



SCOR SE

Julien Carmona
Chief Operating Officer

United Nations
Global Compact Office
New-York, NY 10017
United States of America

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Dear Sirs,

SCOR SE is pleased to renew its commitment to promoting and further advancing the 10 principles of the United Nations Global Compact, which the company first formally endorsed in 2003.

The Group is eager to renew its support for the Global Compact in order to help to establish a more viable global economy and to protect the environment. One of the Group's recent initiatives, which illustrates our commitment to acting as a responsible company, was the updating of our Code of Conduct early in 2010.

Our Communication on Progress this year comes back to several principles included in our Code of Conduct and deals with the four overarching principles of the Global Compact (human rights, labour relations, environment and anti-corruption), with a more detailed focus on the last two issues. We describe practical actions that have been taken over the course of the year or in recent years and outline their underlying objectives, as well as the new actions planned for 2010.

Part of this COP also appears in the sustainable development section of SCOR's corporate annual report, which is due to be published soon.

Yours faithfully ,

Julien Carmona
+33 (1) 46 98 79 33
jcarmona@scor.com

HUMAN RIGHTS

Principle1: *Business should support and respect the protection of internationally proclaimed human rights; and*

Principle2: *Make sure that they are not complicit in human rights abuse.*

As a reinsurance company, due to the main features of its activity and its employees' profiles, SCOR is not exposed to human rights concerns with regards to its own workforce. Margin of manoeuvre to promote the protection of human rights are sought in the supply chain management, mainly through the procurement policy but also through the design of products and services.

Implementing a procurement policy with a devoted clause to corporate responsibility

In order to promote and raise standards on this issue, SCOR has initiated a policy of selecting its intellectual service providers by drawing up a charter that complies with the 10 principles of the United Nations Global Compact. As a first step, SCOR has tested this initiative in 2009 on a limited scope: intellectual services providers in the field of information technologies that work for the Group and its subsidiaries in France. The 15 services providers required to comply with these principles have all signed the charter as part of their contractual duties. This charter has been since circulated to SCOR's network of IT managers at Hub level; they have been convened to adjust the charter to their needs and to implement it in their own procurement policy.

Designing products and developing the expertise needed to push back the frontiers of insurability

Amongst the aspects that Human rights encompass, the Declaration proclaims the right to social security and to the economic, social and cultural right indispensable to human dignity and the free development of each individual's personality. Reinsurance companies, such as SCOR have a strong social value added function through their investment and the development of risk assessment that push back the insurability frontier of risk on a global basis.

Bringing insurance to people living in poverty or to people who have suffered severe health conditions and who need insurance cover in order to be granted a loan is an efficient way to secure the basic needs that are indispensable to the free development of each individual's personality.

Bringing insurance to people living in poverty

In 2009, SCOR has invested in a leading global investment funds *LeapFrog Investments*, whose mission is to meet the insurance and capital needs of 25 million low-income individuals from developing countries such as South Africa, Kenya, Ghana, Uganda, India, Pakistan, Indonesia and the Philippines. This is the largest global initiative in the microinsurance sector and is supported by leading financial companies.

This investment in Leapfrog is a demonstration of SCOR's support of a socially responsible sector such as microinsurance. The Group believes that the microinsurance sector is a market that has the potential to expand very quickly, as it represents more than one billion individuals without access to traditional insurance services such as life, health, disability and livestock insurance.

Developing tailored solutions for people who suffered severe health conditions

For many years SCOR, through its subsidiary SCOR Global Life, has been developing strong expertise in the field of risk assessment through a longstanding involvement in research and development and through partnerships with the world of medical research (cardio-vascular risks, Alzheimer's disease...). This

regular dialogue with medical experts enables SCOR to anticipate the consequences of factors affecting the assessment of risks, and to monitor social, epidemiological, medical and therapeutic issues. For instance, in some countries granting of loans may be subject to the availability of a death or disability insurance cover that would be triggered in case of. People who have suffered severe health conditions may not be in the position to find a cover that meets these requirements. As the results of the researches SCOR has undertaken are translated into underwriting decisions and shared through various means with its clients, SCOR is able to develop tailored solutions that further expand insurability and in turn allow people to fulfil their projects.

LABOUR

Principle 3: *Business should uphold the freedom of association and the effective recognition of the right to collective bargaining*

Principle 4: *the elimination of all forms of forced and compulsory labour.*

Principle 5: *the effective abolition of child labour; and*

Principle 6: *the elimination of discrimination in respect of employment and occupation*

SCOR's updated Code of Conduct stipulates that the company "*is committed to providing a workplace environment that is free from physical hazards, all forms of discrimination and/or harassment based on gender, sexual orientation, race, religion, disability, or workers' or union representative mandates, and from any other abusive physical, verbal or visual conduct*".

The human resources policy of the Group is defined at Group level and implementation is decentralized; Hub managers and human resources teams are responsible for the implementation of Group policy. As a practical illustration of this commitment and this policy, in 2009 SCOR Canada was named as one of Greater Toronto's Top 90 Employers by Mediacorp Canada Inc., a leading Canadian publisher specialising in employment. The prize-winners were selected from among 75,000 candidates competing to be named as one of Canada's Top 100 Employers. The competition was judged according to eight criteria: *Physical Workplace; Work Atmosphere & Social; Health, Financial & Family Benefits; Vacation & Time Off; Employee Communications; Performance Management; Training & Skills Development; and Community Involvement.*

Enforcing a non-discrimination policy

Several initiatives on which SCOR has already reported in its previous Communication on Progress demonstrate the Group's consistent approach to society in terms of labour standards and human resources management. Last year, SCOR highlighted the company's activities in the field of non-discrimination. As part of its non-discrimination policy, SCOR has implemented an anonymous CV system for external job applicants on its corporate website and has reached an agreement with French employee representatives relating to the forecasting and planning of employment and skills which promotes recruitment equality, equal opportunities and training opportunities for men and women. Additionally, with regard to the integration and inclusion of disabled employees, SCOR has adapted the entrances, corridors and workstations at its headquarters in order to ensure access and mobility for employees with motor disabilities.

Promoting labour relations and dialogue between management and employees

SCOR applies local rules with regard to employee representatives, so dialogue between management and employees exists in most countries. Aside from its legal obligations and in order to secure adequate employee representation, SCOR's employees are invited, on a worldwide basis, to elect an administrator to represent their views before the Group's board of directors.

Moreover as a *Societas Europaea*, SCOR has set up a European committee covering all of its European subsidiaries including the one located in Switzerland. The European committee is made up of employee representatives from all of SCOR's European subsidiaries, who meet in order to exchange information concerning the Group, and to maintain an ongoing dialogue between employees and the management. In 2009, at least 73% of the Group's employees were covered by the European agreement on the involvement of employees within the Group.

In order to ensure that its employees are kept properly informed, SCOR has created a dedicated labour relations page on the company's intranet. On this page employees can find information relating to the Works Council and Health and Safety Committee meetings (France), collective bargaining and agreements. There is also a dedicated section for European labour relations and representatives (France). A specific page on the intranet is also devoted to the European committee.

ENVIRONMENT

Principle 7: *Business should support a precautionary approach to environmental challenges;*

Principle 8: *undertake initiatives to promote greater environmental policy;*

Principle 9: *encourage the development and diffusion of environmentally friendly technologies*

Although SCOR is not an industrial company, its operations inevitably have an impact on the environment. SCOR believes that a company cannot develop in a sustainable manner without becoming involved with the society in which it operates. Consequently, since 2003 SCOR has implemented several initiatives designed to align its activities with the three universally accepted principles relating to the environment as part of its membership of the United Nations Global Compact.

In order to intensify the Group's environmental actions, SCOR decided in 2009 to appoint a manager in charge of coordinating and centralising all of the initiatives launched in this area under a single banner: GREEN SCOR. The project has three different dimensions, being at once:

- *a commercial strategy designed to define and improve the products and solutions that SCOR offers its clients in order to reduce the risks associated with environmental challenges,*
- *an internal management strategy designed to continue to reduce greenhouse gas emissions throughout the Group,*
- *a communications strategy designed to ensure that each person's environmental responsibilities are properly understood both inside and outside the Group.*

In 2009, the first Green SCOR tasks consisted of:

- Formalising an environmental reporting process and promoting actions designed to reduce the energy intensity of the Group's activities,
- Promoting the principles of the Global Compact amongst the Group's employees and strengthening the Group's involvement in corporate and community initiatives.

Formalising an environmental reporting process

SCOR has decided to implement and institutionalise an environmental reporting process, which should enable the Group to manage its sites in the most environmentally friendly way possible. Based on a pilot experiment conducted in 2008, SCOR has decided to extend its environmental reporting process to all of its largest sites (i.e. those whose environmental impact is significant due to the number of employees working there).

The results of the 2009 campaign will be used in 2010 to draw up an environmental policy and to set carbon footprint reduction objectives for a certain number of elements.

The combination of quantitative indicators and the qualitative information gathered should enable us to identify best practices and to share these with the Group's various different entities.

Reducing energy intensity: real estate and site management

SCOR has begun a voluntary policy of reducing its environmental footprint in its main offices, notably focussing on the acquisition or rental of new premises that meet demanding environmental criteria. During the course of 2009, the SCOR teams in the London hub were relocated to a single site that has been awarded a "very good" BREEAM rating, whilst in Cologne construction is beginning of a building that will respect the ecological building requirements of the European Commission and the German Energy Agency, with a view to housing the Cologne Hub teams there as soon as work is complete.

Moreover, in terms of investment property, SCOR applies an active policy designed to systematically take advantage of major renovation work in order to reinforce the heat insulation of buildings and improve the energy efficiency of technical equipment. In order to map the Group's real estate in France in terms of energy efficiency, the SCOR Global Investment units that manage the real estate held by the Group intend to launch a Green rating process as of 2010.

Reducing energy intensity: the Green IT initiative

The Group's IT Department is gradually stepping up the integration of environmental criteria into its projects. The Green IT initiative, launched in 2008, has a twofold objective.

To reduce the carbon footprint of the Group's IT systems

In an industry like reinsurance, the management of information systems represents an increasing proportion of overall energy consumption, notably due to the multiplication of applications, to the quantity of information processed and to the power of calculation required. The first investigation into this area, conducted in 2008, estimated this proportion at over 40% for energy consumption alone.

The initiatives and projects conducted as part of the Group's Green IT policy cover all of the equipment in the Group's fleet and apply to a large extent to the Group's activities throughout the world.

- **Servers and data-centres:** since 2008, the Group has constantly stepped up the consolidation and virtualisation of its servers, aiming for 70% virtualisation by the end of the first half 2010 (40% in 2009). At the same time, the Group is progressively reducing

the number of its data-centres and is aiming for total consolidation into a single, secure and green data-centre by 2012.

- Computers and laptops: the Group's desire to minimise the environmental impact of its IT systems has led it to prolong the lifespan of IT equipment up to a maximum of 5 years. In 2009, it was decided to push these renewals back by one year and to prioritise the acquisition of energy efficient equipment when they finally came around. A study will also be conducted into how the Group could encourage the development of second lives for its equipment, either through resale or donation.
- Printers and consumables: the emphasis is on choosing energy efficient models with suitably adapted functions.

Moreover, the IT Department has launched a policy of selecting its intellectual service providers by drawing up an environmental and social charter that complies with the principles of the United Nations Global Compact. The 15 service providers used in France at the end of 2009 have all signed this charter.

Finally, in order to monitor the efficiency of the measures it has put into place, along with the commitment of the Group's employees to sustainable development, the IT Department has added to its existing indicators and intends to assess the "Green IT" commitment of its teams.

Taking advantage of technological progress to improve the carbon footprint of all of the activities conducted by the Group and its subsidiaries

With the acquisition of a fleet of high performance copiers, and following consultation with the French Committee for Hygiene, Safety and Working Conditions (CHSCT), it has been decided to remove all of the 600 personal printers at the Paris headquarters over the course of 2010.

Reducing the carbon footprint of all of the activities conducted by the Group and its subsidiaries will also be achieved through the streamlining of travel. The Group has budgeted the acquisition of 6 state of the art videoconference rooms, which will be rolled out throughout 2010 at its main sites, thereby reducing the number of flights taken by the Group's employees.

Promoting the environmental principles of the Global Compact and reinforcing the Group's involvement in corporate and community initiatives.

Promoting the environmental principles of the United Nations Global Compact

By joining the United Nations Global Compact in 2003, SCOR chose to promote the Compact's 10 principles amongst its employees and partners.

A number of environmental initiatives were conducted in 2009, aimed at all of the Group's employees and also at selected groups (e.g. an underwriting guide relating to pollution and environmental liability cover, and a seminar devoted to Green SCOR and the Global Compact organised for Associate Partners from the Zurich office):

- The updating of the Group's Code of Ethics provided an opportunity to ensure that all of the Global Compact's principles were covered and implicitly reiterated. This Code, which has been submitted to the European works council, was distributed to all of the Group's employees in 2010.

- The environmental principles of the Global Compact are also reiterated in the introduction to the underwriting guide relating to pollution and environmental responsibility risks.

Strengthening the Group's involvement in corporate and community initiatives in terms of understanding the socio-economic effects of climate change

As an internationally reputed reinsurer involved in the coverage of natural events, SCOR closely monitors the dangers linked to climate change. As well as monitoring the risks and opportunities linked to climate change as part of the steering of emerging risks (ECHO – Emerging or Changing Hazards' Observatory), SCOR has become involved with a number of corporate and community initiatives, notably the initiative led by the Geneva Association.

In 2009 SCOR signed the Kyoto Statement, launched under the aegis of the Geneva Association. Through this Statement the SCOR group, along with other leading global insurers and reinsurers, undertakes to continue to reduce its carbon footprint and to play a decisive role in the fight against the risks linked to climate change, notably by developing research into climate change, by putting its expertise in the field at the disposal of its clients, by securing its investments in low CO2 technology and by working alongside the public authorities.

ANTI-CORRUPTION

Principle 10: *Business should work against corruption in all its forms, including extortion and bribery*

With a network of offices, subsidiaries and branches throughout the world, SCOR has a strong local presence that makes it particularly sensitive to the problems of compliance, particularly in the field of corruption, bribery and money laundering.

In light of this SCOR has developed internal policies designed to ensure that its employees behave responsibly in terms of how they manage the underwriting of risks. Beyond the "*SCOR anti-trust/competition policy*", internal guidelines specifically set out anti-money laundering and terrorism procedures for both divisions ("*SCOR Global Life and Global P&C Anti-Money Laundering and Terrorism Financing Procedure*"). These procedures can be downloaded from the Group's intranet and are reiterated in the various underwriting guidelines that are continuously updated in accordance with the Group's strategy.

Reiterating SCOR's commitment to conducting its business with integrity in its newly released Code of Conduct

SCOR updated its Code of Conduct in 2009, linking it to the Group's Core Values and to all the relevant internal guidelines, including the aforementioned policies. Highly pragmatic, this newly released version of the Code is a useful guide that helps the Group's employees to resolve any legal and ethics issues with which they may be confronted in their daily operations. In order to expand its reach and ensure that all SCOR's employees are aware of their responsibilities, the Code has been translated into the three main languages with which the Group works (French, English and German). The Code defines rules, particularly with regard to anti-corruption, conflicts of interest and the acceptance of gifts and invitations, and emphasizes client knowledge as a key way to safeguard the reputation of the Group.

Enforcing these principles through a broad range of internal tools designed to prevent fraudulent behaviour that could harm the Group's reputation

Beyond these formal and explicit guidelines, which are designed to ensure that its business is conducted with integrity, SCOR has developed a range of tools that aim to enforce the principles stipulated in the Code.

Conceived in 2009 and launched in 2010, SCOR has developed Group guidelines for reporting concerns. Submitted to and approved by employee representatives, the implemented procedure allows employees to report in good faith any suspected or actual wrongful conduct involving bribery, money-laundering or other serious offences to a dedicated contact (i.e. Compliance Officer) in each Hub alongside the usually available reporting channels. This procedure is thoroughly explained on the Group's intranet, particularly in terms of its scope of application, which may differ from one region of the world to another in order to comply with national specifications.

Furthermore, SCOR's employees are regularly informed about anti-corruption and fraud through periodic "*Legal & Compliance Newsletters*" sent to employees. These newsletters outline cases and trends on various compliance topics, including for instance money laundering and bribery. The newsletters can also be downloaded from the Group's intranet.

In order to further prevent any risk of corruption, money laundering or terrorism financing, SCOR provides training addressing these issues to key employees (i.e. employees who may be more likely than others to be confronted by such risks because of the specificity of their role within the Group's entities). In 2009, more than 250 selected employees from the Group's 1,700 staff benefited from this training programme at various different locations in Europe. In 2010 the programme is due to be extended to other Group locations.

These tools will be supplemented over the course of 2010 by an e-learning module based on the newly released version of the Code of Conduct and the training programme. A live presentation of the Code is also planned in the 6 Hubs, in order to embed the Code into the organization.

Promoting anti-corruption and anti-money laundering approaches right across the value chain

In order to protect itself from money laundering and take an active role in the fight against this scourge, SCOR has internal procedures tailored to its reinsurance activities and raises the awareness of its employees through dedicated training courses and other means. Whilst the Group intends to protect itself, it also wishes to provide its strong expertise in this field to its clients through the following:

- staff training,
- advice on the creation and implementation of anti-money laundering procedures,
- advice on underwriting,
- involvement in claims monitoring.

In order to increase awareness amongst its clients, SCOR Global Life has held a dedicated seminar on the risk of money laundering. Following this event, early in 2009 a special edition of SCOR Global Life's Focus publication was devoted to the prevention of money-laundering risk, and is freely available on the Group's corporate website.