



26 Bd Malesherbes - 75008 PARIS
11 Hill Street – LONDON W1J 5LF
Tel : + 33 1 4387 1866 / + 44 20 3876 7981
www.ci-am.com

To the attention of the Board of Directors of SCOR SE

Paris, 19th March 2021

In view of the next Annual General Meeting, CIAM requests commitments and answers from the Board of Directors of SCOR in relation to:

- **greater transparency on the actual functions of the position of Deputy Chief Executive Officer, following the appointment of Mr. Benoît Ribadeau-Dumas.**
- **the appointment of Mr. Benoît Ribadeau-Dumas as a company officer.**
- **the prorating of free shares and stock options forming Mr. Denis Kessler's remuneration, as he is now close to the end of his mandate.**

CIAM reiterates its dissatisfaction with the fact that the roles of Chairman and Chief Executive Officer will continue to be combined until the 2022 Annual General Meeting ("AGM") and will therefore oppose any statutory amendment aimed at raising the age limit of the Chairman.

Mr. Chairman, Members of the Board,

We welcome the fact that, during a meeting held on 16 December 2020, SCOR's Board of Directors decided to appoint Mr. Benoît Ribadeau-Dumas as the next Chief Executive Officer of SCOR. It was not until the pressure from shareholders and the ACPR* became firmer that the Board finally resolved to tackle the long-awaited issue of Denis Kessler's succession, Chairman and Chief Executive Officer for the past 19 years. It is nevertheless unfortunate that, after this announcement, the succession will take almost 18 months to materialise.

CIAM continues to call for a more rapid dissociation of powers. Until this dissociation effectively takes place, CIAM will strongly oppose the company further raising the age limit of its Chairman.

*ACPR : https://acpr.banque-france.fr/sites/default/files/20161102-notice_gouvernance-post-ccap_0.pdf

** Munich Reinsurance Company, Reinsurance Group of America, Incorporated, Swiss Re AG, Hannover Rueck SE, Axis Capital Holdings Limited, Alleghany Corporation



26 Bd Malesherbes - 75008 PARIS
11 Hill Street – LONDON W1J 5LF
Tel : + 33 1 4387 1866 / + 44 20 3876 7981
www.ci-am.com

Mr. Benoît Ribadeau-Dumas is now Deputy CEO and will be proposed as a director at the 2021 AGM with a view to being appointed CEO at the end of the 2022 AGM. We do not understand why **Mr. Benoît Ribadeau-Dumas could not immediately be appointed as director, thus conferring him the instant status of executive director, which he will be required to assume fully upon his appointment as CEO.**

Greater transparency would also have been appreciated concerning the actual functions of Mr. Benoît Ribadeau-Dumas in the framework of his current mandate. To date, we have too little information to judge his real prerogatives.

These acts of commitment and good governance seem necessary to us after the numerous failures of previous attempts at a transition, and the departures of various COOs, Deputy CEOs and other successors announced over the recent years.

In addition, CIAM is unfortunately no longer surprised by **certain very generous compensation practices towards Denis Kessler**: the Board once again judged his non-financial performance to be exceptional, with the performance criteria reaching well beyond 100% and once again compensating for below-average financial performance. We note that even though the achievement of the variable portion of compensation is down, with an achievement rate of 62.25% for 2020, the Board recognised the maximum achievement on all qualitative criteria ... much more than for the 2019 financial year, thus blindly denying the poor financial performance. As you know, SCOR SE has had the worst share price performance among your selected peers ** since 1st January 2020, i.e. since the pre-Covid period.

We ask that the Board gives clear, valid and auditable qualitative criteria rather than the vague benchmarks that appear to be determined *ex-post* and not *ex-ante*, and which leave much to interpretation.

Indeed, we are surprised that the criterion linked to global warming is given a maximum rating of achievement of objectives the year when the CDP downgraded SCOR SE's "Climate Change" score from C to D... It would appear that the Board of SCOR is satisfied with publishing reports on the impact of climate change for self-gratification purposes and to obtain the best score (150%) on this benchmark.

Moreover, reaching 150% on the group's talent building target seems somewhat cynical when you consider that the potential future CEO was recruited from outside of this talent pool.

Finally, not only does the number of stock options and free shares allocated remain high, and disconnected from competitors' practices, but above all the Board, in contradiction with the announcement of this succession, did not anticipate that it would be good governance to include the prorating of long-term instruments to the real duration of the mandates of the executives in question, as recently introduced by Valeo and Legrand, for instance.

*ACPR : https://acpr.banque-france.fr/sites/default/files/20161102-notice_gouvernance-post-ccap_0.pdf

** Munich Reinsurance Company, Reinsurance Group of America, Incorporated, Swiss Re AG, Hannover Rueck SE, Axis Capital Holdings Limited, Alleghany Corporation



26 Bd Malesherbes - 75008 PARIS
11 Hill Street – LONDON W1J 5LF
Tel : + 33 1 4387 1866 / + 44 20 3876 7981
www.ci-am.com

We ask that the Board commit itself to be *ex ante* transparent on the criteria of the annual variable remuneration and that the number of instruments that will be definitively granted to Denis Kessler be reduced to be proportionally adjusted to the period during which he will have exercised the combined functions of Chairman and Chief Executive Officer. This transparency is essential for all shareholders.

As a conclusion, we are waiting for the official appointment of Mr. Benoît Ribadeau-Dumas as an executive director and greater transparency around his responsibilities. We also call for greater clarity on the non-financial remuneration objectives as well as the inclusion of the prorating condition clause within the remuneration policy. CIAM reserves the right to use its shareholder rights at the next AGM. We remain at your disposal to discuss.

Yours sincerely,

Catherine Berjal
CEO

*ACPR : https://acpr.banque-france.fr/sites/default/files/20161102-notice_gouvernance-post-ccap_0.pdf

** Munich Reinsurance Company, Reinsurance Group of America, Incorporated, Swiss Re AG, Hannover Rueck SE, Axis Capital Holdings Limited, Alleghany Corporation