, the quality of the analysis instruments used, and the potential practical application of the topics covered to the world of risk management.

SCOR also employs a number of PhD students, notably from the actuarial field, who come to finish their theses at SCOR, where they find an environment suited to high-level empirical or formal research into the worlds of insurance and finance.

SCOR Global Life's research centres

SCOR also promotes research through SCOR Global Life's four R&D centres (CIRCAD, CERDI CERDALM, and CREDISS), which are designed to enhance the Group's skills in terms of risk. Aside from the actuarial research conducted by the teams in these research centres, SCOR Global Life also supports various different research programmes in fields such as cardiovascular disease (the Assman-Stiftung Foundation in Germany), the human immunodeficiency virus (HIV), with research led by the team at the Pierre & Marie Curie University at Pitié-Salpêtrière hospital, and Alzheimer's Disease (the IFRAD Foundation in France). This financial support notably enables the organisations involved to constitute cohorts of patients who take part in the studies conducted under the research programmes.

Moreover, the four centres regularly organise conferences and breakfast debates in order to promote the exchange of knowledge between SCOR employees and external experts.

Economic research and its application to insurance

The Group also promotes economic and financial science through sponsorship (Nanyang Technological University/Nanyang Business School in Singapore) and has launched significant research partnerships in the field of economics and finance (the Risk Foundation in collaboration with Toulouse School of Economics and Paris-Dauphine University and the Jean-Jacques Laffont Foundation).

Co-founded in March 2011 by SCOR and NBS/NTU Nanyang Business School in Singapore, the "Insurance Risk and Finance Research Centre" (IRFRC) unveiled the initial results of two projects launched under its aegis during a regional conference, inaugurated by a senior representative of the local supervisory authority, the Monetary Authority of Singapore. The IRFRC aims to promote applied research in the fields of insurance and associated risks, and to establish a platform for exchange and research projects specific to the Asia-Pacific region.

As part of the Risk Foundation, SCOR finances a research chair dedicated to a major research project on the balance of risk markets, notably with regard to acute risks, and on the economic value created by such markets. A notable objective of this project, which is conducted in partnership with the *Institut d'Economie Industrielle* (IDEI) and the Paris-Dauphine

University, is to define the conditions needed to optimise risk management by the markets and thereby determine the consequences involved for insurance and reinsurance supervision. The Risk Foundation is one of the major risk research centres in Europe, combining a number of different fields such as mathematics, actuarial science, economics and engineering. It brings together large corporations, as well as research laboratories attached to reputed academic institutions.

In addition to this research partnership, SCOR has also joined forces with the *Fondation Jean-Jacques Laffont – Toulouse Sciences Economiques* to create a research chair dedicated to a new research project on economic developments, particularly in the wake of the crisis that has hit the global economy. The research conducted as part of this project notably concerns the management of financial risk, the detection and management of tail risk, and links between the financial markets, the real economy and innovation, along with long-term and responsible investment, corporate governance and effective motivation, links between strategic and tactical asset allocation in an uncertain environment where liquidity constraints are likely, and the factors involved in determining the risk premiums, ambiguity premiums and liquidity premiums attached to financial assets. This partnership enables SCOR to work closely with the best financial researchers in the world, thereby improving its financial expertise.

These two research chairs organise academic seminars where researchers and industry professionals can exchange views on the latest research developments. The results of the work conducted by the two chairs are regularly made available to the scientific community and to a wider audience via the website of the SCOR Global Risk Center.

SCOR also supports research as a member of the Geneva Association, which brings together 80 of the world's top insurance and reinsurance companies in order to promote research into the risk and insurance economy throughout the world, through the financing of studies and seminars that pit industry directors, public authorities and researchers against the major challenges facing the profession such as climate change, financial risk, long-term care, pensions, prudential standards and accounting standards.

The SCOR Global Risk Center

Constituted in 2011, the SCOR Global Risk Center is devoted to disciplines concerned by risk (mathematics, actuarial, physics, chemistry, geophysics, climatology, sociology, law, economics, finance, etc.). Its creation bears witness to the Group's desire to make SCOR's risk knowledge and works available to as wide a public as possible. Bringing together studies and publications produced or supported by SCOR, as well as all of the resources that SCOR wishes to reference in these fields, this centre uses contributions that may originate from any field, without restriction. At the end of 2012, the SCOR Global Risk Center contained around 1,200 internal and external reference works, and recorded a very sharp increase in consultations.

The SCOR Corporate Foundation for Science

Registered in the Official Journal of Associations and Foundations in July 2012, the Foundation is supported by a Board of Directors chaired by André Levy-Lang. It is also supported by a very high-level interdisciplinary and international scientific board, which helps it to define its strategic priorities and to select projects to support.

The Foundation will benefit from annual financial support from SCOR in order to support new projects, and will take responsibility for some of the Group's existing scientific research operations. In total, the Foundation will be responsible for a range of annual commitments amounting to around EUR 1 million.

8. SCOR Around the World

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SCOR

10 YEARS OF GROWTH

"Ten years ago, SCOR was confronted with extremely serious problems that threatened its very existence. The Group overcame them all. It recovered completely and went on to actively continue its expansion throughout the world. It has benefitted from the staunch support of its shareholders, the exemplary loyalty of its clients and the unfailing commitment of all its teams.

SCOR has become stronger throughout these past few years. The Group has seen **rapid growth** – both organic and external, successfully integrating three companies. It has a **recognised level of solvency** – its rating, which currently stands at A+, has been upgraded twice since the beginning of the crisis. It generates a **high level of profitability** – with the best total shareholder return amongst the major reinsurers since 2005. With its prudent underwriting and investment policy, SCOR has managed to absorb all the major natural and technological catastrophes, as well as the financial problems, that have marked the past ten years.

Having become the fifth largest reinsurer in the world, SCOR's ambitions are undiminished. More than ever, the Group is devoting itself to continuing its momentum, combining growth, profitability and solvency, in the interests of its clients and to the benefit of its shareholders."

Denis KESSLER
Chairman & Chief Executive Officer

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> www.scor.com

PREMIUM INCOME
2.4 bn euros 2005* → 9.5 bn euros 2012

SHAREHOLDERS' EQUITY
0.6 bn euros 2003* → 4.8 bn euros 2012

BALANCE SHEET TOTAL
13.5 bn euros 2004* → 32.6 bn euros 2012

MARKET CAPITALISATION
0.3 bn euros 2002* → 4.3 bn euros 5 March 2013

RATING
BBB− 2003* → A+ 2012

SCOR TEAMS
1,176 employees 2003* → 2,150 employees 2012

OVER 3.8 BILLION EUROS
of operating cash flow generated since 2005
(until the end of December 2012)

~1.3 BILLION EUROS(1)
of dividends distributed between 2005 and 2012

* Base year corresponding to the lowest point from 2002 onwards.
(1) Taking account of the dividend proposed for 2012, which is subject to approval by the Annual General Meeting of shareholders on 25 April 2013.