



**2011**  
Corporate  
Social  
Responsibility  
Report



L'assureur de toute une vie



## Contents

### Introduction

**p.02\_** Corporate social responsibility at the Group

**p.04\_** Tracking the sustainable development process

### Stakeholders

**p.06\_** CNP Assurances stakeholders at 31 December 2011

**p.08\_** Employees and employee representatives

**p.18\_** Policyholders and distribution partners

**p.24\_** Suppliers and subcontractors

**p.25\_** Investment counterparties

**p.27\_** Civil society

**p.30\_** Governance and shareholders

**p.31\_** Environment: resources and climate change

### More information

**p.40\_** Social and environmental indicators of unconsolidated subsidiaries

**p.42\_** Auditor's review report

# Editorial



**A** commitment to sustainable development cannot be reduced to just a bunch of figures.

This is fairly obvious if you realise that the process implies that companies broaden their analysis to include their social responsibility towards their stakeholders. That said, figures do show how the process is moving forward. Based on a company's major challenges, they make it possible to set ambitious yet realistic goals and to motivate teams to meet them.

However, at the heart of any sustainable development process is transparency towards stakeholders, which is why CNP Assurances has published its CSR indicators since 2006.

In addition to the indicators required by the French NRE Act, which are posted online after validation by the Board of Directors, this report details progress made in our dealings with each of our stakeholders.

Anticipating compliance with the forthcoming Grenelle II laws, we have also significantly expanded the reporting of subsidiary data, and a statutory auditor has reviewed the quality of essential information.

Opening a new phase in our CSR commitment, this report now includes socially responsible investing information. In the years to come, we are confident that it will be further enhanced through our increasingly rich stakeholder dialogue.

Gilles Benoist  
Chief Executive Officer

# Corporate Social Responsibility at the Group



## Our sustainable development commitments

CNP Assurances's sustainable development process is based on identifying stakeholders and the social value-added delivered by our business.

CNP Assurances has always upheld human rights and citizens' rights, in line with the Universal Declaration of Human Rights, and has always complied with the labour standards of the ILO and the national labour laws in each host country.

In pledging our support for the Global Compact in 2003, we reaffirmed our commitment to respecting its fundamental principles, combating corruption and protecting the environment. In 2010, following the example of CNP Argentina and Caixa Seguros, CNP UniCredit Vita also pledged support for the Compact.

In 2009, we played an active role in launching the Association Française de l'Assurance's sustainable development charter. Our commitments under the charter are to meet core social responsibility challenges in the insurance industry, including helping to reduce social vulnerability and to combat climate change, support economic development and promote socially responsible investment.

In 2011, CNP Assurances adopted the United Nations' Principles for Responsible Investment (PRI), ushering in a new phase in its commitment as a responsible investor.

Signatory of:



### A SOCIALLY RESPONSIBLE EMPLOYER

All Group companies share four basic principles:

- Respect for human rights.
- Freedom of association and the effective recognition of the right to collective bargaining.
- Support for employees throughout their careers.
- A commitment to equal opportunity.

### AN ENVIRONMENTALLY RESPONSIBLE COMPANY

A financial services company like CNP Assurances has little direct impact on the environment, and the impact it does have mainly concerns CO<sub>2</sub> emissions. Nevertheless, we do everything possible to reduce our environmental footprint, primarily by effectively managing the three main emission sources:

- The use of paper, both in the office and for correspondence with policyholders.
- Business travel.
- Office building management.

### THE FIGHT AGAINST CORRUPTION, MONEY LAUNDERING AND TERRORIST FINANCING

An active player in the fight against corruption, money laundering and terrorist financing, CNP Assurances extended initiatives in this area to its international subsidiaries in 2009, in compliance with local regulations.

## The ten principles of the Global Compact



#### Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.

#### Labour standards

3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labour;
5. The effective abolition of child labour; and
6. The elimination of discrimination in respect of employment and occupation.

#### Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

#### Anti-corruption

10. Businesses should work against all forms of corruption, including extortion and bribery.



# Tracking the sustainable development process

Every aspect of the corporate social responsibility commitment is managed by the Sustainable Development department, which reports directly to the Chief Executive Officer. Since 2005, the Executive Committee has defined an annual action plan and regularly tracks its deployment and progress. Since 2008, Caixa Seguros has used a similar process for environmental issues.

Since 2009, the Board of Directors has set objectives for each of the process's main aspects, which were as follows for 2011:

	MEASURABLE OBJECTIVE	STATUS AT END-2011
<b>A socially-responsible insurer</b>		
Increase policyholder investment in unit-linked SRI* funds	More than 1.5% of unit-linked assets	Achieved
Provide cover to the greatest number	Term creditor insurance rejection rate less than 0.2%	Achieved
Continuously improve service quality	Reduce the number of disputes and complaints	Achieved
<b>A responsible investor</b>		
Continue to extend ESG criteria to all of our managed portfolios	65% of assets	Exceeded**
Step up our participation in shareholders' meetings in France	Participation in more than 95% of the votes in France	Achieved – Participation in 99% of the votes in France
<b>An environmentally-responsible company</b>		
Reduce carbon emissions per employee due to internal operations	6% reduction per employee over two years	Achieved by 80% (2009 carbon audit/person in greater Paris area, including contract employees)
Set up a business travel plan on all three major sites		Postponed
<b>A socially-responsible employer</b>		
Include sustainable development objectives in the criteria for determining incentive bonuses for senior management	–	Limited application in 2011 Confirmed for 2012
Increase the percentage of disabled people on the payroll	–	5.61% at end-2011 vs. 5.38% at end-2010

\* Socially responsible investments.

\*\* Exceeded early 2012

# Methodology

## 2011 SCOPE OF REPORTING

Progress in sustainable development performance is tracked by using dedicated indicators and identifying outstanding accomplishments.

### France

In France, the scope covers CNP Assurances, CNP IAM, Préviposte, ITV, CNP International, CNP Caution and Fongépar (excluding environmental data).

### International

The international scope covers all fully-consolidated subsidiaries (and their own subsidiaries) on a 100% basis: CNP Vida de Seguros y Reaseguros (Spain), CNP Assurances Compañía de Seguros (CNP Argentina), Caixa Seguros (Brazil), CNP Unicredit Vita (Italy), CNP Marfin Insurance (Cyprus/Greece), CNP Europe Life (Ireland) and CNP Barclays Vida y Pensiones (Spain and offices in Italy and Portugal).

The information is presented by country, with Spain including data for both CNP Vida and CNP BVP. The data for the CNP BVP offices in Italy and Portugal are consolidated with those of the head office in Spain.

The information presented covers 98% of all CNP Assurances employees in consolidated subsidiaries, with the exception of data on water and power use, which cover 90% because the scope does not include offices outside the Paris area in France. In addition, most of the indicators are also published for the wholly-owned non-consolidated subsidiaries, Filassistance, Âge d'Or Expansion and SFLI (China).

## PROCESS

CNP Assurances data are collected from the operating departments (human resources, building management, purchasing), by site when necessary. Data for international subsidiaries are consolidated by the subsidiary, before being reported to corporate. A consistency test is performed by the Corporate Sustainable Development department, which is in charge of consolidating the data at Group level. For the first time, this year an auditor has reviewed the reliability of selected environmental and social indicators published in this report. This review report appears on page 42.

## LIMITATIONS AND DATA ACCURACY

Estimates have been used for certain environmental data, where more exact information is not available, and the definition of certain social indicators may differ slightly from one country to another.

Nevertheless, in the following tables, the "Consolidated CNP Assurances" indicators remain consistent and material.

**To make the text easier to read, the following abbreviations are used:**

**CNP Vida** / CNP Vida de Seguros y Reaseguros

**CNP Argentina** / CNP Assurances  
Compañía de Seguros

**CNP MIH** / CNP Marfin Insurance Holdings

**CNP BVP** / CNP Barclays Vida y Pensiones

# CNP Assurances stakeholders at 31 December 2011

## Stakeholder dialogue in 2011

Stakeholder relationships are presented in a separate chapter below. The following section describes the dialogue initiatives and the metrics for gauging satisfaction in these relationships.

### FRANCE

#### Employees

In addition to institutional social dialogue, an employee satisfaction survey was conducted in spring 2009 as part of the CDC Group's human resources initiatives. This was followed in autumn 2010 by a second survey focused more specifically on workplace diversity.

To enhance the quality process, a survey was conducted in 2011 of employee perceptions of customer relationships and the services provided to policyholders and partners, as a basis for deploying improvement plans.

#### Policyholders and distribution partners

In 2011, CNP Assurances conducted seven satisfaction surveys on policy administration, while La Banque Postale carried out two satisfaction polls, one of its customer advisors and the other of customers. In the group insurance business, a survey of local authorities and hospitals revealed an overall satisfaction rate of 7.4 out of 10.

In addition to studies carried out with the distribution partners, CNP Assurances performs qualitative and quantitative studies to anticipate new needs arising from emerging social and demographic trends. In 2011 these studies dealt with retirement, life annuities, personal risk insurance, life insurance and the debt crisis.

### INTERNATIONAL

Outside France, all of the subsidiaries conduct customer surveys, once a year in Brazil, Italy and Ireland, and monthly in Argentina. CNP Vida surveyed its distribution partners four times in 2011, asking for their feedback on management, investment, IT and legal services. CNP MIH conducted two satisfaction polls of policyholders and distribution partners, respectively, while CNP BVP is outsourcing its surveys to its distribution partner.

### FRANCE

#### Investment counterparties

Constructive dialogue is engaged with issuers of the securities held in our portfolios whenever a problem is revealed during the quarterly SRI screening process via our asset managers or during the lead-up to issuers' General Meetings.

#### Private shareholders

Regular dialogue is also nurtured with private shareholders during regular meetings in regions outside of Paris, and more generally, through the toll-free hotline and website, which had 27,000 unique visitors in 2011. The 2011 survey of shareholders' club members confirmed that they are satisfied.

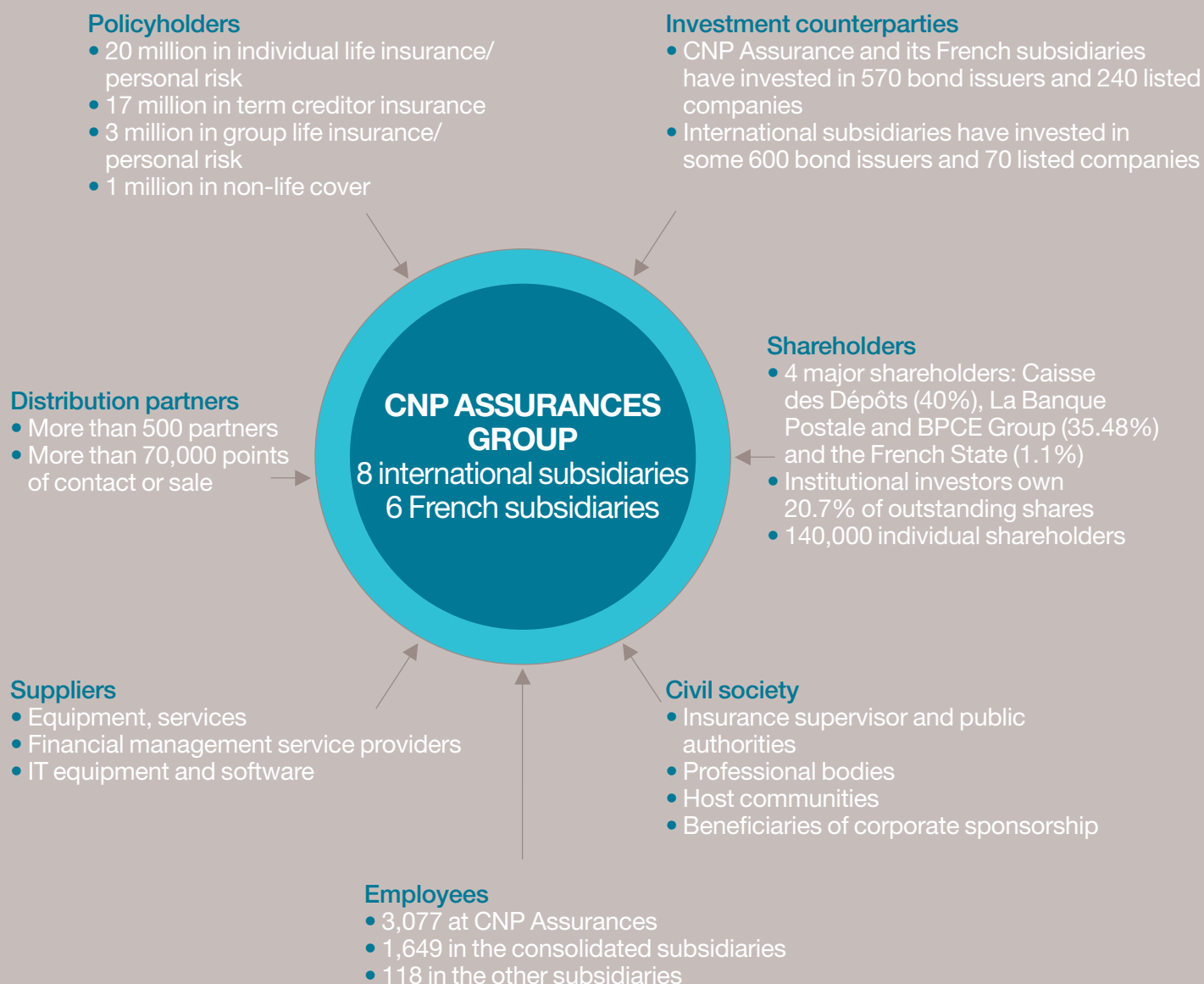
#### Civil society

CNP Assurances actively contributes to the work of the industry federation (Fédération Française des Sociétés d'Assurances – FFSA). We are also a member of ORSE, a French CSR think-tank, and its Finance Club, which brings together companies and stakeholders (NGOs and unions).

### INTERNATIONAL

The international subsidiaries also participate in local professional bodies.

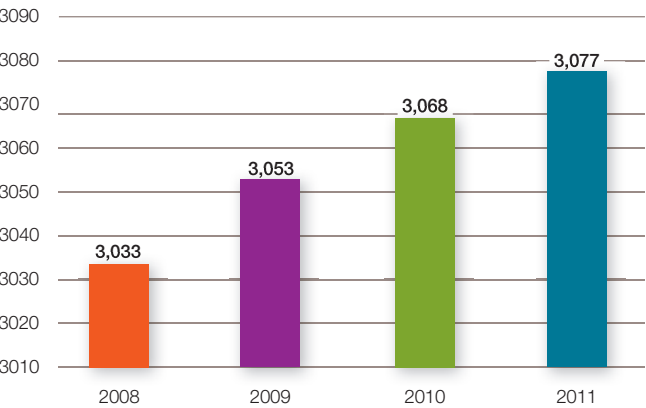




# Employees and employee representatives

## Number of employees

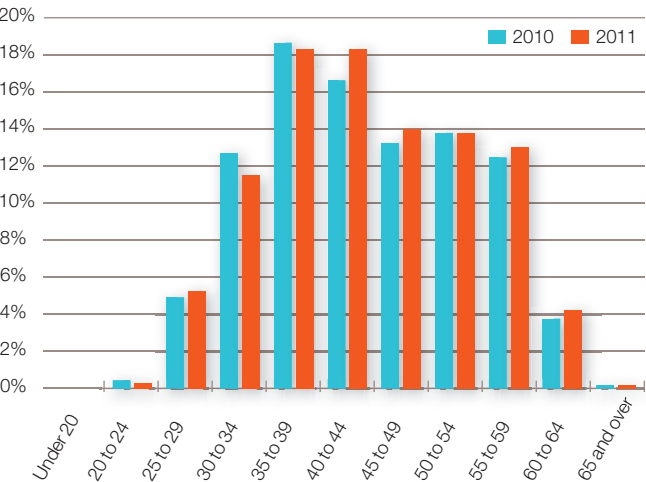
### FRANCE



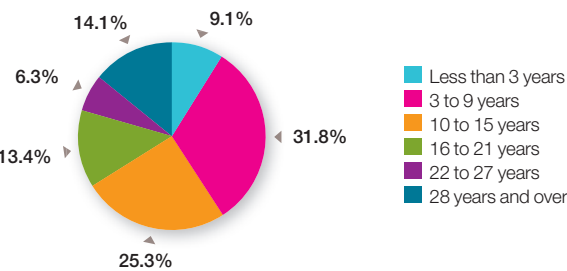
### The workforce structure remained virtually unchanged in 2011

- Up 0.3% at comparable scope of consolidation, with a 0.9% increase in employees under permanent contracts.
- Permanent contracts: 98.1% - Fixed-term contracts: 1.9%.
- 39% men - 61% women.
- 93% direct employees - 7% civil servants seconded to the Company
- 56.6% management grade – 43.4% non-management grade
- The average age of employees under permanent contracts currently stands at 44.5 years (43.7 for employees and 55.4 for seconded civil servants). This is nearly unchanged from 2010, reflecting the balance between departures and new hires, as well as the average age (34) of new employees hired under permanent contracts during the year.
- The average retirement age is 61.5 years for direct employees.

### Age pyramid of CNP Assurances employees under permanent contracts

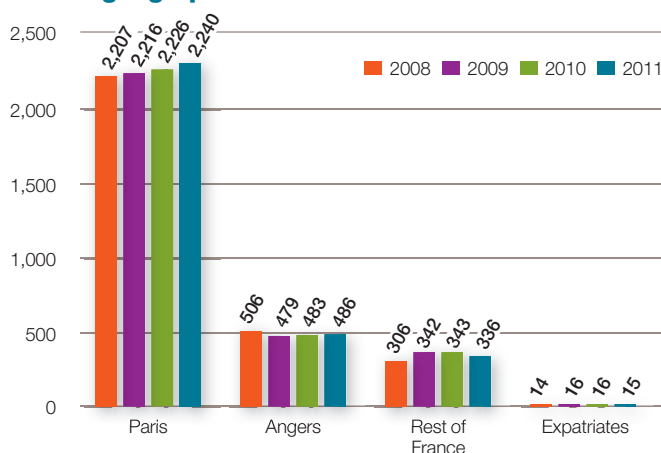


### CNP Assurances employees and seconded civil servants, by length of service

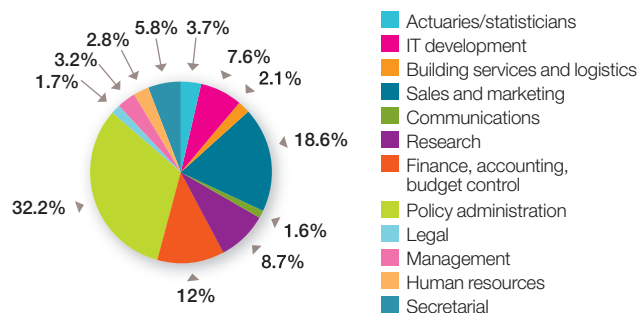


In 2011, the average length of service was 14.5 years (13 years for direct employees and 34.1 years for seconded civil servants), almost unchanged from 2010. One quarter of the workforce under permanent contracts joined the Group 10 to 15 years ago.

## Stable geographic distribution



## Breakdown by process



The above table shows that in 2011, the percentage of secretarial employees declined, the policy administration skills family rose by one percentage point, the IT development skills family declined by 0.5% and the percentage of people in support functions remained unchanged overall.

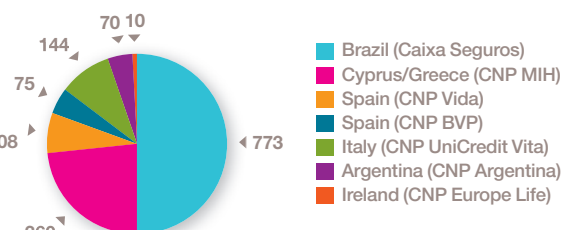
## Use of outside contractors

Only limited use is made of outside contractors. An intercompany partnership employs 327 IT engineers. There are also 37 outside security staff, 86 cleaners (in all of France), 22 maintenance workers, and eight receptionists, for a total of 480 outside contractors, up 3.6% from 463 in 2010.

## INTERNATIONAL

The international consolidated subsidiaries employed a total of 1,540 people as of 31 December 2011, up 5% over the year before.

### Employees outside France at 31 December 2011, by subsidiary



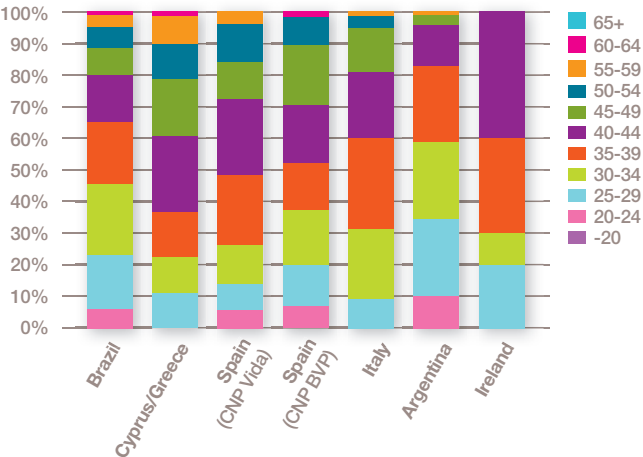
Almost all (99%) employees are covered by local insurance industry collective bargaining agreements. The only exceptions, in accordance with local regulations, are Ireland, where there is no collective agreement, and 19 executives in Argentina.

	Percentage of employees under permanent contracts	Men – women (in %)	Average age	Geographic distribution
<b>Brazil</b> (Caixa Seguros)	100%	47/53	37	80% in Brasilia 20% in regional offices
<b>Cyprus/Greece</b> (CNP MIH)	99%	34/66	40	88% on Cyprus (including 11% in regional offices) and 12% in Greece
<b>Spain</b> (CNP Vida)	92%	45/55	41	96% in Madrid and 4% in Milan
<b>Spain</b> (CNP BVP)	92%	39/61	39	57% in Spain 27% in Portugal 16% in Italy
<b>Italy</b> (CNP UniCredit Vita)	96%	56/44	39	Milan only
<b>Argentina</b> (CNP Argentina)	100%	50/50	33	Buenos Aires only
<b>Ireland</b> (CNP Europe Life)	100%	70/30	37	Dublin only
<b>Total</b>	<b>98%</b>	<b>44/56</b>	<b>38</b>	

The breakdown by gender and age reflects the situation in each country's insurance industry.

Human resources management

Workforce by age in 2011



The only significant use of outside contractors is in Brazil, where the local subsidiary outsources its IT operations. Caixa Seguros ensures that the employees concerned are accorded the full protection of applicable labour legislation.

Expatriates account for just 1% of employees outside France and 73% of the executive or management committee members are local hires, attesting to our integration into local economies.

Outside contractors	
Brazil (Caixa Seguros)	211 (of whom 136 for IT)
Cyprus/Greece (CNP MIH)	One maintenance worker (other services shared with Marfin Laiki Bank)
Italy (CNP UniCredit Vita)	30 (two-thirds of whom work in maintenance and IT)
Spain (CNP Vida-CNP BVP)	45 with services shared between both subsidiaries (32 IT workers for CNP Vida)
Argentina (CNP Argentina)	Seven (of whom four cleaners)
Ireland (CNP Europe Life)	IT, actuarial and legal services

FRANCE

No redundancies are planned. Employment forecasts suggest that the workforce will remain stable or decrease slightly due to natural attrition.

- Performance reviews: 89% of employees had a performance review during the year, 156 employees were promoted and 766 had a career orientation interview.
- New hires: 145 people under permanent contracts – primarily in policy administration (39%) and in support and management (39%) – and 78 people under fixed-term contracts.
- Separations: 232, of which 85 at the end of their fixed-term contract, 37 retirements (less than in the previous year due to the raising of the retirement age), 38 resignations, 10 trial periods not completed, nine terminations by agreement and eight dismissals.

Turnover was low and stable, at 3.2% versus 3.1% in 2010.

INTERNATIONAL

	Annual turnover	Number of new hires	Number of separations	Average length of service (in years)
Brazil (Caixa Seguros)	11%	111	85	7
Cyprus/Greece (CNP MIH)	3%	20	19	25
Spain (CNP Vida)	7%	17	9	10
Spain (CNP BVP)	15%	21	10	5
Italy (CNP UniCredit Vita)	2%	3	3	5
Argentina (CNP Argentina)	22%	19	15	5
Ireland (CNP Europe Life)	0%	3	0	3
Total	8%	194	141	11

The high turnover reflected local labour market conditions.

The main reasons for separation in the subsidiaries were resignations (53%), dismissals (28%) and end of contracts (12%).

## Health and safety

### FRANCE

#### Absenteeism

The absenteeism rate rose to 6.4% in 2011, or 5.1% excluding maternity leave.

#### Health and safety

There was no major change in the number of workplace accidents, with 31 in 2011, of which 20 resulted in lost time. The number of commuting accidents was also stable, at 35 in 2011, of which 21 involved lost time.

CNP Assurances is committed to ensuring the health and safety of its employees. The three main sites are staffed with dedicated healthcare professionals, including three occupational physicians, five specialists (gynaecologist, psychiatrist, cardiologist, etc.) and eight full-time nurses. A social worker is also available during office hours. Prevention programmes are organised on a regular basis, in such areas as flu vaccination campaigns, anti-smoking initiatives, repetitive strain injury awareness campaigns and fire safety e-learning (attended by 80% of employees).

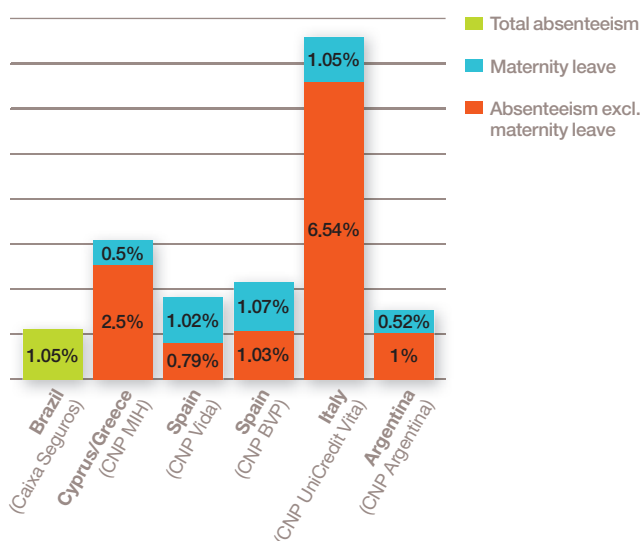
In addition to supplementary health insurance, employees benefit from a group policy covering death/disability and long-term care. The in-house mediation system was used 67 times during the year. Most of these referrals corresponded to requests for advice and support, doing much to prevent work-related psychological stress or strain.

Specific training courses, stress management seminars, and coaching programmes were also implemented. A “change management” desk was created within the General Administration department to support significant projects, which are discussed as necessary during meetings of the occupational health, safety and working conditions committee.

Additionally, an external toll-free hotline operated by Filassistance is available for any employee seeking advice on prevention and psychological support.

### INTERNATIONAL

#### Absenteeism rates in 2011



#### Health and safety

In 2011, two workplace accidents were reported, one at the Italian subsidiary and another in Argentina.

The chief executive officers of the international subsidiaries received stress management training. In Brazil, the Bem Vida wellness and stress management programme also offers legal advice and psychological counselling to employees.

The CNP BVP subsidiary is deploying the ¡EmBÁRcate! project, a series of measures developed by Barclays to improve working conditions, work/life balance, gender equality and diversity, and remuneration. Its absenteeism rates do not include the CNP BVP offices in Italy and Portugal.

CNP Argentina's Code of Ethics provides for the implementation of accident and occupational illness prevention programmes.

In recent years, CNP MIH has helped to organise the Ministry of Labour's "Health and Safety Week".

## Organisation of working hours

### FRANCE

- Working hours: full time corresponds to 1,575 hours per year (ARTT agreement of November 2001).
- In 2011, 20.1% of the workforce had elected to work part-time (up one point for the second year in a row). Part-time employees are entitled to all of the same benefits as full-time employees. The average annual working time for part-time staff was 1,234 hours.
- 68.2% of CNP Assurances employees enjoy flexible working hours.

Employees have considerable freedom to organize their working hours in line with their professional obligations. Overtime is very rare, at 1,953 hours in 2011 or just 0.04% of total hours paid.

### INTERNATIONAL

All employees working part-time in the international subsidiaries have elected to do so.

Caixa Seguros paid 17,200 hours of overtime in 2011, CNP MIH 835 hours, and CNP Vita 8,000 hours.

	Hours worked per week	Percentage of part-time employees
Brazil (Caixa Seguros)	37.5	0%
Cyprus/Greece (CNP MIH)	35 in Cyprus/ 40 in Greece	0%
Spain (CNP Vida)	40 – 33.75 in summer	0.9%
Spain (CNP BVP)	40 – 33.75 in summer	0%
Italy (CNP UniCredit Vita)	37	3.5%
Argentina (CNP Argentina)	40	0%
Ireland (CNP Europe Life)	40	0%
Total	-	0.4%

## Remuneration

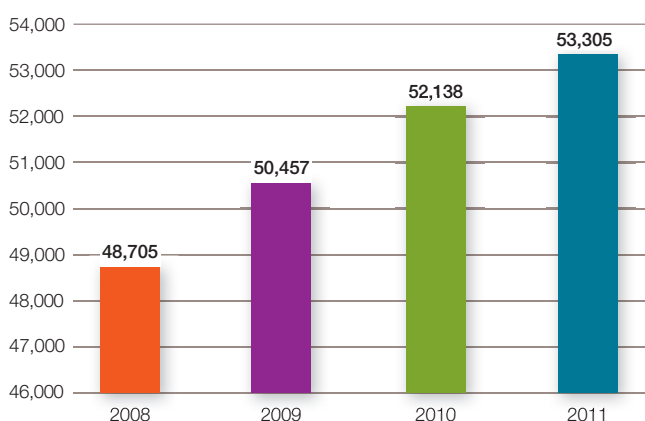
### FRANCE

#### Individual remuneration

(gross, based on two years of DADS returns for employees under permanent contract)

The average annual individual remuneration increased by 2.2% in 2011, reflecting a 1% across-the-board pay rise and individual rises for 1,710 employees. Total gross payroll, including both employees and seconded civil servants, was up 2.3% on 2010.

#### Average annual remuneration in €



#### Employee remuneration plans

- Discretionary profit-sharing: €8,085,028 was paid in 2011, with 2,959 employees also receiving the special profit-sharing bonus totalling an aggregate €11,010,528.
- Statutory profit-sharing (including equivalent bonus paid to seconded civil servants): €11,978,448.
- Employee savings plans: as of 31 December 2011, CNP Assurances employees (excluding seconded civil servants) had invested €97,193,654 in employee savings plans.
- Employee share ownership: as of 31 December 2011, 2,438 employees held shares directly and 1,441 via the PEG employee savings plan (for an average of €8,900 invested per employee), representing 0.35% of the share capital at that date.



## Career development

### INTERNATIONAL

In response to the economic crisis that is severely impacting its host countries, CNP MIH has decided not to increase salaries over the 2011-2013 period and to maintain benefits, with the agreement of employee representatives.

	Average gross monthly salary	2011 across-the-board pay rise
<b>Brazil</b> (Caixa Seguros)	R\$60,825	7.5% for salaries under R\$ 3,000 and 6.47% for the others
<b>Cyprus/Greece</b> (CNP MIH)	€40,000	0%
<b>Spain</b> (CNP Vida)	€42,512	2.7%
<b>Spain</b> (CNP BVP)	€43,154	5.4%
<b>Italy</b> (CNP UniCredit Vita)	€48,206	0%
<b>Argentina</b> (CNP Argentina)	\$107,852*	27%
<b>Ireland</b> (CNP Europe Life)	€66,000	–

### Note

Inflation ended the year at 23% in Argentina, 3% in Spain, and 6.5% in Brazil.

\* Argentine Peso

### FRANCE

Supporting employees throughout their careers is a priority and every executive's team management objectives include tracking the career paths of his or her team members.

In 2011, 59% of vacant positions under permanent contract were filled from within. In addition, 441 people changed jobs through promotion or transfer to a new site or organisational unit.

### INTERNATIONAL

All employees had a performance review during the year, except in Brazil, where the rate was 97.5%.

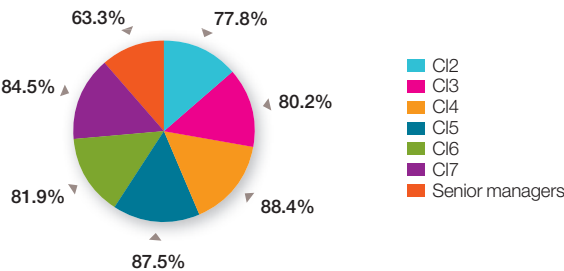
## Training

### FRANCE

The training budget represented 5.06% of payroll in 2011, with 85% of employees receiving some form of training during the year. Most of these courses concerned insurance techniques, followed by computer/office systems, sales and marketing, personal growth and management. All employees were enrolled in an anti-money laundering e-learning module.

Forty-nine employees attended courses leading to a diploma, compared to 46 last year. Of these, 53% were working towards a diploma in insurance (actuarial studies or ENASS) and 47% were studying various aspects of corporate management. Each participant received an average of 3.1 days of training, for a total of 8,446 days (up 0.7% on 2010).

Percentage of employees receiving training – breakdown by category



The percentage of employees attending a training course remained virtually unchanged across every category.

### INTERNATIONAL

Most of the training offered by the subsidiaries dealt with professional, behavioural or linguistic skills, with the most appropriate courses determined on the basis of the annual performance review. Caixa Seguros introduced a specific curriculum for new hires, as well as on-line courses on climate change.

	Training budget as a percentage of payroll	Percentage of the workforce that received training	Average number of training days
Brazil (Caixa Seguros)	3.56%	100%	N/A
Cyprus/Greece (CNP MIH)	0.70%	25%	1.2
Spain (CNP Vida)	0.87%	79%	4.38
Spain (CNP BVP)	1.20%	40%	9.1
Italy (CNP UniCredit Vita)	3.83%	100%	8
Argentina (CNP Argentina)	1.21%	100%	3
Ireland (CNP Europe Life)	0.48%	10%	0.5
Moyenne	2.5%	77%	2

### Professional standards

Updated in 2010, the Code of Conduct serves as standard operating procedure. It is posted on the intranet, and printed in the Employee Orientation Guide for new hires. Certain units, such as Purchasing and Internal Audit, have their own code of ethics.

### INTERNATIONAL

Each of the subsidiaries provides ethical guidelines through their standard operating procedures, charters or codes. The Brazilian subsidiary also organises training in ethical issues and conducts an annual audit to ensure that its code of professional standards has been properly distributed.

## Building employee awareness of sustainable development issues

### FRANCE

As part of the 2010 Bilan Carbone® carbon footprint audit of 2009 performance, climate change sensitivity sessions were organized for employees contributing to the audit or working further downstream. Employees were also invited to a presentation of the major issues, results and areas for improvement, which were relayed by a two-month exhibit on every site as well as an educational film on the intranet.

Since 2010, CNP sales personnel can consult the French Banking Federation's *Mini-Guide to SRI*. CNP Assurances employees invested more than 26% of their employee savings in SRI funds.

In 2011, a large number of events were organised to raise employee awareness of our sustainable development initiatives, including several during Sustainable Development Week, at the annual employee convention, and in honour of the International Year of the Forest. Training was also offered in eco-driving techniques. After a film on socially responsible investing was shown, an SRI discussion forum was opened on the sustainable development intranet. Many articles were also written for the CNP intranet, on such diverse topics as pen recycling, SRI and green tips for daily living.

A general sustainable development training pilot was tested by a few CNP employees, while CNP Assurances buyers attended dedicated training courses.

### INTERNATIONAL

All of our companies believe that upholding human rights is the first basic principle of a socially-responsible employer. Each one has organised sustainable development awareness training for employees. Caixa Seguros also provides environmental sensitivity training for employees (see the *Environment* section, page 31).

## Social dialogue



### FRANCE

#### The agreements in effect cover all employees.

CNP Assurances complies with employer negotiating obligations, such as the annual French pay round, the profit-sharing bonus, psycho-social risks and senior employees.

In particular, the agreements in effect cover work hours, the group pension plan, labour union resources, integration of disabled employees, discretionary profit-sharing bonuses, non-discretionary profit-sharing bonuses, and the individual training (DIF) scheme.

#### Agreements signed in 2011

During the year, negotiations were opened with union representatives concerning psycho-social risks, the annual pay round, discretionary profit-sharing, the special profit-sharing bonus, gender equality and senior employees. Agreements signed covered gender equality, discretionary profit-sharing and employment in the Policyholder Services department.

#### Meetings with employee representatives

CNP Assurances complies with prevailing legislation concerning the rules and procedures to inform or consult the Works Council, employee representatives and the occupational health, safety and working conditions committee.

In 2011, 16 Works Council meetings were held (12 ordinary and four extraordinary), as well as 12 meetings with employee representatives, 27 meetings with union representatives, and 13 meetings with the occupational health, safety and working conditions committee (i.e. three times more often than as required by law).



## Promoting equal opportunity

### INTERNATIONAL

Social dialogue is a priority throughout the CNP Assurances Group. All of the international subsidiaries with more than 10 employees have at least one employee representative, and all employees (except in Ireland and executives in Argentina) are covered by a local insurance industry collective bargaining agreement. The agreements cover the main employee relations issues and stipulate dialogue procedures.

To communicate the decisions taken as a result of the economic crisis that is severely impacting its host countries, CNP MIH employee representatives organised programmes to explain benefits and the economic crisis.

	No. of employee/management meetings	Agreements signed in 2011	Subject of the agreements
Brazil (Caixa Seguros)	7	1	Pay round
Cyprus/Greece (CNP MIH)	5	Agreements not renewed due to the economic crisis	
Spain (CNP Vida)	5 (of which 2 with the occupational health, safety and working conditions committee)	0	–
Spain (CNP BVP)	0	0	–
Italy (CNP UniCredit Vita)	4	1	Agreement on telecommuting
Argentina (CNP Argentina)	2	0	–

The European Works Council, created in 2010, brings together employee representatives from France, Italy, Spain, Portugal, Greece, Cyprus and Ireland to deal with cross-border issues and projects. It met once in 2011.

### FRANCE

Women accounted for 50.6% of managers overall and 26.5% of senior executives, with a slight increase among category 7 managers and senior executives. On average, men’s salaries were 4% higher than those of their female counterparts by category in 2011, unchanged from 2010. CNP Assurances constantly strives to reduce any observed gender gaps in remuneration and promotion. On 18 November 2011, all of the trade unions signed the second agreement on gender equality, which in particular sets measurable goals in terms of gender parity, promotions, training and work/life balance.

Sixty employees are on work-study placements. Employees under 25 accounted for 0.6% of the workforce (2.1% excluding work-study placements).

The 2009-2012 older employee Action Plan is designed to strengthen our commitment in six areas targeted by French legislation. Thirteen older people were hired under fixed-term contracts, out of a total of 31. Employees over 55 accounted for 18.4% of the total, versus 17.4% last year.

An agreement to promote disabled employment has been in place since 1995. With 107 people, of which 98 under permanent contracts, disabled employees represented 5.61% of the workforce, up 0.21% over 2010. We also provide work for sheltered workshops corresponding to 40 “beneficiary units” as defined by the French authorities.

In January 2009, CNP Assurances was one of the first companies to earn the Seal of Diversity, which was recently renewed by the French standards authority, AFNOR. A Diversity steering committee set up in 2010 meets twice a year to review the actions undertaken in each aspect of the business to ensure policy consistency throughout the organisation. Diversity was also one of the two criteria for allocating discretionary profit-shares in 2011. This encouraged more than 78% of employees to take the e-learning module, with a high level of success on the evaluation. At the same time, deployment of the module to train managers in equal treatment during job interviews continued apace, with slightly more than 73% of managers now having been trained.

## Other employee benefits

### INTERNATIONAL

The commitment to fighting against discrimination is shared across the international subsidiaries, with specific clauses in Caixa Seguros's Code of Conduct, CNP Argentina's Code of Ethics, and CNP Vida's collective bargaining agreements. CNP MIH's Code of Service addresses discrimination, privacy, freedom of religion, and respect for each employee. The company also promotes diversity and gender balance, and no cases of discrimination have been reported.

	Percentage of women in management-grade positions	Average pay gap between men and women by category	Percentage of women in management-grade positions
Brazil (Caixa Seguros)	40%	120%	13%
Cyprus/Greece (CNP MIH)	13%	109%	20%
Spain (CNP Vida)	41%	115%	41%
Spain (CNP BVP)	11%	95%	43%
Italy (CNP UniCredit Vita)	41%	N/A	11%
Argentina (CNP Argentina)	66%	95%	60%
Ireland (CNP Europe Life)	0%	N/A	0%
Moyenne	33%	114%	20%

### FRANCE

All CNP Assurances employees are covered by supplementary health and death/disability insurance, a separate long-term care insurance policy and a life insurance/pension plan with matching employer contributions. They are also eligible to participate in a "time savings account" and invest in a PERCO voluntary pension plan.

The budget for the Works Council's employee welfare and cultural programme amounted to 1.75% of total payroll, allocated as follows:

- childcare: 28.75%;
- holiday vouchers: 23.45%;
- travel: 25.48%;
- other (sports, cultural activities, social assistance): 22.31%.

### INTERNATIONAL

All of the international subsidiaries offer employee benefits in a variety of areas, including health insurance, subsidised meals, transportation, leisure activities and Christmas activities. The welfare budget, excluding Caixa Seguros, represents an average 1.06% of total payroll.

	Percentage of disabled employees	Number of interns/apprentices
Brazil (Caixa Seguros)	1%	80 interns and 21 one-year contracts for school-leavers
Cyprus/Greece (CNP MIH)	0%	0
Spain (CNP Vida)	0%	0
Spain (CNP BVP)	0%	0
Italy (CNP UniCredit Vita)	3.5%	1 intern
Argentina (CNP Argentina)	N/A	N/A
Ireland (CNP Europe Life)	0%	0
Total	0.8%	—

# Policyholders and distribution partners

## Policyholder satisfaction

### FRANCE

#### Quality of service

Quality commitments have been given to our partners concerning:

- Processing times
- Call centre response rates
- Delegated management system uptime

In 2009, a customer relationship intelligence unit was set up and training sessions were organised with network sales teams outside Paris. Tracking committees now meet during the year, including at sites outside Paris.

To improve their ability to offer the right advice in response to customer needs, distribution partners also have access to our insurance and sales training modules. Moreover, with the full consent of CNP Assurances, the Caisses d'Epargne savings banks designed a Duty of Advice and Risk Tolerance Profile process to help determine asset allocation for unit-linked investments.

The satisfaction surveys are presented above, in the “Dialogue with Stakeholders” section.

#### Quality certifications as of 31 December 2011

- ISO 9001:2008 certification has been awarded for the entire annual information process for individual insurance and group pensions contract, as well as for the call centres, the processing of incoming mail, all of the term creditor insurance processes, and the Business Development department's BtoB relations with distribution partners.
- Since 2010, the management of individual insurance products sold by the CNP Trésor network has also been ISO 9001:2008-certified, in a commitment to shortening processing times and improving quality of service.
- The Internal Audit department's IFACI certification earned in 2008 was renewed in late 2011.
- Âge d'Or Expansion's services have been “NF Service” quality certified.
- Contractual documents are validated through the CNP Assurances compliance process.

#### Quality of service support systems

The workstations used by distribution partners (Puma, Partage, Majestic and CNPNet) incorporate duty of advice compliance, while enhancing the quality and efficiency of policyholder services.

The use of electronic documents, which shorten process times and reduce paper consumption, was deployed across all of the CNP Trésor network processes in 2009, representing one million letters. For term creditor insurance contracts, the use of the CNPNet platform with bank partners enabled 75% of the health questionnaires to be processed electronically in 2011, versus 25% in 2008. In addition, another feature now being developed will let policyholders fill out the questionnaire at home.

In term creditor insurance, the new unit set up to provide support for insureds who submit a claim continued to focus on personalized contact and making greater use of new technologies, such as the text messaging and e-mail systems trialed in 2011. The unit is designed to walk insureds through the claim process, from reporting the claim and creating the claim file to tracking implementation of the insurer's decisions. In 2011, a brochure on claim file preparation was distributed, and an online claim reporting site was developed.

For many years, CNP Assurances has had a business continuity plan in place to deal with the risk of downtime following an incident. Various tests are performed each year, using different scenarios, to ensure that in every department, normal business operations could be quickly and efficiently restored.

#### Call centre pick-up rates

In 2011, CNP Assurances handled 1.5 million calls concerning individual insurance. The pick-up rate remained unchanged, at 84% for the year.

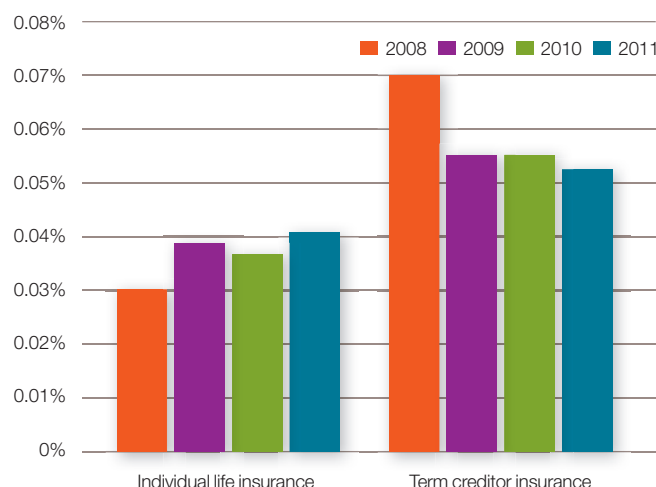


## Mediation

CNP Assurances has set up a mediation service, whose contact details are systematically specified in policy terms and conditions. This easy-to-use, free dispute resolution process significantly reduces the number of cases that end up in court and improves the policyholder-insurer relationship.

The mediation service was asked to examine 1,067 disputes in 2011, up 10% mainly due in group insurance to the increased number of over-indebtedness cases and in individual insurance to the worsening recession. Fifty-five per cent of these disputes were resolved in the policyholder's favour.

## Complaints



The complaint rate has always been marginal. In term creditor insurance, the number of complaints submitted during the claims process has remained stable since 2009, while in individual life insurance, complaints and requests for information are under control.

## Disputes

A total of 1,309 disputes were in progress at 31 December 2011, down 9% on 2010. CNP Assurances won 57% of the cases in the first instance, 72% on appeal and 60% when the matter was submitted to the court of cassation.

## Unclaimed settlements

CNP Assurances has always worked actively to limit the volume of unclaimed settlements and was quick to implement the new regulations on this issue. In 2011, thanks to new legislation, the beneficiaries of 13,602 unclaimed settlements were found via searches initiated by CNP Assurances and through AGIRA, an organisation set up for this purpose. A total of €90 million was paid out as a result.

The system for finding beneficiaries is based on:

- Solid ties with our two major distribution networks (Caisses d'Epargne and La Banque Postale), which help to identify beneficiaries and limit the number of unclaimed settlements, thanks to their close relationship with policyholders.
- A new secure beneficiary search and contact system set up in compliance with France's Act of 17 December 2007, which came into effect in July 2011 and allows insurers access to the French statistics bureau's files on deceased individuals.

The process includes a systematic review of the customer database and a beneficiary search carried out by strictly vetted service providers.

## Policyholder data protection

To protect the confidentiality of policyholder data, CNP Assurances has introduced a dedicated intelligence process to increment its management practices and the duties specified in its Code of Conduct. A liaison officer for the French data protection agency, CNIL, leads an in-house network and circulates procedures through a dedicated intranet site. Procedure application is carefully controlled, and the liaison officer presents an annual review.

## INTERNATIONAL

### Outside France, quality of service is also a priority

In 2008, the call centre in Brazil earned the Probrare programme's Ethical Seal, which recognizes the centre's performance in guaranteeing call completion, respecting consumer rights and providing clear information. In 2011, based on consumer surveys, local magazine *Consumidor moderno* awarded its Consumer Respect Prize to Caixa Seguros for its property insurance products. For several years, the call

centre's overall satisfaction rate has exceeded 80%. In addition, 460 technical and behavioural training courses were organized for the distribution network in 2011, and various customer surveys are conducted every year.

Caixa Seguros invested in several projects to make its customer service website more user-friendly and secure. The site currently has one million registered users, confirming the validity of the company's strategy of leveraging online services in response to customer demand. It is also possible to take out policies online, with specialists available via web-chat to assist customers during the purchase process. In 2010, an online survey showed an 84% satisfaction rate with the site, which attracted 300,000 visits.

CNP Argentina earned ISO 9001:2008 certification for its management system, becoming the first local life insurance company to be certified for both the sales and administrative management of insurance policies. The company is also going to launch a new website reflecting the needs expressed in the 2011 satisfaction survey, particularly the ability to print a copy of a policy.

CNP MIH is ISO 9001:2008-certified for its life insurance business in Cyprus.

Since 2000, CNP Vida has maintained its UNE-EN ISO 9001:2008 compliant quality management system that is AENOR and IQNet-certified for the design, selling and administration of life insurance policies and pension plans.

CNP UniCredit Vita enhanced its website for direct access to insurance accounts, by adding downloadable claim forms.

The satisfaction surveys are presented above, in the "Dialogue with Stakeholders" section.

All of the international subsidiaries have set up equivalent data protection processes in compliance with local legislation.

## Environmentally and/or socially responsible products and services

### PREVENTION

In 2003, CNP Assurances pioneered the integration of assistance and prevention services in life insurance/savings and long-term care insurance contracts, in particular through its Filassistance International subsidiary.

Over the years Filassistance International has developed:

- Programmes to help to prevent loss of autonomy and memory loss.
- A pandemic prevention service.
- An employee counselling and stress management service for companies.
- A support service for family carers of dependent people.

In 2011, Filassistance continued to strengthen its positioning in local personal assistance services, particularly in the areas of healthcare and assistance with daily life. It also continued to expand its prevention awareness offering and help for caregivers to vulnerable people by developing its "Assurassistance" solution. Highlights of the year included:

- A trial offering of services to help find suitable housing.
- A personal financial management coaching service for people hit by a serious, unforeseen health or family problem.
- Counselling for individuals coping with chronic illness, to provide social, administrative, financial and psychological support.
- Post-hospital convalescence support with a programme of appropriate physical activities.

In group insurance, CNP Assurances continues to deploy workplace programmes to improve the health and wellbeing of local government employees through advice, training, individual and group psychological support, surveys and audits.

### INTERNATIONAL

A percentage of the premiums from Caixa Seguros's Caixacap Blue Dream product is paid to The Green Initiative to help finance the Carbono Seguro reforestation programme. CNP MIH conducts prevention campaigns targeting obesity and stress, while some of its products come with an offer of free or low-cost medical check-ups.

## HELPING TO FIGHT AGAINST FINANCIAL EXCLUSION

### Affordable products for customers in every income bracket

In October 2010, we launched [www.toutsavoirlassurancevie.fr](http://www.toutsavoirlassurancevie.fr), the first interactive video website dedicated entirely to life insurance, which allows interested people to learn more about insurance through an educational web series and information sheets, free of sales overtones. With more than 565,000 unique visitors in 14 months, the site has clearly responded to a real need for information.

In agreement with our distribution partners, and despite rising administrative costs, minimum premiums or investments are being kept low, at €30 for life insurance, €45 for employee savings plans, €4.10 per month for personal risk insurance (with a death benefit of €25,000) and €14 per month for long-term care insurance at age 50 for a monthly benefit of €300\*.

As the leader in the group life insurance segment, our pooled contracts enable companies, non-profit associations and local governments to offer all their employees the same insurance cover at the same price.

The mortgage guarantees provided by CNP Caution offer older customers an alternative to term creditor insurance products.

Microinsurance: CNP Assurances is a founding member of the Entrepreneurs de la Cité foundation, which helps entrepreneurs obtain insurance for their businesses, and a co-insurer of the foundation's "Insurance Kit", which offers death/disability and health cover. 300 new contracts were written in 2011, a decline from 2010 due to the decrease in the number of start-ups over the year.

In 2011, we strengthened our ties to social economy stakeholders by becoming the insurer for loans granted by Action Logement Groupe Sud Est, a partner to the French government's Action Logement low-income housing loan scheme. By the end of the year, we were providing term creditor insurance for 20% of the Action Logement partnerships.

Also in 2011, French finance magazine *Les Dossiers de l'Épargne* – *Crédits* bestowed its 2012 Label of Excellence on the Effinance term creditor insurance contract co-insured with La Banque

Postale Prévoyance. The magazine singled out the product's wide accessibility – it is one of the most flexible in terms of age eligibility, requires few medical formalities, and has no deferred period – as well as its useful guarantees and small number of exclusions, all at a reasonable price.

### Tailored risk selection procedure

The term creditor insurance acceptance rate remained very high at 99.8% in 2011.

CNP Assurances is assertively committed to ensuring that individuals representing an aggravated health risk have access to credit and insurance in line with the provisions of the Aeras Convention. On 1 September 2011, we were ready to manage the new specific disability guarantee for policyholders who cannot benefit from the general clauses, as defined in the revised Aeras Convention of 1 February 2011. The new guarantee is designed to offer disability coverage, as stipulated in the Convention, to customers who are not eligible for the temporary or permanent disability guarantees initially included in the contracts. In addition to these regulatory obligations, we also offer our disability guarantee to civil servants and non-salaried workers.

Special measures were taken in 2008 to remove barriers to insurance for customers suffering from unstable health conditions or chronic illnesses. Premiums for low-income borrowers have been capped.

## INTERNATIONAL

**Our Brazilian subsidiary is making it easier for people with hearing difficulties to access its products. At the same time, in response to the decline in local purchasing power, it is introducing more affordable products, such as the AP and RD voucher and Vida da Gente.**

\* €3,000 worth of home equipment and assistance in the event of severe dependence, and 60% of the benefit in case of partial dependence (IRG rating of less than 3)

## OTHER EXAMPLES OF SOCIAL VALUE-ADDED

- Long-term care insurance that begins to pay benefits as soon as the first signs of disability appear has been added to all MGEN contracts, representing two million insureds.
- In cooperation with GDF Suez, we offer insurance covering the payment of gas bills in the case of a personal accident.
- We also offer unemployment insurance cover, with lower premiums or with an advisory service to assist the insured in finding another job. In particular, the Protection Active Emploi product launched with CIF provides financial support for six or 24 months, plus personalised assistance, such as career reviews, training and logistical support.
- The Cachemire product distributed by La Banque Postale carries a capital guarantee in the case of unforeseen adverse events.

## INTERNATIONAL

Caixa Seguros has signed an agreement with the Ministry of the Budget to instil a culture of retirement saving amongst civil servants and to offer its pension plans online. Since 2003, the company has also provided free personal risk and accident insurance for students participating in the Rondon project.

In Cyprus, unit-linked products usually come with personal risk insurance.

In Italy, CNP UniCredit Vita responded to policyholders' desire for security by launching an innovative new product with a capital guarantee.

## SOCIALLY RESPONSIBLE INVESTING (SRI) PRODUCTS

In the personal insurance market, "green" products are offered only by SRI funds.

In addition to increasingly integrating environmental, social and governance (ESG) criteria in the management of assets underlying all our traditional savings products and own funds portfolios (see section on Investment Counterparties, page 25), SRI funds are offered in all the distribution channels.

In individual insurance, for example, each of the flagship unit-linked products offers one or more SRI funds (such as the LPBAM Responsible and Ecureuil Bénéfice families and CNP Développement Durable). At 31 December 2011, 82,000 life insurance policies included an SRI fund, 5% fewer than a year earlier. In all, SRI assets stood at €270 million at year-end, a decline of almost 9% on 2010 (compared with a 13% decline in the unit-linked portfolio).

In the group insurance segment, our sustainable development process is presented to customers during tracking committee meetings, while the various products continue to invest in SRI funds.

In employee savings, Fongépar has created two new socially responsible funds with non-profit organisation Habitat et Humanisme, one in 2010 and the other in 2011. In all, assets in SRI funds amounted to €82 million at 31 December 2011, down nearly 9%. More than 40% of these funds were CIES-certified, making them particularly suitable for employee savings plans.

## Encouraging policyholder commitment to sustainable development

A brochure describing our sustainable development process is updated annually and distributed to corporate customers, brokers and during calls for bids. It is also available on the [www.cnp.fr/Developpement\\_durable/Presentation/Presentation.htm](http://www.cnp.fr/Developpement_durable/Presentation/Presentation.htm) website.

CNP Trésor's half-yearly policyholder newsletter always contains a section on sustainable development.

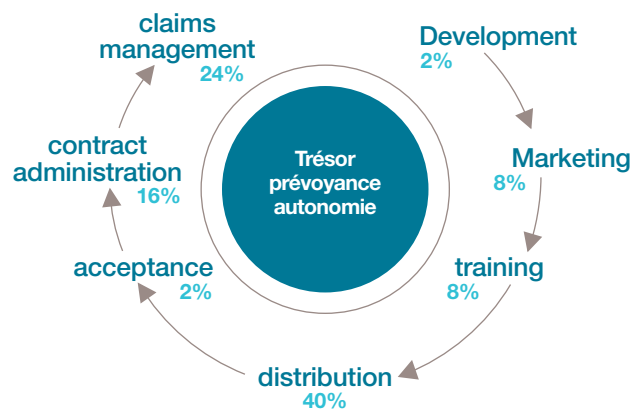
The annual statements sent to policyholders highlight our pledge to support the United Nations Global Compact and our responsible investing strategy. Following the 2010 pilot involving the CNP Trésor network's 10,000 policyholders, this practice was extended to the other networks and other correspondence, particularly tax notices, for a total of some 11 million letters in 2011.

The CNP Assurances network is going paperless for marketing correspondence, with customer agreement. In 2011, a process was developed for tracking customer authorisations to use email, with 15,000 addresses now authorised, or 4.2% of the network's policyholders.

### ASSESSING AN INSURANCE PRODUCT'S CARBON FOOTPRINT

To raise awareness of environmental issues among policyholders, the cradle-to-grave carbon emissions associated with an insurance product have been assessed, in line with the Bilan Carbone® analysis method.

For example, a Trésor prévoyance autonomie policy releases 12 kilograms of CO<sub>2</sub> over its lifetime, as follows:



### INTERNATIONAL

Since 2008, Caixa Seguros has conducted a campaign to build awareness of sustainable development issues among policyholders who have taken out more than two policies. To present its social and environmental challenges and results, the Group has expanded its informative "Caring for the Future" website ([www.cuidardofuturo.com.br](http://www.cuidardofuturo.com.br)), which also hosts a blog about responsible consumption issues.

The Cyprus subsidiary conducts sensitivity campaigns on global environmental change, on health and safety during Student Work Week, on fire safety and on road safety.

# Suppliers and subcontractors

## Integrating human rights and environmental issues into purchasing policy

CNP Assurances's CSR commitments are also expressed in the purchasing process. All buyers are aware of these issues and most of them are trained in CSR compliance. Their purchasing practices are governed by professional standards incorporating the Purchasing Code of Ethics.

As a supporter of the United Nations Global Compact since 2003, CNP Assurances systematically promotes its commitment to human rights amongst subcontractors and suppliers.

CSR commitments are presented in the recitals of every contract, and compliance is verified.

Subcontractors are not used to optimise payroll costs. Outsourcing is limited to printing, mailing, enveloping and archiving services; bulk data entry; the call centre; and maintenance and intellectual services.

An employee protection clause is included in all calls for bids, requiring suppliers and their subcontractors to pledge to respect human rights and to comply fully with French labour laws. Candidates that do not pledge are excluded from the bidding process. Audits are gradually being developed.

In 2011, ESG criteria were added to tenders for IT hardware, while a specific CSR clause was drafted for IT service contracts.

### INTERNATIONAL

Since 2008, Caixa Seguros's supplier contracts have included CSR clauses based on the Global Compact principles, which have also been added to contracts signed before 2008.

Moreover, all of the company's suppliers and subcontractors pledge to comply with all applicable legislation and respect the environment. Non-compliance is grounds for contract termination (or other appropriate legal action).

The other subsidiaries are also making progress in this area, in terms of both products and suppliers, particularly CNP UniCredit Vita's "Green Group".



# Investment counterparties

## A responsibility to the economy

With an asset portfolio of €288 billion at 31 December 2011, the CNP Assurances group makes a major contribution to financing the economy. Our financial strategy is carefully designed to secure our commitments and to deliver steady, optimized performance over time. Assets are held for very long periods – seven years on average for equities and to maturity for bonds (generally around ten years).

## A responsible investor

In line with our responsible investing strategy, ESG screens are gradually being applied in the various asset classes across the portfolio:

### – Listed equities:

Managed according to best-in-class SRI criteria. Quarterly monitoring since 2006 with Natixis AM and since 2009 with LBPAM.

### – Government bonds and equivalents:

ESG screen excludes non-democratic countries, those where freedom is infringed, as rated by Freedom House, and countries poorly rated by Transparency International.

### – Corporate bonds:

Quarterly portfolio scoring set up with Natixis AM and LBPAM in 2011. Since early 2012, bonds have been excluded from the portfolio or their weighting limited on the basis of issuer compliance with Global Compact principles.

### – Property:

Sustainable Property Management Charter adopted with Icade in 2008, with a commitment to protecting people and property and preserving the environment. Energy performance assessments have been performed on 94% of directly owned residential property and 28% of directly owned commercial property. 42% of the directly owned offices have a green rating. Safety audits have also been carried out, with 52% of identified problems resolved in 2011. Energy efficient and green buildings (French HQE, THPE or BBC certification) represent 14% of total office space. Since 2009, an environmental assessment has been carried out on all newly-acquired properties.

### – Private equity:

Introduction in 2010 of an ESG rating for all new private equity investments, based on a questionnaire sent to the fund management team during the due diligence process. Twenty funds were rated in 2011.

In addition, we have invested in several funds that combine financial criteria and ESG concerns, such as financing small businesses that have trouble raising capital due to social barriers, and supporting SMEs in financial difficulty. Together, these twelve funds represent total assets of nearly €98 million, or 5.5% of investment lines and nearly 2.7% of total commitments.

### – Woodland:

CNP Assurances is France's largest private owner of woodland, with a total of 54,500 hectares at end-2011 following the acquisition of a new forest during the year. Société Forestière sustainably manages the PEFC and ISO 9001-certified woodlands, in a commitment to improving safety, promoting biodiversity and proactively anticipating the effects of climate change.

### – Infrastructure:

ESG questionnaire introduced in 2010 for new investments and reporting required as from that year. Investments in renewable energies and water and waste treatment represented total assets of €115 million at 31 December 2011.

### – Mutual funds:

SRI funds offered with traditional savings contracts totalled €1,070 million at 31 December 2011, representing 7% of all mutual fund units purchased by CNP Assurances (for mutual funds purchased by policyholders, see "Policyholders and Distribution Partners", page 22).

In addition, asset managers are required to attest that their funds do not invest in cluster-bomb and anti-personnel mine manufacturers.

### – Fongépar:

€82 million in SRI funds at 31 December 2011, of which 44% were CIES-certified.

In all, more than half of the asset portfolio is managed according to ESG criteria, a proportion that has increased significantly early 2012 following extension of these criteria to corporate bonds.

### A responsible shareholder

Since 2005, CNP Assurances has been committed to taking an active role in voting at the General Meetings of companies in its portfolio. In 2011, for example, we voted at the General Meetings of all of the French companies in the portfolio (99% of the number of companies) and of the largest European companies, for a total of 117 General Meetings and 2,098 resolutions, voting against 19.4% of them.

Defined by senior management, our voting principles are shaped by our position as a long-term minority shareholder, in that they are designed to protect the rights of minority shareholders who are investing to support the investee's growth over time. These principles, which are regularly updated to reflect the latest market trends and investor concerns, are applied to all investee companies, in line with each one's characteristics, industry and national legislation.

Constructive dialogue is engaged with companies whenever a problem is revealed during the quarterly SRI screening process via our asset managers or during the lead-up to General Meetings. This process is repeated year after year, given the long investment horizons. When dialogue fails to produce results, other increasingly severe measures may be taken, from not making any follow-up investments to selling the entire stake.

#### INTERNATIONAL

ESG criteria are also gradually being integrated into the asset management strategies of the main international subsidiaries, in compliance with local legislation. In Brazil, for example, Caixa Seguros refuses to invest in certain industries. In recent years, Caixa Seguros has invested in the “*Jovem de Expressão*” project, which is designed to promote the well-being of young people by reducing their exposure to violence (see the section on “Civil society”, page 29).

In Italy, some 1% of assets are invested in SRI funds.

# Civil society

## Preventing money laundering

As a financial intermediary, CNP Assurances is deeply involved in the fight against money laundering. Given our business model, the main “know your customer” and due diligence requirements are defined in the agreements signed with our distribution partners, who are in direct contact with customers.

In addition to the internal control process and the deployment of ethical standards, a system of controls is in place to monitor compliance with anti-money laundering procedures on a regular basis. These controls are updated to reflect changes to regulations. There is a dedicated anti-money laundering unit, backed by correspondents in the various units, and any employee can access the Group-wide anti-money laundering procedures on the intranet. In early 2011, an online training programme, with different modules depending on the level of application, was offered to all employees.

professional standards have been prepared for CNP Trésor sales people, in line with FFSA professional guidelines.

Lastly, this same vigilance is applied in managing our financial assets (see “*Investment counterparties*”, page 25), particularly for sovereign bonds issued by countries with a low Transparency International rating, one of the three criteria for elimination.

### INTERNATIONAL

The international subsidiaries are also actively applying anti-money laundering procedures, in compliance with local legislation, and regularly conduct training programmes with support from the corporate Risk Management department.

CNP Argentina introduced a Code of Ethics in 2010, while the Italian subsidiary has deployed a charter of professional standards and a code of conduct.

CNP BVP follows its internal code of conduct, which is aligned with those of its two shareholders, CNP Assurances and Barclays.

CNP MIH has developed a Code of Ethics as part of its Service Code.

## Fighting against corruption



Corruption is not a major direct risk for CNP Assurances because cash payments are prohibited and incoming and outgoing payments are fully traceable. Procedures describe the controls carried out by customer-facing sales staff or distribution partners, notably to verify the identity of the premium payer and the beneficiary, as well as the means of payment.

Our Code of Conduct, which every employee is expected to apply, provides guidelines on conflicts of interest and gifts. In 2011, 300 managers were trained in these rules of conduct, which they are now cascading down to their team members.

Additionally, a dedicated Purchasing code of professional standards describes actions to take in key situations, based on the Purchasing Code of Ethics established in 2006. Similarly, specific



## Human rights

In line with our Global Compact commitments since 2003, we ensure that each country organisation complies with human rights laws and regulations. Following CNP Argentina and Caixa Seguros, CNP UniCredit Vita also pledged to uphold the Compact in 2010. Every year, Caixa Seguros has its corporate social responsibility audited by Ethos to ensure compliance with Global Compact principles.

All of the subsidiaries share the overriding principles of respect for human rights, freedom of association, the right to collective bargaining, long-term support for employees and the promotion of equal opportunity. Each one submits an annual review of their CSR performance to CNP Assurances, with a special focus on these four fundamental criteria.

Measures guaranteeing respect for civil and political rights include the standard operating procedures, the appointment of a liaison officer for the French data protection agency (CNIL) and an agreement on union rights (see *“Employees and Employee Representatives”*, page 8).

Neither CNP Assurances nor its subsidiaries are directly concerned by forced or child labour. Our commitments to promoting the fundamental ILO conventions are also expressed in our relations with subcontractors (see *“Suppliers and Subcontractors”*, page 24) and by integrating ESG criteria in our financial asset management practices (see *“Investment counterparties”*, page 25). Our real estate management procedures and selection of listed equities, private equity funds and corporate bonds all reflect the performance of the issuer in complying with the ILO's fundamental conventions and upholding human rights.

In signing the UDA responsible communication charter, CNP Assurances has also pledged to respect human rights and diversity in all of its advertising and corporate communication.

## Corporate philanthropy

### THE CNP ASSURANCES FOUNDATION

The CNP Assurances Foundation became a corporate foundation in 2011, enhancing its involvement in corporate philanthropy programmes in the areas of healthcare (CPR and pain management) and support for employee projects. Its 2011 budget totalled €800,000, including support for homecare services and Telethon pledges.

#### Support for the CPR project

In the past three years, the Foundation has provided €1.5 million in subsidies to deploy 2,215 defibrillators and to train users in 1,372 communities.

“Staying Alive” is a free, games-based educational website on the cardiac chain of survival and the use of defibrillators. In another campaign, *“Sauvetage Tour Hiver”*, organised by the RMC/BFM Association, CPR training was provided to residents and tourists at twelve ski resorts, with participants practising cardiac massage and using a defibrillator.

#### Support for pain management projects

A film and a variety of other training materials were prepared for a course in transporting patients in pain. Funding was provided for a film on end-of-life care for children and for a training video on entertaining children during treatment, to encourage paediatric teams to use this proven method. The Foundation also subsidised a pilot epidemiological study on pain in children and teenagers suffering from cerebral palsy.

#### Other projects

Five employee projects were supported, including one offering a maiden flight to 75 “ordinary” and “extraordinary” children coping with illness or disability. CNP Assurances has also supported Handi Equi'Compet since it was founded in 2007 to promote and develop access to para-equestrian dressage and show jumping competitions for disabled riders.

### OTHER CORPORATE PHILANTHROPY INITIATIVES

- Social responsibility projects: CNP Assurances supports micro financing (€30,000) and is a founding partner of Hanploi, which promotes employment for the disabled (€100,000).
- Research funding: €240,000, including financing for the “Risks and Opportunities in Demographic Transition” Chair at Université Paris Dauphine and the “Change Management” Chair at ESSEC.

## INTERNATIONAL

Brazil: Ten projects underway representing a total budget of R\$4.1 million, covering music and culture, social integration and funding for a public health study on youths between the ages of 18 and 29 (R\$400,000).

Italy: Budget of €38,000 for projects covering social issues.

Spain (CNP Vida): Budget of €10,000 for a fostering programme for children in developing countries, and support for the Utopia Foundation.

Argentina: Food banks, employee donations of children's clothing and toys.

## Local impact

### LOCAL DEVELOPMENT

CNP Assurances contributes to the labour market in the regions around Paris, Arcueil and Angers, where it has operated for almost a century and where 88% of employees are based. In the international subsidiaries, expatriates account for just 1 % of employees. We also contribute to regional development through our financial investments, with more than half of our financial assets invested in France.

### INTERNATIONAL

The international subsidiaries participate in the regional job market, even for senior management positions, with 73% of the executive or management committee members hired locally. Caixa Seguros actively supports local communities. Conducted in partnership with local cultural centres, the Jovem de expressão programme aims to reduce violence by helping young people in host communities to find jobs. The programme has since been recognised as a social technology and since 2010, it has been managed in conjunction with the United Nations Office on Drugs and Crime (UNODC).

### LOBBYING

Donations to political parties are forbidden and CNP Assurances does not engage in any particular form of lobbying. We act through local organisations, such as our industry federation in France (FFSA). We are also a member of ORSE, a French CSR think-tank, and its Finance Club, which brings together companies and stakeholders (NGOs and union representatives).

### INTERNATIONAL

The international subsidiaries do not engage in any particular form of lobbying, other than belonging to professional insurance bodies and participating in meetings organised by the local French consulate. CNP BVP complies with Barclays' lobbying guidelines.

# Governance and shareholders

## CORPORATE GOVERNANCE STRUCTURES

The articles of association separate the functions of Chairman of the Board of Directors from the day-to-day management responsibilities of the Chief Executive Officer.

The membership of the Board of Directors reflects the ownership structure and includes an employee representative, even though this is not required by law. The 18 members, of whom four are independent, deliberate alongside three non-voting directors and four Works Council representatives. The Board's internal rules may be viewed in the "Management" section of the [www.cnp-finances.fr](http://www.cnp-finances.fr) website.

The Board of Directors is assisted by three committees – the Audit and Risks Committee, the Strategy Committee and the Remunerations and Nominations Committee. The members and work of the Board and its committees are presented in detail in the registration document.

In 2011, the Board of Directors met eight times with an average attendance rate of 70%; the Audit and Risks Committee met nine times (average attendance rate of more than 90%); the Strategy Committee three times (average attendance rate 80%); and the Remunerations and Nominations Committee twice (attendance rate of 100%).

In 2011, two women directors joined the Board, bringing the percentage of women members to 11%.

In January 2011, the Chief Executive Officer expanded the Executive Committee to include four other senior executives (including two women) in addition to the three Deputy Chief Executive Officers who were already members. Women now account for 28% of the members.

In addition, approximately once a month, the Committee meets with other members of management, of whom 33% are women, to leverage an even greater array of skills and experience.

## OWNERSHIP STRUCTURE

Our major shareholders are Caisse des Dépôts (40%), Sopassure, owned by La Banque Postale and Groupe BPCE (35.48%), and the French State (1.1%).

The free float stands at 23.43%. The nearly 140,000 individual shareholders are kept regularly informed and can join the Shareholders' Club, regardless of how many shares they own. In 2011, three presentations and nine meetings were organised for shareholders; four Shareholders Newsletters were published, including one containing our sustainable development commitments; and shareholders could access a toll-free hotline and a dedicated website, which had 27,000 unique visitors during the year ([www.cnp-finances.fr/sommaire-des-actionnaires](http://www.cnp-finances.fr/sommaire-des-actionnaires)).

General Meetings are based on the principle of one share, one vote. At 31 December 2011, 2,438 employees and former employees held registered shares, representing 0.35% of the share capital. A further 1,400 or so employees are shareholders through the corporate mutual fund, with an average investment of €8,900.



# Environment: resources and climate change



## Environmental policy

### IN OUR INTERNAL OPERATIONS

All environmental issues are managed by the Sustainable Development Department, reporting directly to the Chief Executive Officer who acts as the sustainable development advisor to the Executive Committee and the Board of Directors.

In 2010, the Board of Directors set a target for reducing CO<sub>2</sub> emissions from our internal operations by 6% per employee between 2009 and 2011. Progress towards this target is being led with the Purchasing, Building Management and Logistics departments, and depends on empowering employees to modify their workplace practices in such areas as business travel and paper use.

As part of the 2010 Bilan Carbone® carbon footprint audit on 2009 performance, climate change awareness sessions were organized for employees involved in the process and those further downstream. All employees were invited to presentations, accompanied by a two-month exhibition held on the main French sites, and by an educational sustainable development video on the intranet.

### IN OUR STAKEHOLDER RELATIONSHIPS

Equity and property investments are managed in part by reference to environmental criteria. In addition, we have developed “CNP Développement Durable”, an SRI fund focusing on environmentally responsible investments, which is marketed through the proprietary CNP Trésor network.

In line with this same strategy, environmental criteria are used to choose suppliers.

We have also participated in the Carbon Disclosure Project since 2005, and signed the Kyoto Statement of the Geneva Association on fighting climate change.

Given the nature of our business, we cause no water, soil or noise pollution. In addition, neither CNP Assurances nor any of its subsidiaries have been convicted of any environmental violations or been the subject of any nonmonetary sanctions.

### INTERNATIONAL

In Brazil, Caixa Seguros has had a Sustainable Development Committee since 2007. Made up of 11 representatives from various sectors of society, it is chaired by the Chairman of the Group's Executive Committee.

In Italy, the environmental strategy is promoted by the Green Group, a task force created in 2008. Led by five members and open to all, it has undertaken awareness initiatives focused on company cars and eco-responsible purchasing, as well as introduced a paper recycling process with the approval of the Milan municipal authorities. In 2011, it worked on training employees in waste sorting and recycling, and on studying eco-sustainable conditions for the new head office.

### Environmental indicator scope of reporting

#### France:

3,033 CNP Assurances employees in 2008; 3,053 in 2009; 3,068 in 2010; and 3,077 in 2011. 93,000 sq.m. of office space.

#### International:

Brazil: 773 employees; 10,497 sq.m. in Brasilia.

Spain: 183 employees; 1,998 sq.m.

Argentina: 70 employees; 556 sq.m. at the headquarters in Buenos Aires.

Cyprus/Greece: 360 employees; 9,375 sq.m.

Italy: 144 employees; 7,335 sq.m.

Ireland: 10 employees; 92 sq.m.

## Helping to combat climate change

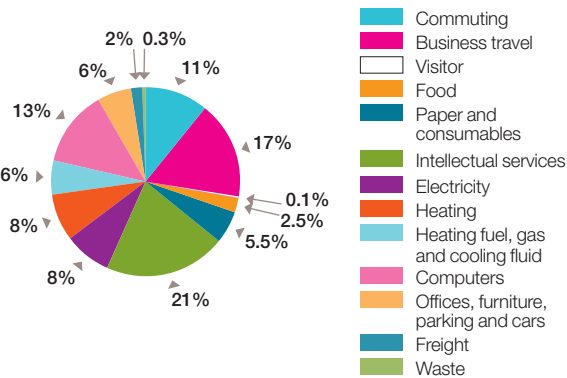
### THE 2009 BILAN CARBONE® CARBON AUDIT

As a services provider, CNP Assurances’s greenhouse gas emissions are related to employee activities and the use of computer servers. For the past six years, a dedicated process has measured the environmental impact of our business travel, paper use and building management.

To take this commitment to the next level, in 2010, a Bilan Carbone® carbon footprint analysis was conducted on 2009 performance in accordance with the method certified by France’s Environment and Energy Management Agency (ADEME). It measured emissions from every source, including energy, equipment and purchased services, freight, property, waste, commuting and business and visitor travel. The scope covered direct and indirect activities at the main offices and staff restaurants in France, representing 89% of employees. The findings were used to define short and medium-term action plans.

In 2009, emissions amounted to 22,000 tonnes of carbon equivalent, or 6.8 tonnes per employee in the greater Paris area, including contract employees.

### CNP ASSURANCES’S CO<sub>2</sub> EMISSIONS IN 2009



The carbon audit showed that i) 80% of commuting kilometres are spent on public transport; ii) power consumption (excluding the data centre) averaged 444 kWh of primary energy per square metre per year, which is less than the average for non-residential buildings in France (550 kWh); iii) 45% of waste is sorted; and iv) refrigerant emissions from the air conditioning systems represented 590 tonnes of carbon equivalent, of which 30% was R22. CNP Assurances stopped using R22 at the end of 2010.

### IMPROVEMENTS IN THE CARBON FOOTPRINT SINCE 2009

Since 2009, the carbon footprint teams have focused on the reliability of internal and external data for the broadest possible scope of reporting. Between 2009 and 2011, total tonnes of carbon equivalent, measured like-for-like (methodology and scope) declined by 2% overall.

Total tonnes of carbon equivalent emitted by employees in our internal operations in the greater Paris area (including contract employees) declined by 5% like-for-like.

## CARBON DISCLOSURE PROJECT STATEMENTS

CNP Assurances has participated in the Carbon Disclosure Project ([www.cdproject.net](http://www.cdproject.net)) since 2005. In 2011, 650 investors requested information from the CDP on the greenhouse gas emissions statements filed by CNP Assurances and Caixa Seguros.

## INTERNATIONAL

In Brazil, carbon emissions generated by travel, waste, energy, water and head office consumables were estimated at 2.32 tonnes of carbon equivalent per employee, down more than 10% from 2010.

These assessments therefore cover an aggregate 83% of CNP Group employees.

As a provider of homeowner and automobile insurance, the Brazilian subsidiary is also conducting research on the impact of climate change, both internally and in conjunction with government agencies, NGOs and private companies.

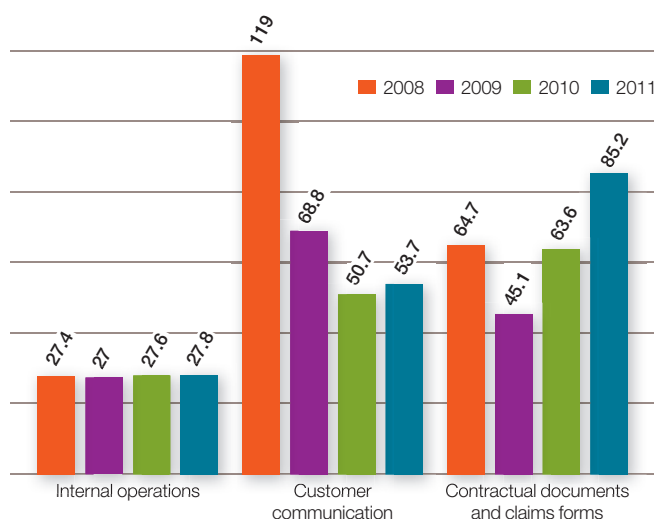
## Office supplies consumption

### FRANCE

#### Paper

To encourage employees to reduce their paper use, 20% of the discretionary profit shares paid from 2007 to 2009 was based on the fulfilment of sustainable development objectives, half of which involved reducing paper use and using recycled paper. The incentive, which was limited in time to optimise its effectiveness, reduced paper use in internal operations by 8%.

#### Paper use (in millions of sheets)



In addition to the paperless document system, applications have been developed for entering a maximum amount of information at the point of sale, to limit printing. Paper-based management manuals have been replaced by interactive e-documents that are easy to read on screen. However, the biggest reduction – of 42% in 2009 and 26% in 2010 – came from the switch to duplex printing for legally-required policyholder information letters.

In 2011, a total of 167.6 million sheets of paper were purchased for internal operations, corporate brochures, policyholder notifications and CNP Assurances contractual documents.

During the year, product introductions or updates required the printing of new leaflets and claims forms, which accounted for around 19% of paper use. In internal operations, 98.8% of purchased paper carried a sustainable management label, such as FSC, PEFC or the EU EcoLabel, and more than 25% was made from recycled fibre.

Computer consumables

The use of computer consumables has remained stable for three years, with 7,572 cartridges used by CNP Assurances in 2011.

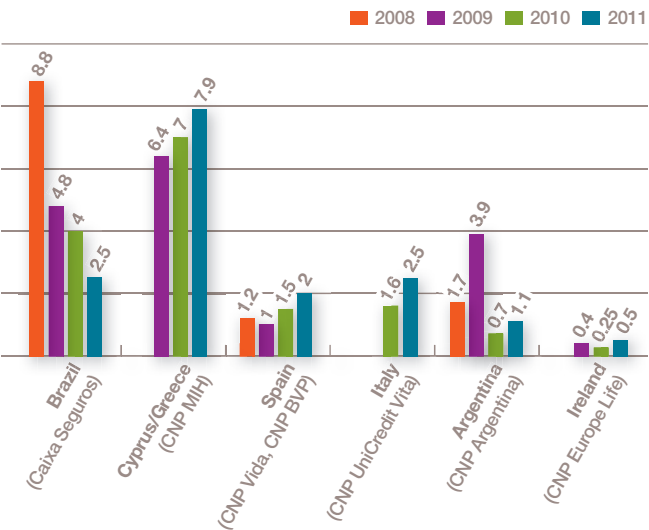
Green office supplies

Green office supplies accounted for 28% of total purchases in 2011.

INTERNATIONAL  
Paper

Paper use is tracked in all of the international subsidiaries.

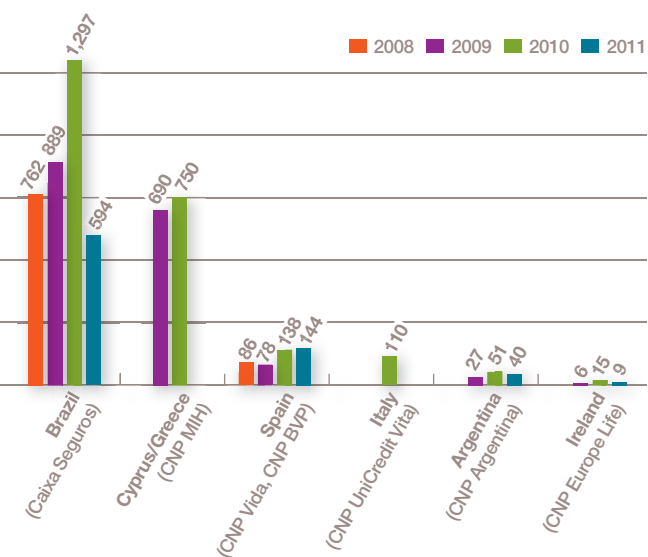
Paper use (in millions of sheets)



The reported decrease in paper use at the Brazilian subsidiary may not reflect an actual decline, since some printing is outsourced. This is also the case at CNP Argentina, CNP BVP and CNP Vida.

The paper used in Brazil and Argentina is certified as coming from sustainably managed forests, while the subsidiaries in Italy, Greece and Ireland use recycled paper. Duplex printing is encouraged.

Computer consumables  
(in number of cartridges used)



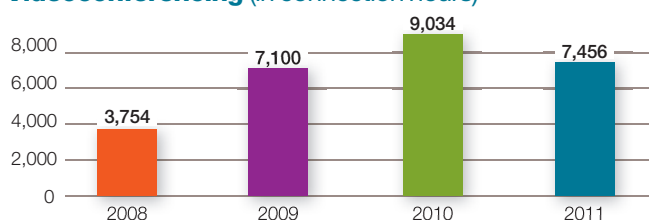
## Videoconferencing and business travel

### FRANCE

#### Videoconferencing

Employees are encouraged to use conference calls and videoconferencing to limit business travel, at a time of business growth and international expansion. The on-going system upgrade means that the reported decline in the number of connection hours in 2011 does not necessarily reflect an actual decrease (7,456 connection hours, of which 953 in the dedicated international videoconferencing room).

#### Videoconferencing (in connection hours)

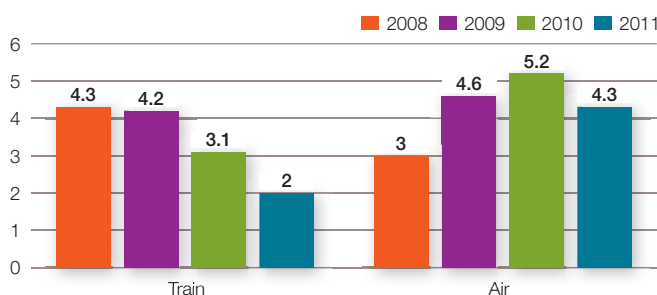


#### Business travel

Thanks to the development of videoconferencing, both train and air travel are in decline, with the number of trips and total kilometres travelled by train falling by 37% and total kilometres flown decreasing by 15.6%, primarily on international flights.

The corporate fleet of service vehicles and company cars (75% of which are for the sales force) burned 724,529 litres of fuel in 2011, more than in 2010.

#### Travel (in millions of km)



### INTERNATIONAL

#### Videoconferencing

Videoconferencing is increasingly used by all of the international subsidiaries, with 350 hours in Cyprus and Greece, 250 hours in Spain and 103 hours in Brazil.

CNP Europe Life is the only subsidiary that still does not have videoconferencing equipment, but it frequently uses audio conferencing (500 hours).

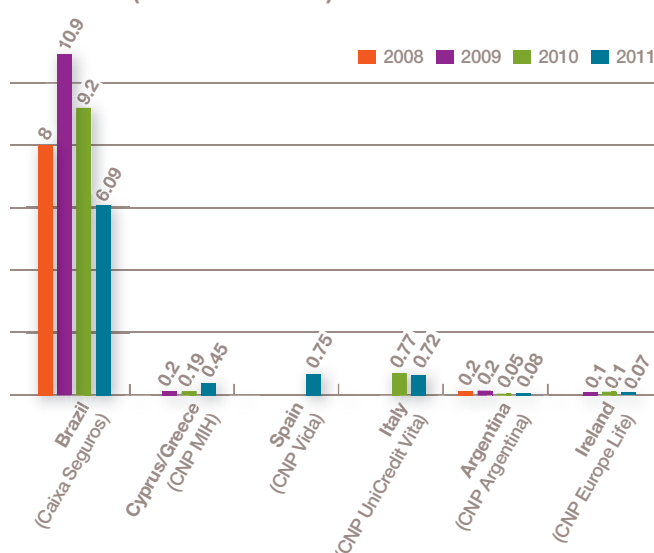
#### Business travel

Although in Brazil, air travel is justified by the country's size, Caixa Seguros's environmental programme encourages videoconferencing and distance learning, helping to drive a steady decline in travel since 2009.

The Cypriot subsidiary booked more flight kilometres this year due to the increase in business travel between Cyprus and Greece and the rising number of employee training courses attended abroad.

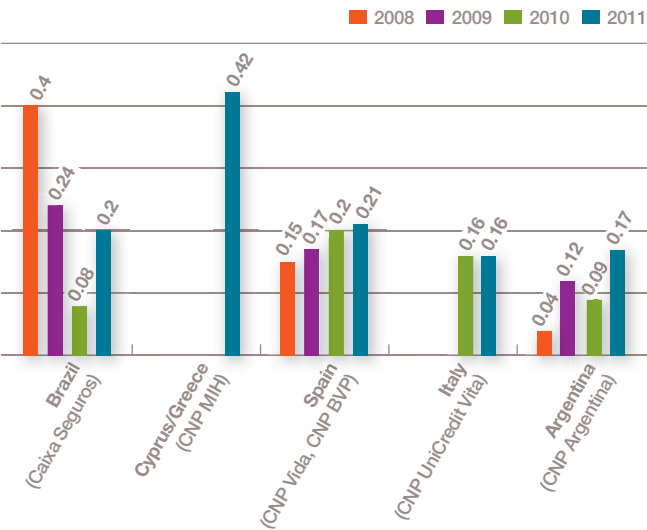
CNP Vida measured its air travel for the first time last year.

#### Air travel (in millions of km)



Car travel is not very significant in the subsidiaries and carpooling is encouraged, particularly by CNP Argentina. CNP MIH measured car travel for the first time in 2011.

Car (in millions of km)



## Building management

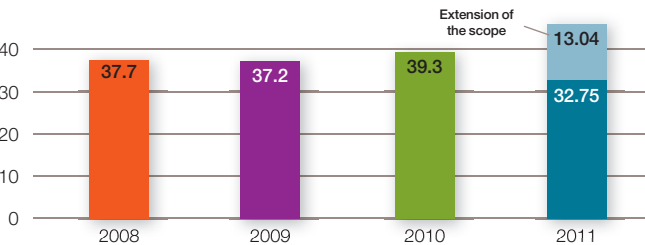
### FRANCE

Since 2007, CNP Assurances has deployed programmes to optimize the management of its office buildings, based on energy audits. In 2011, various initiatives were undertaken in Paris to replace i) three cooling units with more energy-efficient closed systems that use an environmentally-friendly fluid to reduce water use and eliminate the risk of legionellosis; and ii) six open air cooling towers for the chilled water system at the Beaucouzé data centre with closed air cooling towers. The car park was also fitted with LED tubes, cutting power use by two thirds. Compliance is monitored by the building management department, as well as through regular external audits and a tracking system. As in previous years, the external audit firm reviewed compliance in 2011 and tracked equipment at risk.

### Water

The reported increase in water use does not reflect an actual increase in 2011, but rather an extension of the scope of reporting. On a like-for-like basis, use declined by 17%.

Water (in thousands of cubic metres)



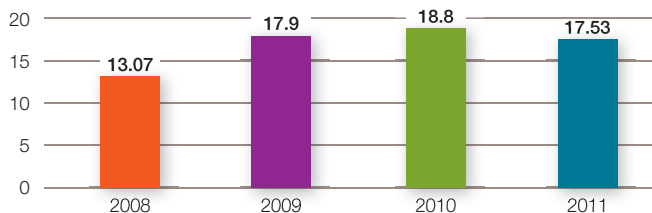
### Energy

Energy consumption corresponds to heating, cooling, office computers used by employees and computer servers. The main energy used is electricity, which declined to 17.53 million kWh in 2011 due to improved cooling management in the Paris offices and warmer weather during the year.

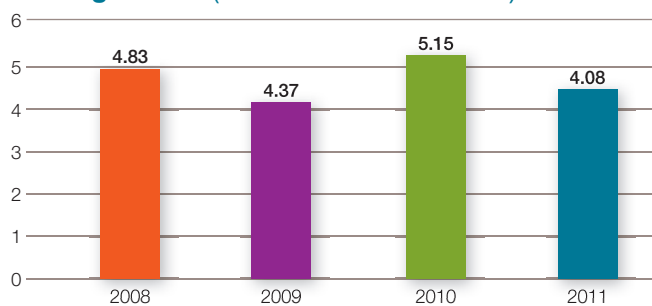
The computer servers at the Beaucouzé data centre account for 19% of total power consumption.

Steam used in the Paris offices for heating declined to 4.08 million kWh, reflecting improved settings on the steam heat exchangers and effective heating management. Gas consumption at the Angers and Arcueil offices totalled 1.7 million kWh NCV. A total of 65,180 litres of fuel were burned in the power generators.

#### Electricity (in millions of kWh)



#### Heating in Paris (in millions of kWh of steam)

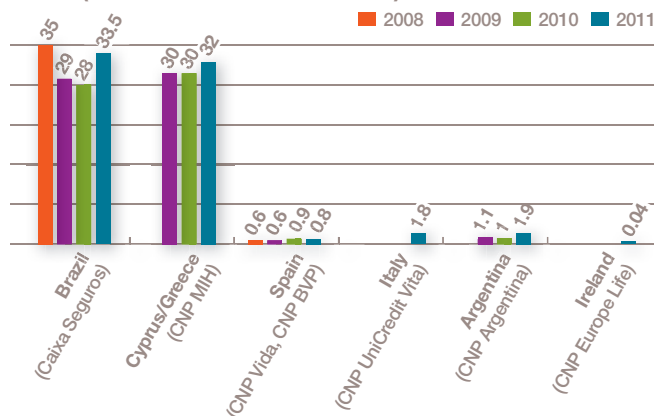


## INTERNATIONAL

### Water

Water use in Brazil and Greece reflects the high use of air conditioning. Water and electricity consumption is included in the rent at CNP Europe Life, so the 0.04 thousand cubic metres of water is only an estimate.

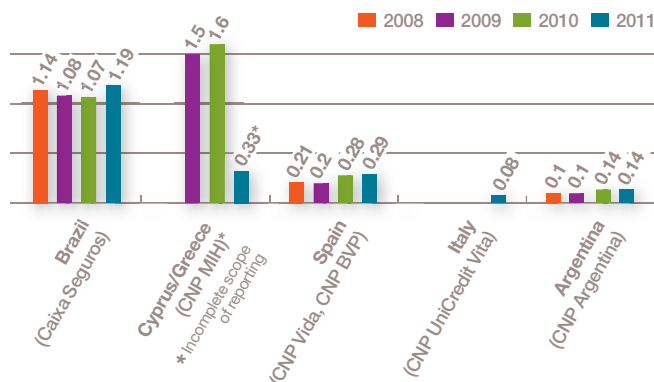
#### Water (in thousands of cubic metres)



### Energy

The international subsidiaries have deployed programmes to raise employee awareness, particularly as regards water use in Brazil and air conditioning in Argentina and Cyprus/Greece. CNP MIH in Cyprus has an automatic shutdown system for heating and air conditioning.

#### Electricity (in millions of kWh)





## Waste management

92% of employees have access to a recycling system. The CNP Assurances recycling system was extended in 2011 with a dedicated process for office furniture, and a campaign to collect old writing instruments was organised. Sorted paper and cardboard are recycled (152 tonnes in 2011). Ink cartridges are recovered (1,897 in 2011) and reused when possible; they are also donated to the cartridge drive of children's charity "Enfance et Partage". The main offices feature used battery collection points (756 kilograms recovered) and 547 kilograms of light bulbs were collected during the year.

In 2011, 2,395 kilograms of computer equipment were stripped for parts by a specialized firm, while 58% of obsolete CPUs and printers were given or sold to employees. In the Paris area, only green, non-polluting cleaning products are used.

### INTERNATIONAL

86% of employees in the international consolidated subsidiaries have access to a paper recycling system, an increase over 2010.

Sixteen tonnes of paper were recycled in Brazil during the year, 1,000 kilograms in Ireland and Argentina, and 500 kilograms in Spain (CNP Vida). The Cypriot subsidiary outsources paper recycling.

144 toner cartridges were recycled in Spain (CNP Vida and CNP BVP) and nine in Ireland. CNP Argentina and CNP Vida collected five kilograms of used batteries in 2011, and Caixa Seguros, 3.5 kilograms. The Brazilian subsidiary also raised employee awareness on waste sorting.

In Argentina, the proceeds from selling recycled goods are donated to charity.

## CNP Assurances's woodland

CNP Assurances is the largest private owner of woodland in France, with 54,462 hectares of forest. These assets have once again been expanded with the acquisition of a 1,540-hectare forest in 2011.

### CARBON SINKS

Forest management plans are pro-actively adjusting to global warming by selecting a diverse range of species well suited to local soil. In 2011, tree growth helped to sequester 399,500 tonnes of carbon dioxide. After deducting timber sold during the year and trees cut down following Cyclone Klaus in January 2009, a net 172,220 tonnes of carbon dioxide was added to the sequestered total.

For the past seven years, money donated by CNP Assurances employees to a tree planting initiative in Brazil has been matched by the Company. Organized during Sustainable Development Week, the campaign enabled CNP Assurances employees to plant 4,300 trees in Brazil's Atlantic Forest in 2011. The management of these forests, in compliance with biodiversity principles, also provides income and training to poor communities in the region.

### BIODIVERSITY AND SUSTAINABLE FOREST MANAGEMENT

In compliance with France's Forestry Act of 2001, CNP Assurances has approved a sustainable management charter defining the commitments made by Société Forestière, the company in charge of managing its woodland. These commitments include managing the woodlands sustainably, protecting their biodiversity and pro-actively planning for the impact of climate change.

In 2003, in addition to ISO 9001 certification, all of the woodland assets were certified by the Pan European Forest Council (PEFC), which guarantees that the timber comes from sustainably managed forests.

Forest management prevents soil erosion and ensures water filtration and purification.

In 2011, a convention was signed with CDC Biodiversité to restore and manage 117 hectares of woodland, in ways that protect its biodiversity, save the endangered False Ringlet butterfly, and safeguard the migration trails of such species as the European mink and the otter.

## **INTERNATIONAL**

Since 2007, Caixa Seguros has been offsetting its carbon emissions by financing NGO Iniciativa Verde's tree-planting programmes in the Atlantic Forest, thus earning the subsidiary CarbonFree® Certification. In all, these programmes have planted 17 hectares of trees in the Atlantic Forest.

Reforestation promotes biodiversity, protects water resources and preserves the soil. It also creates carbon sinks in areas previously used for dairy farming, an activity that is largely responsible for deforestation. By reforestation, farmers can become forest "stewards" without losing the income they would otherwise enjoy from dairy farming.

# Social and environmental indicators of unconsolidated subsidiaries

For CNP Assurances, social responsibility extends beyond accounting consolidation rules. As of end-2011, three companies that are more than 50% owned but are not consolidated – Sino French Life Insurance (SFLI), Filassistance International and Âge d'Or Expansion – were also monitored for CSR compliance.

## SCOPE OF REPORTING

62 Filassistance International employees in the Saint-Cloud office (1,595 square metres), and 17 employees at Âge d'Or Expansion (excluding franchisees) in Troyes and other locations (390 square metres).

## INTERNATIONAL

39 SFLI employees in the Beijing, China offices (1,537 square metres).

## Social indicators

### NUMBER OF EMPLOYEES

The two French subsidiaries employ 79 people, of which 75 under permanent contracts and four under fixed-term contracts. Women account for 63% of the workforce and the average age is 35.5.

SFLI had 39 employees at December 31, 2011, of whom 62% were women and an average age was 32.

Both in and outside of France, subcontractors are used solely for cleaning services, except for contract employee in the back office in China.

### HUMAN RESOURCES MANAGEMENT

In the French subsidiaries, 15% of employees work part-time by their own choice. 165 overtime hours were clocked in 2011. Turnover stood at 20% for the year, with 29 separations (of which one dismissal and two terminations by agreement) and 32 new hires.

In 2011, the Chinese subsidiary had no part-time staff and clocked 304 overtime hours during the year. Turnover amounted to 89%, with 29 separations (of which two dismissals) and 23 new hires.

### HEALTH AND SAFETY

In France, the absenteeism rate was 8.5%, or 3.96% excluding maternity leave.

At SFLI, the overall absenteeism rate was 2.14%, or 0.91% excluding maternity leave. There were no workplace accidents during the year.

## TRAINING

250 days of training were offered in the two French subsidiaries, with a budget representing 4.7% of payroll.

Training at the Chinese subsidiary was funded at 1.2% of payroll, for a total of 36 days. Employees receive regular compliance training.

## SOCIAL DIALOGUE

A total of 21 meetings were held in France – five with the occupational health, safety and working conditions committee and 16 with employee representatives.

Employees in China are protected by the Labour Law in effect since 1 January 2008. The Chief Executive Officer regularly meets with employee representative to present the company's strategic vision and discuss employee requests (five meetings in 2011).

## PROMOTING EQUAL OPPORTUNITY

In the two French subsidiaries, 62% of managers are women; there are two employees on professional training contracts and one disabled employee.

In the Chinese subsidiary, 29% of the managers are women and there are three people employed on contracts for school-leavers.

# Environmental indicators

## PAPER AND ELECTRICITY USE

Both French subsidiaries are deploying an increasing number of projects to go paperless, optimise printing, insource marketing collateral production and put franchisee documents online.

66% of the paper purchased by SFLI is recycled, and all of the paper is certified as coming from sustainably managed forests.

	Paper	Electricity
FRANCE	923,000 sheets	250,000 Kwh
INTERNATIONAL	171,000 sheets	47,000 Kwh

## WASTE

The French subsidiaries recycle their ink cartridges and have set up a collection system for used batteries. SFLI collected 342 kilograms of paper, 20 ink cartridges and 0.5 kilograms of batteries.

The Chinese subsidiary has set up a battery recharging system and all employees have access to the recycling system. SFLI estimates its carbon footprint at 1.8 tonnes of carbon equivalent per employee.

# Auditor's review report on selected social and environment indicators published in the 2011 CSR report of CNP Assurances

This is a free translation into English of the Statutory Auditor's review report issued in French and is provided solely for the convenience of English speaking readers. The review report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

**A**t the request of CNP Assurances and in our capacity as the Group's Statutory Auditors, we have performed a review for the purpose of enabling us to express moderate assurance on a selection of social and environmental indicators published in the Group's 2011 CSR Report.

## **The selected environmental indicators were as follows:**

- Water use
- Electricity use
- Gas use
- Heating use (as supplied by the CPCU district heating network in Paris)
- Fuel use
- Paper use in internal operations

## **The selected social indicators were as follows:**

- Number of employees
- Percentage of employees under fixed-term contracts
- Percentage of women employees
- Age pyramid
- Number of new hires under permanent or fixed-term contracts
- Total separations
- Percentage of part-time employees
- Absenteeism (including and excluding maternity leave)
- Number of workplace accidents
- Number of training days

These social and environmental indicators were prepared and compiled under the responsibility of the Sustainable Development Department in compliance with the standards for collecting annual corporate social responsibility data used by CNP Assurances and available from this department. Our responsibility, based on our review, is to express a conclusion on these indicators.

## NATURE AND SCOPE OF OUR WORK

We carried out our work in accordance with professional standards applicable in France. We performed the procedures described below to obtain moderate assurance that the selected environmental and social indicators are free from material misstatement. We did not perform all of the procedures required to obtain higher level of assurance.

### Our procedures were as follows:

- We assessed the reporting procedures used by the Group with regard to their relevance, reliability, objectivity and understandability.
- At the Group level, we performed analytical procedures and verified, on a test basis, the calculation and consolidation of the social and economic data used to produce the indicators. These analyses were supported in particular by interviews with persons in the Sustainable Development department responsible for preparing and applying the procedures and consolidating the data.
- We performed our audit at CNP Assurances, whose scope includes the legal entities of CNP Assurances, CNP IAM, Previposte, ITV, and CNP International. The scope used for water and energy use included the facilities in Paris, Angers and Arcueil, but excluded offices outside the greater Paris region.

### Within this scope:

- We interviewed the persons in charge of preparing the data to verify that the procedures were properly understood and correctly applied;
  - We performed detailed assessments, on a test basis, to verify that the selected data had been correctly calculated and were consistent with the supporting documentation. CNP Assurances accounts for 89% of the Group's consolidated electricity use, 40% of its water use and, for the social indicators, 67% of its workforce.
- To assist us in performing these procedures, we called on our teams specialised in sustainable development.

## CONCLUSION

Based on our review, no material irregularities came to light causing us to believe that the reviewed environmental and social indicators were not prepared, in all material respects, in compliance with the standards for collecting annual corporate social responsibility data used by CNP Assurances and applicable in 2011.

Neuilly-sur-Seine, 27 April 2012

One of the Statutory  
Auditors  
PricewaterhouseCoopers Audit

Éric Dupont

Sustainable Development  
Partner at  
PricewaterhouseCoopers Advisory

Sylvain Lambert

To find out more about CNP Assurances

## CNP Assurances online at **www.cnp.fr**

Visit the CNP Assurances website to learn more about our subsidiaries and businesses, and discover our advertising campaigns.

To learn everything you always wanted to know about life insurance, visit  
**www.toutsavoirsurlassurancevie.fr**

This website explains the basics of life insurance using instructional videos.

**CNP Trésor**  
solutions at  
**www.cnp.fr**

## A website focusing on **financial information**

comprising a section for individual shareholders and another for institutional investors. **www.cnp-finances.fr**

Spaces  
dedicated to  
**shareholders**

**www.cnp-lecercle.fr**

Toll-free number (in France):

**N° Vert 0 800 544 544**  
APPEL GRATUIT DEPUIS UN POSTE FIXE

Most of our publications are available on request in both French and English and can be downloaded from [www.cnp.fr](http://www.cnp.fr) or [www.cnp-finances.fr](http://www.cnp-finances.fr). Our Shareholders' Guide and Guide to General Meetings are available in French only.

## Download our publications







CNP Assurances is a société anonyme  
(public limited company)  
incorporated in France with fully paid  
up share capital of €594,151,292.  
Registered office:  
4, place Raoul-Dautry  
75716 Paris Cedex 15  
Registration number: 341 737 062 Paris  
Governed by the French Insurance Code  
Website: [www.cnp.fr](http://www.cnp.fr)



L'assureur de toute une vie

