

SCOR SE

*A confusing Succession, symptomatic of a broken
governance model*

2021 Annual General Meeting



June 2021

AGENDA



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ABOUT CIAM

CIAM: A Committed Shareholder



A Paris and London-based asset manager founded in 2010 that uses equity-based investment strategies to generate returns from its global approach to corporate events, and using activism as one of several tools to unlock shareholder value, where appropriate. CIAM's portfolio is quite concentrated with an average holding period of 1,8 years.

CIAM donates 25% of its annual performance fees to charities dedicated to improving children's health and education across the world.

Investment Philosophy

- CIAM's objective is to provide lowly uncorrelated returns, through building positions around corporate events.
- Poor Corporate Governance as catalyst for investment and engagement.
- Engagement (ideally through constructive private dialogue) to extract value.

Team



Catherine Berjal
Partner, CEO

Ms. Berjal has 27 years of experience in financial markets, including 24 years as a portfolio manager of event driven strategies.



Anne-Sophie d'Andlau
Partner, deputy CEO

Ms. D'Andlau has 26 years of experience in corporate finance and the event driven sphere.



Veronique Bresson
Head of Governance

Ms. Bresson has 20 years of experience in finance and governance. She is also a member of the Corporate Governance Committee of the French Asset Mgmt Assoc.

CONTEXT: AN EVENTFUL SUCCESSION

Denis Kessler's succession: a failure of the Nomination Committee that was to be feared

AGM
2019

26% of shareholders support CIAM's request to remove Denis Kessler from the Chairmanship by removing his seat as a director

Under pressure, SCOR commits to announcing its succession plan in September 2020

July
2020

Serious warning from the ACPR (The French Prudential Supervision and Resolution Authority) requesting the **separation of the roles**

Dec.
2020

After a **3-month delay**, the succession plan is finally announced but will take **another 18 months to materialize** (at the 2022 AGM)

May
2021

Surprise announcement from SCOR: Denis Kessler asks to step down as CEO, Benoît Ribadeau-Dumas is **forced to leave**

AGM
2021

Early separation of powers: Denis Kessler would remain Chairman, Laurent Rousseau would become CEO instead of Benoît Ribadeau-Dumas

A disrupted succession plan...

- The Compensation and Nomination Committee only implemented the succession planning **under growing and longstanding pressure from shareholders and regulatory bodies.**
- The future CEO selected by the Board (Benoît Ribadeau-Dumas, polytechnician who held many executive positions) **has no experience in the insurance sector**, thus allowing Denis Kessler to **delay his appointment**:
 - The ACPR can **reject the appointment of a new officer** if they are not considered sufficiently experienced and skilled
 - Why wasn't this **risk properly assessed** by the Compensation and Nomination Committee?
 - His appointment as CEO is planned for almost 18 months after his arrival at SCOR!
- Denis Kessler eventually decided to step down as CEO **in a hurry and without explanation**:
 - **Forces the departure of Benoît Ribadeau-Dumas** and the appointment of a replacement, Laurent Rousseau, **who** was trained by Denis Kessler
 - Is **this surprise decision** a way for Denis Kessler **to keep the Chairmanship**- his position coming up for renewal- by appointing a CEO right away?

... leading to serious concerns about the Compensation and Nomination Committee's qualification and the grip of Denis Kessler on a lenient Board

Denis Kessler's succession: we warned about the risks of failure



In March 2021, we wrote to the Board to share our concerns about the risk of failure of the announced succession

➤ The future CEO was invisible and without responsibility:

- Why was Benoît Ribadeau-Dumas **not a corporate officer**?
- Why **didn't he have clear responsibilities**?
- Why was he **never put forward** in SCOR's communication?
- Why did **the separation of powers have to take so long**?

➤ Denis Kessler holds full powers:

- No real checks and balances mechanism within the Board to counterbalance Denis Kessler's influence
- Reflected in his opaque, excessive and performance-disconnected remuneration
- Not justified given SCOR's chronic poor performance

Eventually, Benoît Ribadeau-Dumas was compelled to leave just 6 months after his arrival, following an unexplained and unilateral decision of Denis Kessler

So we were right to be concerned...

Another failure for the Compensation and Nomination Committee adding to the long list of failed successions at SCOR



March 2021: [letter to the Board](#)



Extract from the letter to the Board of Directors:

“These acts of commitment and good governance seem to us to be necessary after the **numerous failures of previous transition attempts**, and the departures of various COOs, Deputy CEOs and other successors announced in recent years”

A hasty succession that is problematic

On paper, we should welcome this turnaround

- The separation of roles is effective a year earlier than expected
- Laurent Rousseau **has an excellent reputation** in the sector

However, it raises inconsistencies and suspicions

- Is this a way for Denis Kessler to stay in control by appointing a man who has done his training at SCOR?
- Why is there such a **lack of clarity about the reasons** that disrupted the succession?
- If Denis Kessler is in fact forced to give up his post as CEO in a hurry, **how can he still be Chairman?**

And reveals structural flaws in SCOR's governance

- **Because ... Denis Kessler will keep a grip** on SCOR's Board in the absence of serious checks and balances and consequently on the general management
- **However ...** Laurent Rousseau does not have to be controlled by Denis Kessler: his long experience in the sector and at SCOR does not require a transitional period and to keep Denis Kessler as Chairman.
- **While ...** A new start is necessary, with an independent Chairman, in view of the **chronic underperformance of SCOR** while Denis Kessler is in charge.

We have therefore written again to the Board of Directors to express our concerns

16 décembre 2020 - N° 26

Le conseil d'administration choisit Benoît Ribadeau-Dumas pour succéder à Denis Kessler au poste de directeur général de SCOR



Scor chamboule la succession de Denis Kessler

SCOR : coup de théâtre dans la succession de Denis Kessler



17 mai 2021 - 18h30

Laurent Rousseau succède à Denis Kessler au poste de DG

La nomination aura lieu lors de l'Assemblée générale qui se tiendra le 30 juin 2021



Our Demands to SCOR's Board of Directors



We wrote to the Board in May 2021 to share our concerns and make the following requests:

➤ **The formal commitment that Denis Kessler will be Chairman for a transitional period only (until the 2022 AGM)**

If the planned succession had to be disrupted for personal reasons, those same reasons should prevent him from keeping the Chairmanship

➤ **The search for an independent Chairman**

- For a better balance of powers, in line with best governance practices
- Keeping Denis Kessler as Chairman is no longer justified: neither by SCOR's performance (constantly below its peers), nor by the need to train his successor (Laurent Rousseau is fully familiar with SCOR and the reinsurance sector)

➤ **Clarifications about the remuneration policy in the context of the succession**

The Board of Directors asks SCOR shareholders to approve a new remuneration policy following the separation of roles... While these crucial information required for voting will only be communicated after the AGM!

In view of the Board's silence, we will oppose certain resolutions and encourage you to do the same



May 2021: [letter to the Board of Directors](#)

Denis Kessler en piste pour rester chez SCOR jusqu'en 2024

Les actionnaires sont appelés à approuver le renouvellement de son mandat d'administrateur pour trois ans. Le patron actuel de SCOR doit rester président du groupe sachant qu'il sera touché l'an prochain par la limite d'âge de 70 ans définie pour cette fonction dans les statuts.



Par **Solenn Poullennec, Laurence Boisseau**
Publié le 23 mai 2021 à 11:31 | Mis à jour le 24 mai 2021 à 13:59

Aux manettes de SCOR depuis près de vingt ans, **Denis Kessler n'est pas encore près de faire ses adieux au groupe.** L'actuel PDG du réassureur français coté est en piste pour y rester en tant qu'administrateur jusqu'en 2024, sous réserve de l'approbation des actionnaires lors de l'assemblée générale du 30 juin prochain, selon des documents publiés vendredi par la société. Cette dernière **a déjà fait savoir que Denis Kessler resterait président mais n'a pas précisé combien de temps** sachant, qu'en l'état, les statuts ne lui permettent pas de rester au-delà de l'année prochaine.

In view of SCOR's silence, our protest votes at the 2021 AGM

Recent events illustrate the failure of the selection process initiated in 2019, and call into question the functioning and efficiency of the Board of Directors



Denis Kessler: no to a non-independent Chairman

- **Denis Kessler is the first person responsible for this disruption in the succession** by suddenly announcing, without any valid reason, his departure as CEO, which suggests a strategy to keep the Chairmanship in a context where the share price does not justify a continuation
- The succession is underway and the future CEO is very experienced: Denis Kessler can no longer threaten shareholders with his departure, **Laurent Rousseau doesn't need a transition period.**

➡ We will vote **against** the re-election of Denis Kessler.



Compensation and Nomination Committee: responsible for the poor management of the succession

- Did the Committee really **take into account the ACPR's requirements** in the selection process?
- What was the reason for taking **such a risk** by initially proposing a brilliant candidate (Benoît Ribadeau-Dumas) but with little experience?
- **The Committee does not provide a satisfactory answer** to the significant and repeated opposition from shareholders on the issue of remuneration

➡ We will vote **against** the re-election of Claude Tendil and Bruno Pfister, members of the Compensation and Nomination Committee



Board of Directors: the final choice of the succession is a collective decision

- The efficiency of the Board of Directors is fully questioned because the CEO (Laurent Rousseau) was not initially supported by the Board
- The Board refuses to commit to appoint an independent Chairman
- « One can really wonder if SCOR's Board of Directors has the necessary distance and independence of vision? »: [letter from Gouvernance en Action of June 1st 2021](#)

➡ We will vote **against** the re-election of Denis Kessler, Claude Tendil and Bruno Pfister, as directors having participated in the decisions relating to the succession

DENIS KESSLER: A CHAIRMAN WITHOUT REAL COUNTERPOWERS

Denis Kessler: An Omnipresent and Overly Influential Chairman

Despite our demands, SCOR refuses to specify for how long Denis Kessler would remain Chairman

- If he is unable to maintain his role as CEO, **how can he remain as Chairman in the long term?**
- Without any valid explanation of the reasons of his resignation, how can we be sure that it is not a **personal maneuver** to remain Chairman as long as possible?
- The succession is now underway, and the future CEO has a long experience of SCOR and the reinsurance sector: **Denis Kessler's departure will no longer put SCOR at risk and will, on the contrary, be beneficial for SCOR's performance**

Denis Kessler's prolonged stay as Chairman would be problematic due to the structural dysfunctions in SCOR's governance, and is not justified given the poor performance achieved by SCOR under Denis Kessler's last mandate period, and the experience of the future CEO



A Board without checks and balances and too lenient

Chronic under-performance

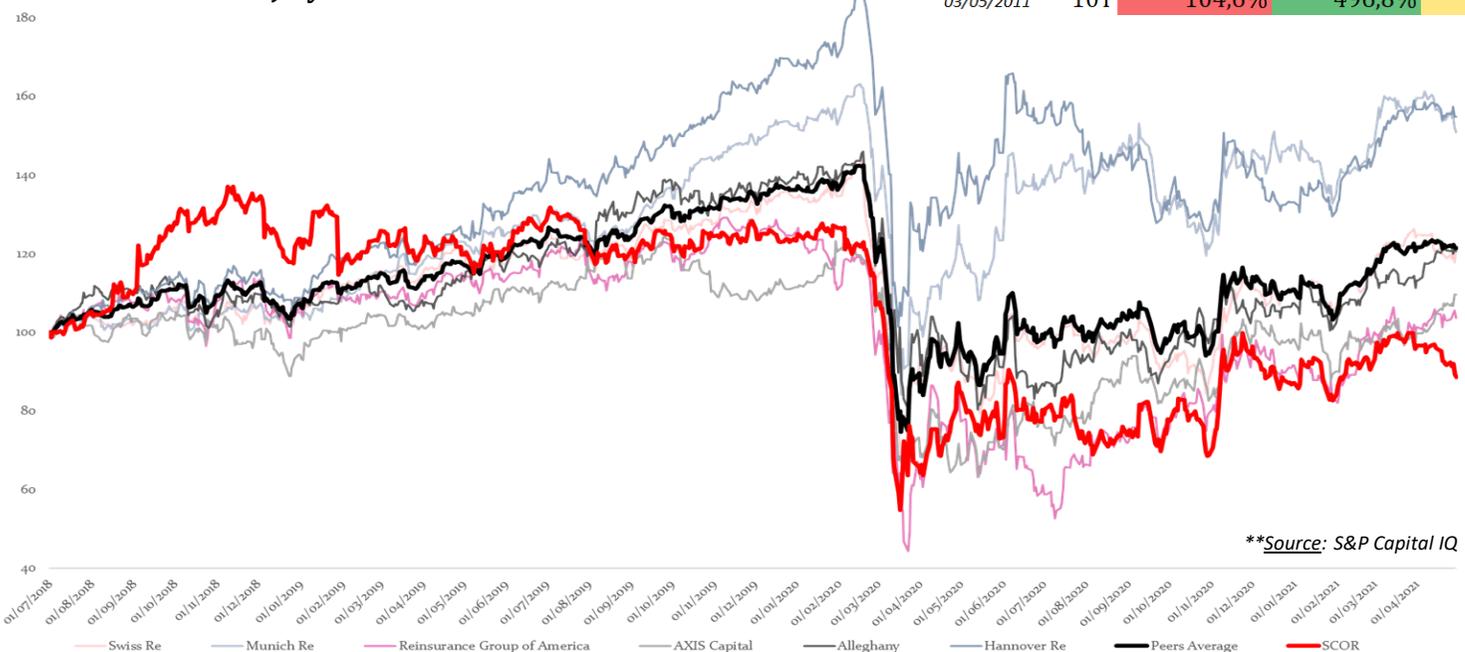
- Denis Kessler has the longest tenure (c. **19-year tenure**, vs. an average tenure of 3.9 years for other board members)
- **Questionable independence** of most board members
- **Close historic ties** between the Lead Director Augustin de Romanet and Denis Kessler
- **Board leniency reflected in generous pay practices**
- **Worst stock performance** among its peers (between March 2019-2021: -16.4%, vs. +35.0% for Munich Re and +30.8% for Hannover Re*)
- There is a **Kessler's discount** on the share price of SCOR
- **Therefore, it does not justify keeping Denis Kessler as Chairman**, especially since the appointment of an experienced CEO

DEMAND:
The Board must appoint an independent Chairman

SCOR's Performance is still Below Direct Peers: the "Kessler's discount" effect



Performance of Reinsurers as of April 30th 2021**
Base 100 at July 1st 2018 before Covéa's offer



		Scor	Hannover Re	Swiss Re	Munich Re	Average*
30/03/2021	1M	-9,5%	-2,6%	-4,0%	-5,2%	-1,0%
31/12/2020	YTD	1,9%	16,4%	8,9%	2,1%	9,5%
01/05/2020	1Y	4,7%	10,2%	30,3%	23,4%	26,0%
03/05/2019	2Y	-26,4%	24,2%	3,8%	23,4%	3,7%
03/05/2011	10Y	104,6%	496,8%	234,3%	241,2%	201,8%

Hannover Re
+54.8%

Peers Average
+21.3%

SCOR
-11.4%

**Source: S&P Capital IQ

* Average: SCOR, Hannover Re, Swiss Re, Munich Re, RGA, Axis Capital, Alleghany

Insufficient Performance:

- Underperformance is evident relative to peers
- Compensation is not aligned with share price performance

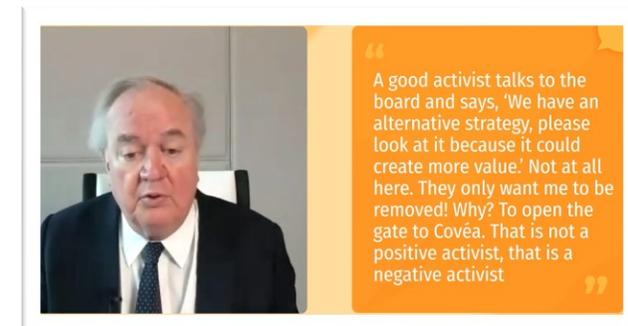
Denis Kessler has already been offered a grace period in the past, with the statutory age limit extended to 70 years old. However, this extra time in power came with **unsatisfactory performance**.

Denis Kessler: when a self-promoting podcast highlights his disdain towards minority shareholders

Denis Kessler was interviewed in April 2021 and **talked almost immediately and lengthily about CIAM**: See from 4.06' to 12' of the TV Interview ([Link](#)).

His point is **inconsistent** and simply-**dishonest**:

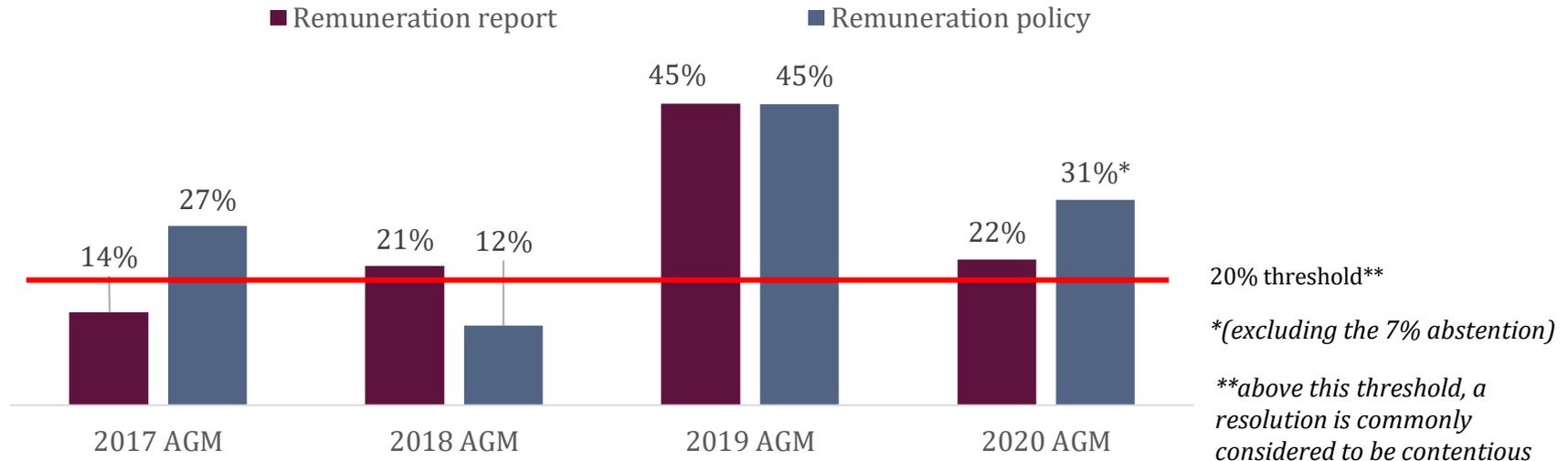
- ✘ “CIAM does not have an alternative strategy”, CIAM is a “negative activist” and CIAM “only wants [Denis Kessler] to be removed” to “open the gate to COVEA”
- ✔ CIAM wants **safeguard mechanisms** in place to ensure a **proper balance of powers** and to guarantee that the succession will take place. Denis Kessler **did not say a word about M. Ribadeau-Dumas during the whole interview (and with good reason)** but instead referred to his successors as “people” which will “run around the world like rabbits”. Was it already intended that Benoit Ribadeau-Dumas would be replaced ?
- ✔ CIAM has absolutely **no links with COVEA**
- ✔ CIAM has **rightfully highlighted since 2019 strong governance deficiencies and repeated problematic practices**, apparently shared by many shareholders considering **the constant level of dissent** at SCOR’s AGMs. This already led to some improvements made to pay practices and forced SCOR to announce the separation of powers
- ✔ CIAM does not want to disrupt the company’s strategy but instead advocates **for better corporate governance standards**



Board leniency: reflected in generous and contested remuneration practices

Year after year, an opposition marked and repeated on pay proposals

% of votes opposing Denis Kessler's remuneration



ISS
AGAINST the remuneration report since 2018
FOR in 2020: only because
 → Voluntary decrease in remuneration
 → Minor amendments to please ISS

↑
 CIAM "Vote NO" campaign

↓
 After **CIAM intervention**:
 • Decrease in fixed remuneration
 • Cosmetic amendment to remuneration policy
But other poor practices remain unchanged

*Despite ISS support, 2020 opposition remains high. Shareholders are **not fooled** by superficial changes made to the pay*

Remuneration Report (item 5): A Poor Performance compensated by discretionary qualitative criteria

Criteria	Ponderation	% achievement	SCOR Board's assessment	Shareholders' experience
50% FINANCIAL CRITERIA				
Profitability	50%			55% underperformance of the ROE compared to the target -30% in the FY20 Share Price 2020 Net income Divided by Two vs. 2019
Achievement of the Quantum Leap Strategic Plan	15%		Highlighted the "positive growth both in life and non-life reinsurance"	1.4% growth in life reinsurance vs. a 3-6% targeted range 2.4% annual growth in non-life vs. a 4-8% targeted range Estimated impact of the COVID-19 crisis: 314 million in life reinsurance 284 million in non life
50% NON FINANCIAL CRITERIA	Fight against Climate Change	10%	150% achieved	Publication of SCOR's first climate report Downgrade in CDP's rating from C to D
			SCOR's ranking in the "Insuring Our Future" report The same report highlighted that "significant loopholes remain in the fossil fuel policies adopted by SCOR" 	
CSR / Human Capital management	15%	150% achieved	Good results in terms of internal mobility or coverage by the Leadership & Organization Review Lower results than last year (where the same criteria was only partially met)	SCOR has not yet introduced annual surveys or commitment scores. The example to follow is that of Swiss Re, which uses an external service provider for this purpose.
			Refer to a "talent management" objective Benoît Ribadeau-Dumas was recruited externally	An eventful succession

**The 2020 bonus of Denis Kessler is disconnected from SCOR's performance
A quantum allocated mainly by an opaque assessment of non-financial criteria
A winning result even with 0% financial criteria met**

2020 outcome:
STI* payout of **62.25%** of fixed pay

An opaque and inadequate remuneration policy (item 8) (1/3)

The remuneration policy:

- **Is structurally deficient** (see appendix 3)
- **Is not suitable at all for corporate officers in the context of a succession**



Decisions of the Compensation and Nomination Committee *

COMPENSATION OF SCOR'S CHAIRMAN AND CEO IN LINE WITH THE PRINCIPLES OF SCOR'S COMPENSATION POLICY AND WITH PEERS

SCOR's Chairman and CEO compensation is set by the Compensation and Nomination Committee in accordance with the principles of SCOR's compensation policy. SCOR is committed to granting a compensation aligned with its peers. In 2019, SCOR's Chairman and CEO:

- ✓ had a total compensation which **was equal to 91% of the median of the peer group**
- ✓ **was ranked 36th in the top 50 of the highest-paid P&C (re)insurance executives** (vs 27th in 2018), while SCOR is the **4th reinsurer in the world**

FIXED COMPENSATION

- EUR 1,200,000 – unchanged since January 1st, 2008

EQUITY-BASED COMPENSATION

* Subject to similar performance conditions as for other members of the Executive Committee, strongly aligned with the objectives of the Group and prorated:

- ✓ **13,875 performance shares**, i.e., 11.1% of previous years (125,000 performance shares, unchanged since January 1st, 2009)
- ✓ **8,300 stock-options**, i.e., 8.3% of previous years (100,000 stock-options, unchanged since January 1st, 2013²⁾)



CIAM Our analysis

A manipulated benchmark

SCOR compares Denis Kessler's remuneration to all insurers and reinsurers (including in the United States)... But conveniently excludes the insurance sector when evaluating his performance!

No pro-rata?

Contrary to Laurent Rousseau, it is not explained that Denis Kessler's fixed salary as Chairman-CEO will be pro-rated to his time passed as Chairman-CEO in 2021

LTIP

Even prorated, an award in the year of departure is contrary to good practices

What about LTIP in 2020? Denis Kessler received more than 3 million euros in shares and stock options in April 2020 (share price approximately 25% lower than a share price taken at the normal allocation period - see appendix 6)

These depend on performance conditions assessed over the period 2020-2022... Yet Denis Kessler will no longer be in power as of mid 2021! **Will the final amount of this award be reduced accordingly?**

An opaque and inadequate remuneration policy (item 8) (2/3)

The remuneration policy for **Denis Kessler as non-executive Chairman** is particularly opaque



Decisions of the Compensation and Nomination Committee *

BOARD OF DIRECTORS' INTENTION

The Board of Directors will formally set the compensation of Denis KESSLER as non-executive Chairman of SCOR and Laurent ROUSSEAU as CEO of SCOR at its meeting immediately following the 2021 AGM, i.e. after they are appointed.

Their compensations will be granted based on the say on pay ex ante resolution applicable to the Chairman and CEO, as approved by the 2021 AGM, and in particular on its provisions applicable to the appointment of a new CEO and of a new non-executive Chairman.

However, at its May 17, 2021 meeting, the Board of Directors deemed appropriate to communicate prior to the AGM its intentions to shareholders regarding some of the main parameters of their respective compensation, based on the recommendations of the Compensation and Nomination Committee.

NON-EXECUTIVE CHAIRMAN – Main components

- Fixed annual compensation : EUR 600,000 + director's fees
- No variable compensation nor long-term incentive, in accordance with the AFEP-MEDEF Code



Our analysis

No to blank check!

The Board's intention is to have SCOR shareholders vote on decisions to be taken after the AGM...

Once again, a certain lightness with the remunerations

A single resolution for 3 different policies... Unheard of?

What other parameters are being kept from us?

The Board chooses as it wishes what it will or will not present to the shareholders

Compensation excesses continue

A significant remuneration for a non-executive Chairman...:

- Combined with directors' fees
- Combined with an **exorbitant retirement pension?**

→ No information on the subject!

→ However, most companies communicate this and some even suspend the payment of the pension for the duration of the mandate (L'Oréal, AXA)

€996,697
of estimated annual pension, one of the most generous pensions in France

An opaque and inadequate remuneration policy (item 8) (3/3)

The remuneration policy for Laurent Rousseau as CEO: **the proof that Denis Kessler was overpaid during all these years...**



Decisions of the Compensation and Nomination Committee *

CHIEF EXECUTIVE OFFICER – Main components

EQUITY-BASED COMPENSATION	<ul style="list-style-type: none">70,000 performance shares¹⁾60,000 stock options²⁾
VARIABLE ANNUAL COMPENSATION	<ul style="list-style-type: none">Target at EUR 800,000³⁾
FIXED ANNUAL COMPENSATION	<ul style="list-style-type: none">EUR 800,000³⁾

- Two-year severance package (same as current CEO)
- Change of control clause (same as current CEO)
- All-cause death insurance equal to 3 years' base salary + bonus (same as current CEO)
- No attendance fees for directorships (including SCOR SE)
- No non-compete clause
- Work contract terminated or suspended



Our analysis

A much inferior package than Denis Kessler's one

-42% compared to Denis Kessler (**125,000** shares of performance, **100,000** stock options per year)

-33.33% compared to Denis Kessler (**EUR 1,200,000** of fixed remuneration and target annual bonus)
Furthermore, what about the maximum bonus limit?

No director's fees
While Denis Kessler received an average of 70,000 euros in fees per year (and will continue to receive them)

Proof that the Board knows how to show moderation... except for Denis Kessler!

[*Compensation Committee's proposal for the 2021 compensation of SCOR's CEO and SCOR's chairman](#)

CIAM VOTES AT THE 2021 AGM

Our votes at the 2021 AGM

VOTE
NO

Item 5 – The remuneration of Denis Kessler for 2020

We refuse to reward Denis Kessler for SCOR's chronic poor performance

- **0% achievement** of the bonus' financial criterion. Largely compensated by the **opaque and undeserved overachievement of qualitative criteria**
- **No blank check to a Board of Directors** that has ignored the discontent of shareholders for years

VOTE
NO

Item 8 – Denis Kessler's remuneration policy for 2021

Poorly structured and particularly opaque in view of the separation of functions

- No information on the **fate of these shares and stock options in the process of vesting**, while Denis Kessler will only be executive for half of the performance period
- No information on a possible **cumulation of his pension rights with his (significant) remuneration** as non-executive Chairman
- A remuneration package for the new CEO that is much lower than Denis Kessler's: proof, if any more were needed, that he was far too well-paid...

VOTE
NO

Item 9 – Reelection of Denis Kessler as member of the Board of Directors

- Denis Kessler is the **first responsible person for this succession fiasco** and SCOR's governance needs to be improved with an **independent Chairman**. There is a Denis Kessler discount in the stock price today
- Need for a new breath to redress SCOR
- Laurent Rousseau does not need to be managed, quite the contrary

VOTE
NO

VOTE
NO

Item 10 & 11 – Reelection of Claude Tendil and Bruno Pfister, members of the Compensation and Nomination Committee. We hold this Committee accountable for:

1- The succession fiasco:

- **Was the risk of non-approval by the ACPR**, which weighed on the succession, really taken into account by the Compensation and Nomination Committee?
- What will be the **consequences (financial and reputational)** of this reversal?

2- The lack of responsiveness to problematic and contested compensation practices

VOTE
YES

Item 13 – Nomination of Laurent Rousseau as member of the Board of Directors

- **Yes for a succession.** Laurent Rousseau needs his hands free to redress SCOR

APPENDIXES

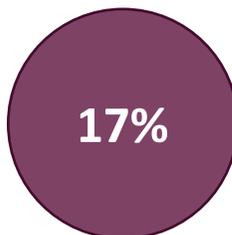
Appendix 1 – Our reading of SCOR’s Board of Directors



Directorss (as voted on the 2021 AGM)	Independent as per SCOR	Independent as per CIAM	Non Independence rationale	Tenure	Audit Committee	Compensation and Nomination Committee	Risks Committee	CSR Committee	Strategic Committee	Crisis Management Committee
Denis Kessler	No	No	Ex-CEO/Chairman	19	PAR	PAR			C	M
Laurent Rousseau			CEO							
Augustin de Romanet – Lead Independent Director	Yes	No	Historic Relationship Dexia, BPI	5		C		M	M	C
Natacha Vallat	Yes	Oui		<1	M				M	
Fabrice Brégier	Yes	Oui		<1			M		M	
Vanessa Marquette	Yes	Oui		5	M	M	M	M	M	
Bruno Pfister	Yes	Oui		4	M	M	C	M	M	M
Adrien Couret (Macif)	Yes	No	Shareholder chosen by DK	<1					M	
Thomas Saunier (Malakoff Mederic)	Yes	No	Shareholder chosen by DK	3					M	
Kory Sorenson	Yes	Yes		7	C		M		M	M
Claude Tendil	No	No	Seniority	17		M	M	M	M	
Zhen Wang	Yes	Yes		2			M		M	
Fields Wicker-Miurin	No	No	Relationship BNP P	7	M	M	M	C	M	M
Patricia Lacoste	Yes	Yes		0						
Fiona CAMARA	No	No	Employee rep	1				M		
Lauren BURNS CARRAUD	No	No	Employee rep	<1		M			C: Chairman M: Member	PAR: Participant

Appendix 2 - SCOR's Board of Directors: a high turnover rate

	2017	2018	2019	2020
DEPARTURE	Guillaume Sarkozy	Michele Aronvald Thierry Derez		Marguerite Berard Vincent Foucart Jean-Marc Raby
ARRIVALS	Thomas Saunier	Vincent Foucart Zhen Wang	Fabrice Bregier Fiona Derhan	Lauren Burns Carraud Adrien Couret Natacha Valla

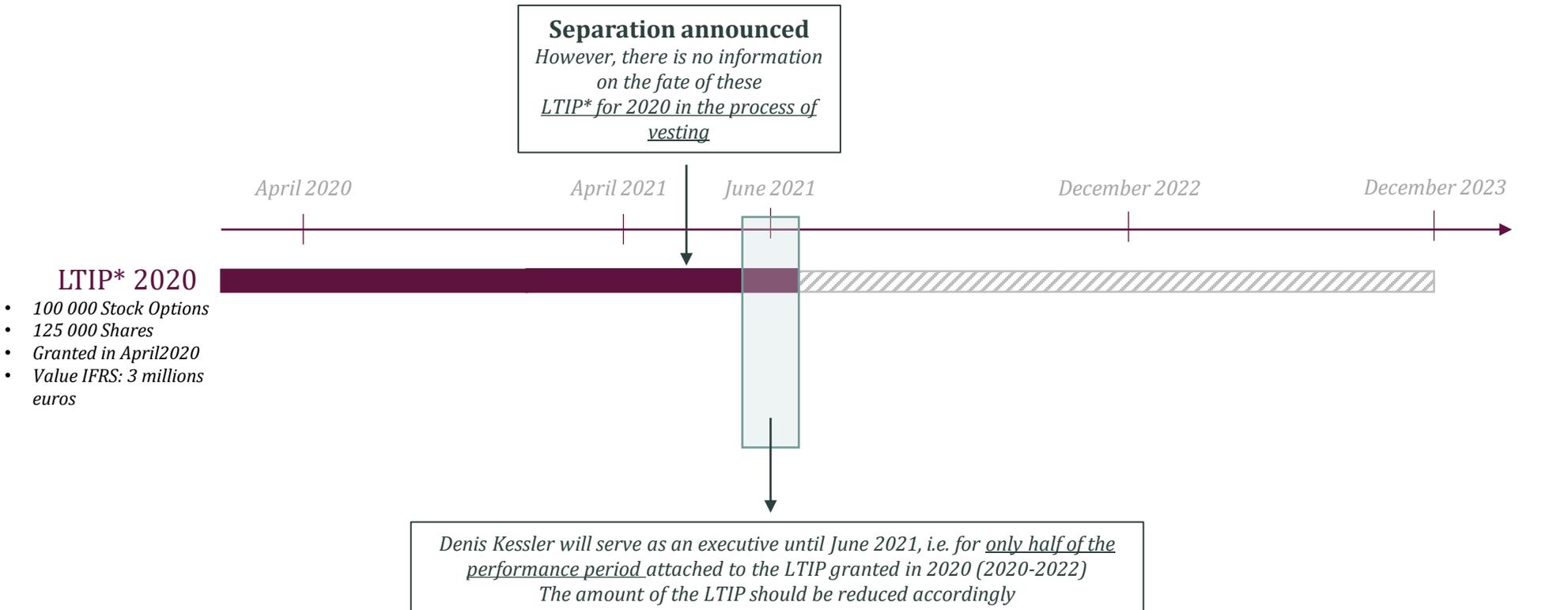


Appendix 3 - Persistent Problematic Practices at SCOR: Overview



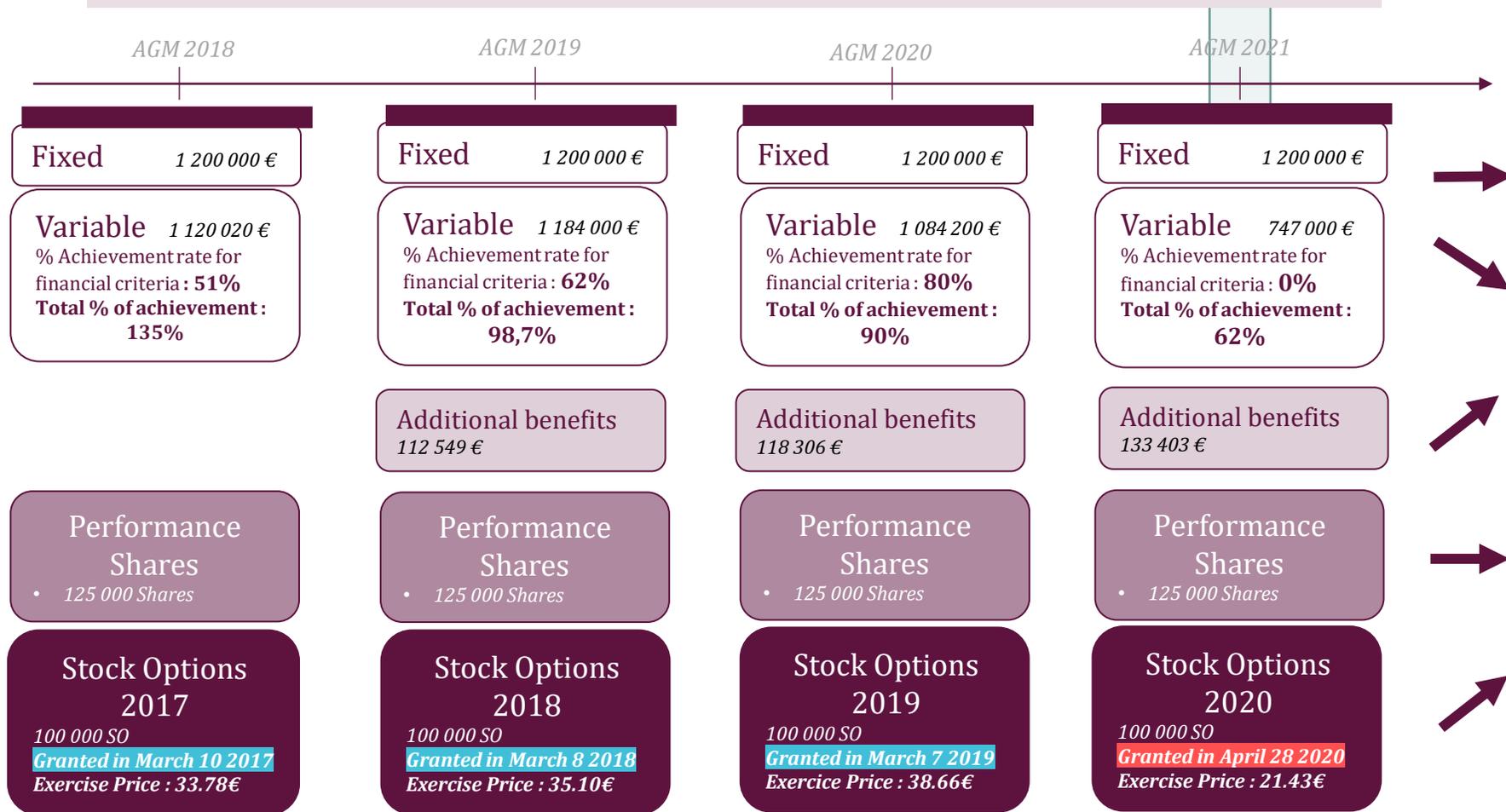
- **Repeated shareholder dissent** on pay-related items over the past 4 years – with no proper Board response
- **Denis Kessler’s pay package remains out-of-sync with peers** and disregards the pay-for-performance principle
- **Inappropriate Peer Group**: SCOR compares itself with North-American peers and insurance companies to justify the quantum offered
- **Superficial changes** to the pay policy to comply with Proxy Advisors guidelines
- Multiple **poor pay practices** remain, including (but not limited to):
 - ✓ Possible exceptional bonus
 - ✓ Weak Bonus Plan: too few quantifiable criteria
 - ✓ A poorly structured LTIP: SCOR uses ROE and Solvency ratios as performance measures for equity awards → “double-dipping”
 - ✓ Lack of Stretching Performance Targets → the 2017 LTIP vested at 75% of its maximum, while the ROE criterion was 35% below its target level. No disclosure yet for the 2018 LTIP whose performance ended in 2020. We are curious to find out if and how the covid-19 crisis impacted its achievement level.
 - ✓ Lack of equity award value limit
 - ✓ High pension...

Appendix 4 - Inadequate remuneration policy: a necessary proratization of shares and stock options granted in 2020



Appendix 5 : A compensation that structurally never decreases

Only SCOR's share price falls No correlation between financial targets and total % achievement. Quantum is always compensated

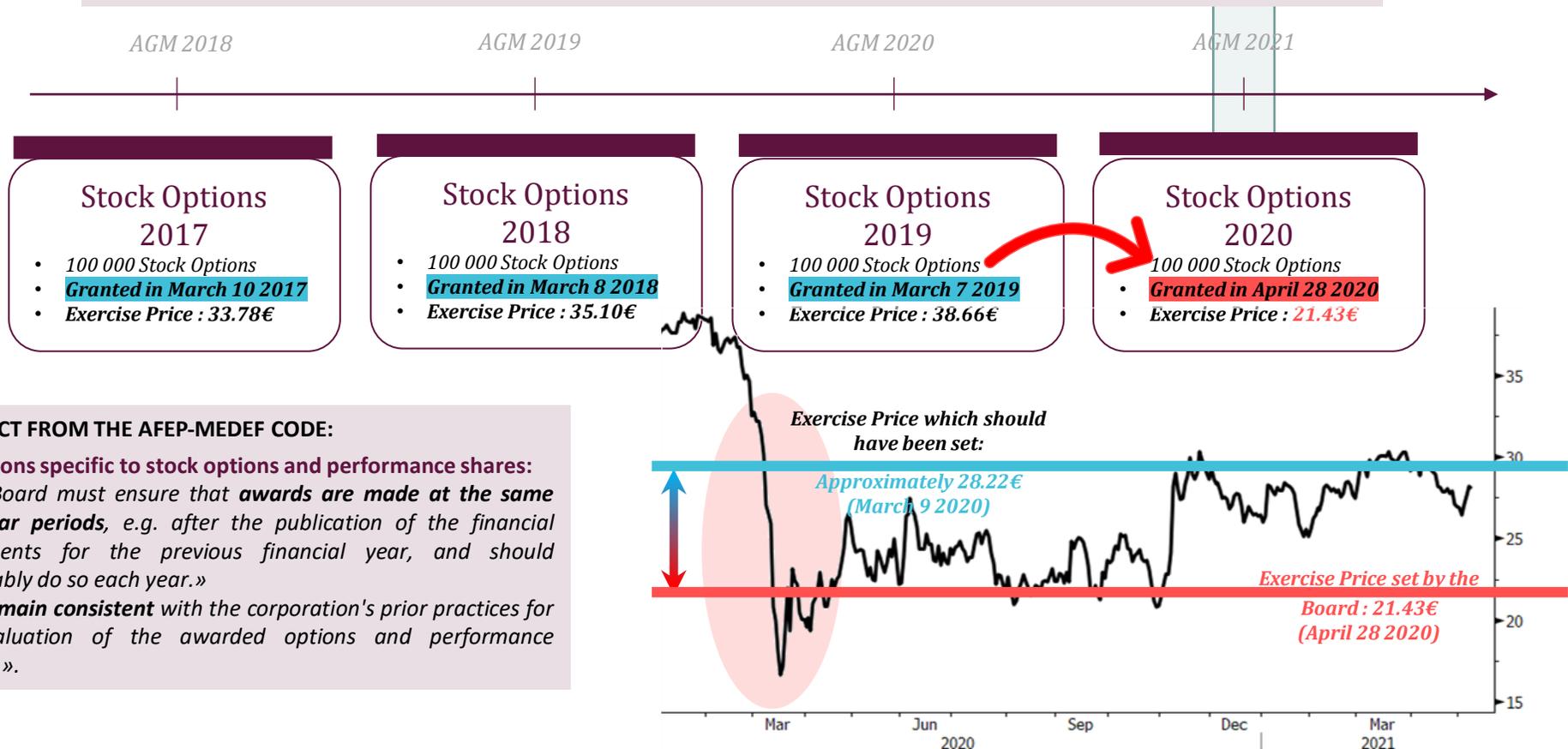


Exercise Price which should have been set around **28.22€**

Appendix 6 - Stock Options: Unexplained Change in the Grant Date

The grant of the 2020 Stock Options plan was postponed to a more favorable period with no explanation. What a great gift from the Board !

A compensation that is not about to decrease



EXTRACT FROM THE AFEP-MEDEF CODE:

Provisions specific to stock options and performance shares:

«The Board must ensure that **awards are made at the same calendar periods**, e.g. after the publication of the financial statements for the previous financial year, and should preferably do so each year.»

« to **remain consistent** with the corporation's prior practices for the valuation of the awarded options and performance shares.».

A cheaper price makes stock options easier to exercise!

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