INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30,

2021

SCOR
The Art & Science of Risk

CONTENTS

General

Numbers presented throughout this document may not add up precisely to the totals in the tables and text. Percentages and percent changes are calculated on complete figures (including decimals); therefore, the document might contain immaterial differences in sums and percentages due to rounding. Unless otherwise specified, the sources for the business ranking and market positions are internal.

Forward-looking statements

This document includes forward-looking statements and information about the objectives of SCOR, in particular, relating to its current or future projects. These statements are sometimes identified by the use of the future tense or conditional mode, as well as terms such as "estimate", "believe", "have the objective of", "intend to", "expect", "result in", "should" and other similar expressions. It should be noted that the achievement of these objectives and forward-looking statements is dependent on the circumstances and facts that arise in the future.

Forward-looking statements and information about objectives may be impacted by known and unknown risks, uncertainties and other factors that may significantly alter the future results, performance and accomplishments planned or expected by SCOR.

The full impact of the Covid-19 crisis on SCOR's business and results can still not be accurately assessed at this stage, given the uncertainty related both to the magnitude and duration of the Covid-19 pandemic and to the possible effects of future governmental actions and/or legal developments in this context. This uncertainty follows from the considerable difficulty in working on sound hypotheses on the impact of this crisis due to the lack of comparable events, the ongoing nature of the pandemic and its far-reaching impacts on the global economy, on the health of the population and on our customers and counterparties.

These hypotheses include, in particular:

- the duration of the pandemic, its impact on health on the short and long term;
- the availability, efficacy, effectiveness and take-up rate and effect of the vaccines;
- the response of government bodies worldwide (including executive, legislative and regulatory);
- the potential judicial actions or social influences;
- the coverage and interpretation of SCOR's contracts under these circumstances;
- the assessment of the net claim estimates and impact of claim mitigation actions.

Therefore:

- any assessments and resulting figures presented in this document will necessarily be estimates based on evolving analyses, and encompass a wide range of theoretical hypotheses, which are still highly evolutive;
- at this stage, none of these scenarios, assessments, impact analyses or figures can be considered as certain or definitive.

Information regarding risks and uncertainties that may affect SCOR's business is set forth in the 2020 Universal Registration Document filed on March 2, 2021, under number D.21-0084 with the French Autorité des marchés financiers (AMF) posted on SCOR's website www.scor.com.

In addition, such forward-looking statements are not "profit forecasts" within the meaning of Article 1 of Commission Delegated Regulation (EU) 2019/980.

Financial information

The Group's financial information contained in this document is prepared on the basis of IFRS and interpretations issued and approved by the European Union.

Unless otherwise specified, prior-year balance sheet, income statement items and ratios have not been reclassified. The calculation of financial ratios (such as book value per share, return on investments, return on invested assets, Group cost ratio, return on equity, net combined ratio and life technical margin) is detailed in the appendix of this report.

The first half 2021 financial information has been subject to the completion of a limited review by SCOR's independent auditors. Unless otherwise specified, all figures are presented in Euros. Any figures for a period subsequent to June 30, 2021 should not be taken as a forecast of the expected financials for these periods.

The solvency ratio is not an audited value.

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BUSINESS REVIEW

1.1. SELECTED FINANCIAL INFORMATION

1.1.1. GROUP KEY FIGURES

SCOR SE ("the Company") and its consolidated subsidiaries (referred to collectively as "SCOR" or the "Group"), form the world's 4th largest reinsurer [1] serving more than 4,400 clients. The Group is organized in three business units, SCOR Global P&C, SCOR Global Life and SCOR Global Investments, and three regional management platforms (the "Hubs"): the EMEA Hub, the Americas Hub and the Asia-Pacific Hub.

In the face of the Covid-19 pandemic [2], SCOR has once again demonstrated the strength and resilience of its business model as well as its ability to absorb major shocks. The Group consistently continues to execute its strategic plan "Quantum Leap" combining growth, profitability and solvency, with no change in risk appetite, capital shield policy or capital management policy.

In EUR millions	Six months ended June 30, 2021 (unaudited)	Year ended December 31, 2020	Six months ended June 30, 2020 (unaudited)
Consolidated SCOR Group			
Gross written premiums	8,441	16,368	8,195
Net earned premiums (4)	6,672	14,517	7,385
Operating result	606	479	128
Consolidated net income – Group share (5)	380	234	26
Net investment income (1)(6)	295	665	302
Group cost ratio (1)	4.4%	4.5%	4.7%
Return on invested assets (1)	2.5%	2.8%	2.6%
Return on equity (1)	12.2%	3.8%	0.8%
Basic earnings per share *(in EUR)* (2)	2.04	1.26	0.14
Book value per share *(in EUR)* (1)	33.96	33.01	34.19
Share price *(in EUR)* (3)	26.82	26.42	24.40
Operating cash flow	531	988	343
Total shareholders' equity	6,338	6,177	6,392
SCOR Global P&C			
Gross written premiums	3,768	7,160	3,518
Net combined ratio (1)	97.2%	100.2%	102.3%
SCOR Global Life			
Gross written premiums	4,673	9,208	4,677
Life technical margin (1)(7)	13.1%	5.8%	5.4%

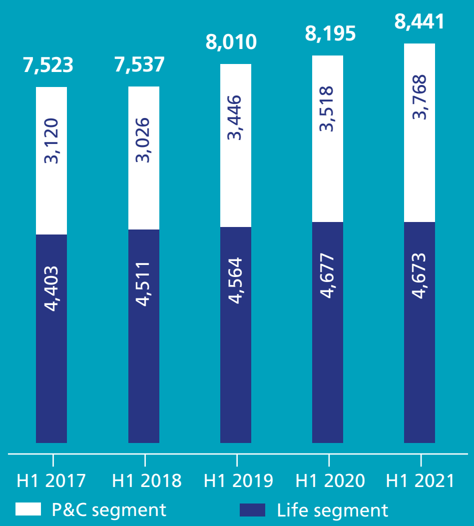
(1) Refer to Appendix – Calculation of financial ratios, for detailed calculation.
(2) Refer to Note 3.8 – Earnings per share, for detailed calculation.
(3) Closing stock price on June 30, 2021 (December 31, 2020, June 30, 2020).
(4) Refer to Section 1.2.3 – Net earned premiums.
(5) Refer to Section 1.2.5 – Consolidated net income – Group share.
(6) Refer to Section 1.2.4 – Net investment income.
(7) Refer to Section 1.6.2 – SCOR Global Life technical margin.

(1) By net reinsurance premiums written, source: "AM Best Special Report Global Reinsurance 2020".
(2) Refer to Section 1.2.1 – Covid-19.

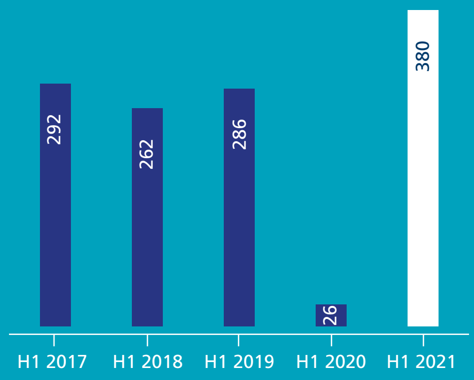
1.1.2. OVERVIEW

The H1 2021 figures include the impact of the Covid-19 pandemic. Refer to Section 1.2.1 for details.

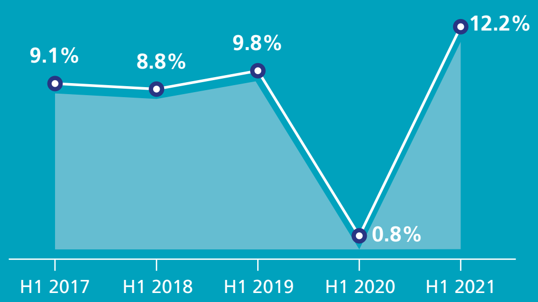
Gross written premium (unaudited)
In EUR millions



Consolidated net income – Group share (unaudited)
In EUR millions

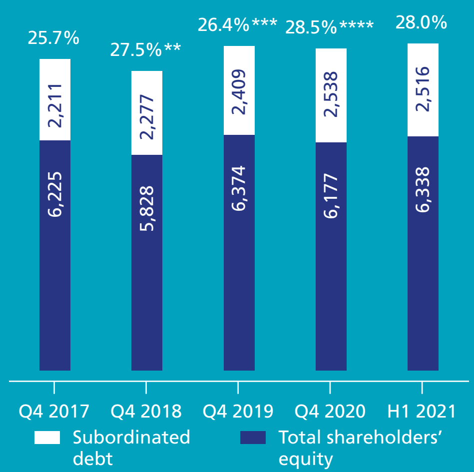


Return on equity* (unaudited)
In %



* *Return on equity is based on the Group's share of net income divided by average shareholders' equity (calculated as shareholders' equity at the beginning of the period adjusted for the effect of all movements during the period using a prorata temporis method).*

Shareholders' equity, debt and leverage ratio* (unaudited as at June 30, 2021)
In % – In EUR millions



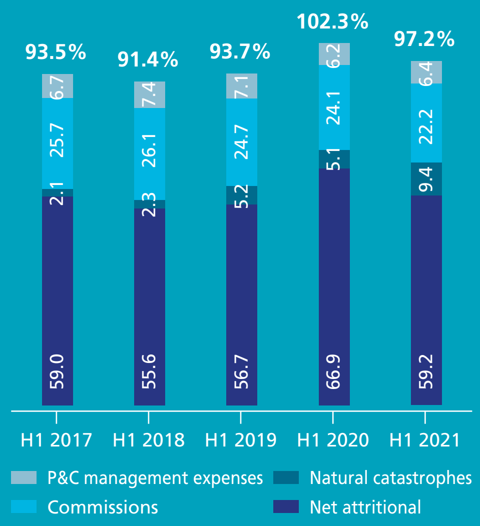
* *The leverage ratio is calculated by dividing the subordinated debt by the sum of shareholders' equity and subordinated debt. The calculation excludes accrued interest and includes the impact of swaps related to subordinated debt issuances. This ratio is expressed as a percentage. It is used to determine how much lenders are financing the Group's activities over shareholders.*

** *In March 2018, SCOR placed a perpetual note in the amount of USD 625 million. In June and November 2018, SCOR redeemed the CHF 315 million and CHF 250 million undated subordinated notes line, using the proceeds of the new instrument.*

*** *In December 2019, SCOR issued a perpetual note in the amount of USD 125 million. These new notes are assimilated and form a single series with the existing USD 625 million perpetual deeply subordinated notes issued in March 2018. The new notes issue bears the same terms and conditions as the original notes.*

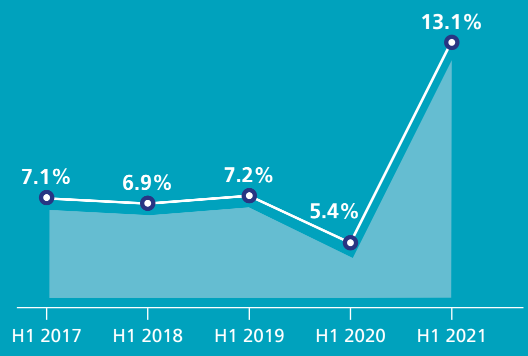
**** *In September 2020, SCOR issued fixed-term subordinated bonds for an amount of EUR 300 million. In October 2020, SCOR proceeded to the early redemption of the CHF 125 million perpetual subordinated debt, already refinanced from the proceeds of the USD 125 million notes issued in 2019.*

Net combined ratio* (unaudited)
In %



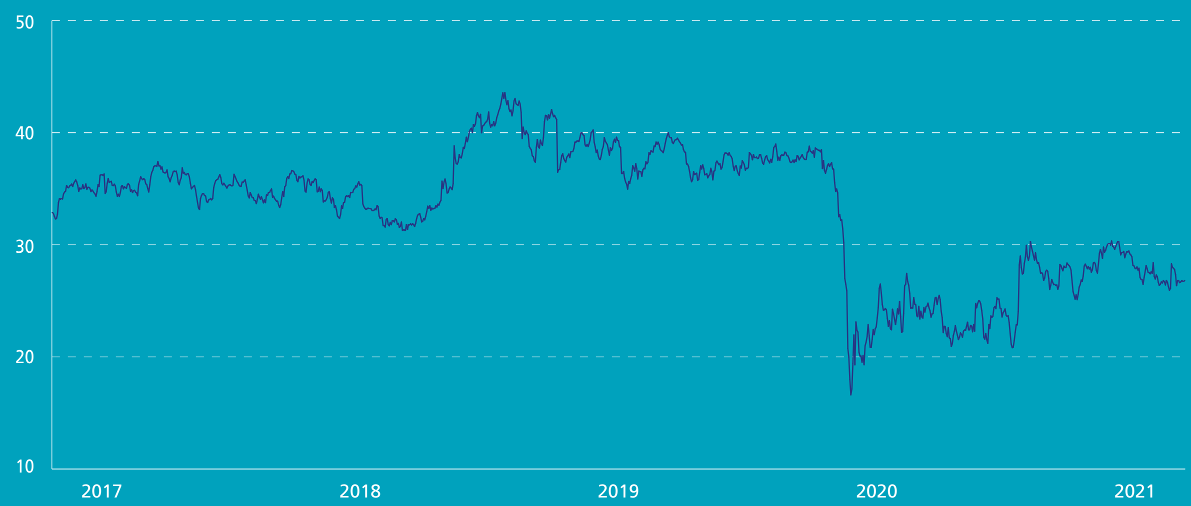
* *The net combined ratio is calculated by taking the sum of Non-Life claims (including natural catastrophes), commissions and management expenses net of retrocession, divided by earned premiums net of retrocession.*

Life technical margin* (unaudited)
In %



* *The Life technical margin is calculated as the percentage of net technical result plus income from funds held by ceding companies and the net of gross and ceded earned premiums. The net technical result represents the result of the net reinsurance operations of the SCOR Global Life business unit including income and expenses either implied in the reinsurance and retrocession arrangements or fully related to these arrangements.*

Share price
In EUR



1.1.3. RATINGS INFORMATION

The Company and some of its insurance subsidiaries are rated by recognized rating agencies.

At June 30, 2021, the relevant ratings for the Company were as follows [1]:

	Financial Strength	Senior Debt	Subordinated Debt
AM Best	A+ stable outlook	aa-	a
Fitch Ratings	AA- stable outlook	A+	A-
Moody's	Aa3 stable outlook	N/A	A2 (hyb)
S&P Global	AA- stable outlook	AA-	A

On June 21, 2021, SCOR has been informed of Standard & Poor's (S&P) decision to affirm the financial strength rating for the Group and its main subsidiaries at "AA-", with a "stable outlook".

On April 28, 2021, Moody's affirmed SCOR's "Aa3" insurance financial strength rating as well as its debt ratings and the ratings of its subsidiaries. The outlook has been raised to "stable" from "negative".

1.2. CONSOLIDATED NET INCOME

1.2.1. COVID-19

SCOR's financial results are still impacted by the challenging environment marked by Covid-19 claims.

Covid-19 claims continue to be proactively managed.

The Covid-19 pandemic impact comprises the following:

- On the Life side, the total Covid-19 claims booked in the first six months of 2021 stands at EUR 268 million (including IBNR, net of reduced flu claims in the U.S., net of retrocession and before tax).
  - The main exposures exist in the U.S., where the total Covid-19 impact booked in the first six months of 2021 stands at EUR 222 million (including IBNR, net of reduced flu claims in the U.S., net of retrocession and before tax).
  - The Covid-19 impact from outside of the U.S. amounts to EUR 46 million. The last quarter saw increased claims, with the UK and Latin America being the largest affected markets.
- On the P&C side, Covid-19 related claims impact booked in the first six months of 2021 amounts to EUR 109 million (net of retrocession and reinstatement premiums and before tax), coming mainly from Property Business Interruption lines, due to an increase in direct gross costs incurred by cedents with adverse court decisions in France and the UK, and cedents filing claims for two separate events corresponding to the March and October 2020 lockdowns.

1.2.2. GROSS WRITTEN PREMIUMS

Gross written premiums for the six months ended June 30, 2021 amounted to EUR 8,441 million, an increase of 3.0% at current exchange rates compared to EUR 8,195 million for the same period in 2020. The growth at constant exchange rates is 9.1%. The overall increase in gross written premiums of EUR 246 million in the first six months of 2021 compared to the same period in 2020 is driven by an increase in gross written premium for SCOR Global P&C of EUR 250 million (corresponding to an increase of 7.1% at current exchange rates and of 14.3% at constant exchange rates) and a decrease for SCOR Global Life of EUR -4 million (corresponding to a decrease of -0.1% at current exchange rates and an increase of 5.2% at constant exchange rates).

For SCOR Global P&C, the significant increase in gross written premiums follows strong 2021 renewals seasons on Reinsurance and Specialty insurance (with strong contribution from SCOR Business Solutions and MGA). For SCOR Global Life, the gross written premium variation is driven by continued franchises development, as strong growth is recorded in all regions, particularly in Asia.

(1) Sources: www.standardandpoors.com; www.ambest.com; www.moodys.com and www.fitchratings.com.

1.2.3. NET EARNED PREMIUMS

Net earned premiums for the six months ended June 30, 2021 amounted to EUR 6,672 million, a decrease of -9.7% at current exchange rates (-4.5% at constant exchange rates) compared to EUR 7,385 million for the same period in 2020. The overall decrease of EUR 713 million is due to a decrease of EUR 126 million in net earned premiums for SCOR Global P&C and of EUR 587 million in net earned premiums for SCOR Global Life.

Net earned premiums reflect the Covéa retrocession treaties applied with retrospective effect from January 1, 2021, with EUR 621 million of ceded premiums reported in the first six month of 2021.

1.2.4. NET INVESTMENT INCOME

Net investment income [1] for the six-month period ended June 30, 2021 amounted to EUR 295 million compared to EUR 302 million for the same period in 2020. Investment revenues on invested assets [1] decreased to EUR 175 million in the first half of 2021, compared to EUR 220 million in the same period in 2020. In the first half of 2021, SCOR Global Investments generated EUR 88 million gains from the fixed income portfolio as well as EUR 9 million gains from the equity portfolio (EUR 13 million and EUR 0 million respectively for the same period in 2020). The contribution from fair value through income on invested assets stands at EUR -5 million for the six months ended June 30, 2021 (EUR 0 million for the six months ended June 30, 2020). Net investment income excludes an amount of EUR 30 million from recognition of the call option granted by Covéa (see Section 1.2.8 – Significant events of the period).

The Group had average invested assets of EUR 20.7 billion in the first half-year 2021 as compared to EUR 20.5 billion in the first half-year 2020. The return on invested assets for the six months ended June 30, 2021 was 2.5% compared to 2.6% for the same period in 2020.

1.2.5. CONSOLIDATED NET INCOME – GROUP SHARE

SCOR's group net income amounted to EUR 380 million for the first six months of 2021, compared to EUR 26 million for the six-month period ended June 30, 2020. The result has been impacted by the positive effect from the settlement agreement concluded with Covéa but also by a challenging environment marked by natural catastrophes, the on-going Covid-19 pandemic, and the low yield environment.

The impact of the settlement agreement on the first half of 2021 net income stands at EUR 311 million. This gain includes the initial recognition of the retrocession agreement with Covéa, a one-off impact from the amortization of value of business acquired and deferred acquisition costs, and the support of a strong reserving position for the portfolio. This impact also includes EUR 20 million (before tax) in respect of the indemnity settlement paid to SCOR by Covéa, and EUR 30 million (before tax) in recognition of the value as at June 30, 2021 of the call option granted to SCOR by Covéa on the shares it holds.

1.2.6. RETURN ON EQUITY

The return on equity was 12.2% for the first six months of 2021 compared to 0.8% for the same period in 2020.

Basic earnings per share was EUR 2.04 for the first six months of 2021 and EUR 0.14 for the same period in 2020.

1.2.7. OPERATING CASH FLOWS

Operating cash flows for the Group amounted to EUR 531 million for the six month-period ended June 30, 2021, compared to EUR 343 million for the same period in 2020.

Operating cash flows of SCOR Global P&C amounted to EUR 731 million for the six months ended June 30, 2021 supported by robust cash flows in line with expectations. Operating cash flows for the same period in 2020 amounted to EUR 286 million.

Operating cash flows of SCOR Global Life amounted to EUR -200 million for the six months ended June 30, 2021 reflecting the costs of Covid-19 claims paid during the first six months in 2021. Operating cash flows amounted to EUR 57 million for the same period in 2020, backed by strong cash flows delivered by multiple markets.

(1) Refer to Appendix – Calculation of financial ratios, for detailed calculation.

1.2.8. SIGNIFICANT EVENTS OF THE PERIOD

COVID-19 PANDEMIC

Refer to Sections 1.2.1 and 3.3 for detailed information.

SETTLEMENT AGREEMENT BETWEEN SCOR AND COVÉA

On June 10, 2021, SCOR and Covéa announced the signing of a settlement agreement. Covéa and SCOR wished to restore peaceful relations, based on professionalism and in keeping with their respective independence. The agreement includes the following key points:

- The settlement agreement includes an orderly exit by Covéa from the share capital of SCOR. Covéa granted SCOR a call option on the shares it holds, at an exercise price of EUR 28 per share and for a period of five years. The option is transferable to any third party designated by SCOR so that SCOR can organize this exit in its best interests. Covéa will not purchase, directly or indirectly, alone or in concert, for a period of seven years, SCOR shares.
- As an indemnity settlement, Covéa agreed to pay to SCOR a sum of EUR 20 million, before tax. Covéa and SCOR both agreed to an immediate withdrawal of all legal actions and claims linked to the combination proposal made by Covéa in 2018.
- In connection with the resumption of reinsurance relations between Covéa and SCOR, SCOR will cede to Covéa as of January 1, 2021, 30% of all in force business carried by SCOR's Irish Life entities as of December 31, 2020. The agreed up-front payment from Covéa amounts to USD 1,014 million and is determined in reference to the net of retrocession audited Best Estimate Liability as of December 31, 2020 in SCOR's Irish Life entities Solvency 2 reporting.

Refer to Section 3 – Notes to the interim consolidated financial statements as of June 30, 2021 (unaudited) for additional information.

THE SCOR BOARD OF DIRECTORS CHOOSES LAURENT ROUSSEAU TO SUCCEED DENIS KESSLER AS CHIEF EXECUTIVE OFFICER FOLLOWING THE GENERAL MEETING OF JUNE 30, 2021

The Board of Directors, which met on May 17, 2021, acknowledged Denis Kessler's decision to relinquish, for personal reasons, his duties as Chief Executive Officer of SCOR at the end of his current term of office, which was due to expire at the General Meeting of June 30, 2021. Consequently, the Board of Directors decided to separate the roles of Chairman of the Board and Chief Executive Officer at the end of this General Meeting. The Board unanimously expressed the wish that Denis Kessler agree to remain Chairman of the Board of Directors.

Benoît Ribadeau-Dumas had been appointed Deputy Chief Executive Officer with effect from January 1, 2021, with a view to becoming Chief Executive Officer following the General Meeting in 2022. While recognizing and commending his strong commitment and successful integration during his first few months at SCOR, the Board of Directors has come to the conclusion that the conditions are not met for Benoît Ribadeau-Dumas, who had not worked in the insurance or reinsurance sector before joining the Group, to take up the position of Chief Executive Officer of SCOR in June 2021.

Therefore, the Board of Directors has unanimously chosen Laurent Rousseau, Deputy Chief Executive Officer of SCOR Global P&C, Chairman of SCOR Europe and member of the Group Executive Committee, to be appointed Chief Executive Officer of SCOR following the General Meeting of June 30, 2021. In addition to this appointment, at the 2021 General Assembly, the shareholders approved the election of Laurent Rousseau as a director of the Group, as proposed by the Board of Directors.

The Board's appointment of Denis Kessler as non-executive Chairman following the General Meeting of June 30, 2021, will help to ensure the continuity of the Group's strategy and to perpetuate its values.

1.3. GROUP FINANCIAL POSITION

1.3.1. SHAREHOLDERS' EQUITY

Total shareholders' equity increased from EUR 6,177 million as at December 31, 2020 to EUR 6,338 million as at June 30, 2021. The increase is mainly driven by EUR 380 million net income (including the share attributable to non-controlling interests), the effect of change in foreign exchange rates (EUR 188 million) and the effect of shadow accounting (EUR 60 million), partially offset by the distribution of EUR 335 million dividend and the revaluation of assets available for sale (EUR -125 million).

SCOR's Combined General Meeting of June 30, 2021 resolved to distribute, for the 2020 fiscal year, a dividend of one euro and eighty cents (EUR 1.80) per share, being an aggregate amount of dividend paid of EUR 335 million, calculated on the basis of the number of shares eligible for dividend on the payment date.

1.3.2. ASSETS AND LIQUIDITY MANAGEMENT

On the epidemic front, the first part of the year has been characterized by large scale inoculation of the different vaccines. Hence, vaccination rates in developed countries are usually above 50%. With new strains emerging, new epidemic waves are materializing, but so far they failed to generate hospital saturation or an increase in mortality.

In this context, lockdown measures have been eased and economic recovery has accelerated. Growth forecasts for the United States and Europe have been revised upward and are now at respectively +6.6% and +4.5%.

Nevertheless, confronted to a still high level of uncertainties, monetary authorities and government bodies have pursued the supportive policies. The suddenness of the recovery creating a funnel effect in supply chains and a hardening in commodities pricing, those politics could well generate higher and longer inflation pressures than expected. This is the "reflation" scenario.

On the flip side, if economic growth expectations were to fade in a situation where unemployment remains above its pre-Covid level, inflationary pressures could well disappear and monetary creation could continue to expand. This is the "goldilocks" scenario.

During this first part of the year, those two scenarios have been, one after the other, the prevalent one which explains the behaviour of interest rates markets, especially in the U.S. where the growth-inflation combination is the strongest. Hence the U.S. 10-year rate increased from 0.8% at the end of 2020 to 1.74% at end of March 2021 and receded to 1.46% at the end of June 2021. In Europe, where economic forecasts are softer, volatility has been lower, and the German 10-year Bund was ending at -0.21%.

Nevertheless, if those two scenarios did have opposite consequences for the level of interest rates, they are both supportive for risky assets.

Hence, corporate bonds credit spreads have tightened a bit further. It has been especially the case in the high yield space where default rates forecasts have been constantly revised downward by banks and rating agencies. The average yields for investment grade corporate bonds in the U.S. and in Europe are respectively 2.05% and 0.32% as at June 30, 2021. For the high yield segments, average yields are at respectively 3.98% and 2.40% as at June 30, 2021.

Equities have delivered strong performances, thanks to better-than-expected earnings publications for Q1 2021 and very positive forecasts for Q2 2021. Year to date, the S&P 500 and the Stoxx Europe 600 have returned more than 15% each. Sectorial divergences have been lower than previously with banking sector and cyclicals been chased by investors.

To protect the investment portfolio, in the situation where the reflation scenario was to dominate, the duration of the fixed income portfolio has been tactically decreased. This adjustment has been made by reducing the allocation to USD-denominated corporate bonds where valuations were tight and duration elevated.

In this context, the allocation to corporate bonds was reduced to 36% of invested assets as at June 30, 2021, compared to 43% as at December 31, 2020. Liquidity, defined as SCOR's share of cash and cash equivalents and short-term government bonds (with maturities above three months and below twelve months) and bank overdrafts, stands at 16% of invested assets as at June 30, 2021, compared to 9% as at December 2020. The quality of the Group's fixed income portfolio remains very high with a "A+" average rating, in line with the "Quantum Leap" risk framework, and strong diversification in terms of sectors and geographical exposure.

SCOR maintains a disciplined asset-liability matching policy, with a duration of the fixed income portfolio at 2.8 years as at June 30, 2021, slightly lower than December 31, 2020 level of 3.3 years.

With financial cash flows expected from the investment portfolio over the next 24 months standing at EUR 10.3 billion (including cash and cash-equivalents, short-term investments, coupons and redemptions) as of June 30, 2021, SCOR maintains a high level of flexibility to actively manage its portfolio and seize market opportunities.

As at June 30, 2021, SCOR's total investments and cash and cash equivalents amounted to EUR 32.4 billion, comprising real estate investments of EUR 616 million, equities of EUR 2,698 million, debt instruments of EUR 16,064 million, loans and receivables of EUR 10,516 million, derivative instruments of EUR 185 million, and cash and cash equivalents of EUR 2,302 million.

As at June 30, 2021, the debt instruments were invested as follows: government bonds and assimilated EUR 5,546 million, covered bonds and agency MBS EUR 1,182 million, corporate bonds EUR 7,606 million, and structured and securitized products EUR 1,730 million.

For further detail on the investment portfolio as at June 30, 2021 see Section 3.6 – Other financial assets and financial liabilities.

The Group maintains a policy of hedging its net monetary assets and liabilities denominated in foreign currencies to minimize income volatility from currency rate fluctuations. Moreover, the Group has set up a strict policy of currency congruency to protect its capital implying the investment of financial assets using a similar currency mix to the one of net written premiums and reinsurance liabilities.

1.3.3. FINANCIAL DEBT LEVERAGE

As at June 30, 2021, the Group has a financial debt leverage position of 28.0% (compared to 28.5% at December 31, 2020).

This ratio is calculated by dividing subordinated debt by the sum of total shareholders' equity and subordinated debt. The calculation of the leverage ratio excludes accrued interest and includes the impact of swaps related to the same subordinated debt issuances.

1.4. SOLVENCY

SCOR's internal model and risk management system under the Solvency II regime is described in Section 1.3.7 of the 2020 Universal Registration Document.

SCOR's estimated solvency ratio at June 30, 2021 stands at 245%[1], above the optimal solvency range of 185%-220% as defined in the "Quantum Leap" plan, driven by +27% points positive impact as of January 1, 2021 from the retrocession agreement with Covéa. The solvency ratio's sensitivity to interest rate changes is reduced by the retrocession agreement. The positive impact from operating capital generation and market movements was partially offset by model changes and Covid-19 impacts.

1.5. SCOR GLOBAL P&C

1.5.1. GROSS WRITTEN PREMIUMS

Gross written premiums of EUR 3,768 million for the first six months ended June 30, 2021, represent an increase of 7.1% compared to EUR 3,518 million for the same period in 2020.

At constant exchange rates, gross written premiums increased by 14.3%.

1.5.2. NET COMBINED RATIO

SCOR Global P&C achieved a net combined ratio of 97.2% for the six months ended June 30, 2021, compared to a net combined ratio of 102.3% for the same period last year. Natural catastrophes had a 9.4% impact on the net combined ratio for the six months ended June 30, 2021 compared to 5.1% for the same period last year. Covid-19 has an impact of 3.6% on the net combined ratio for the six months ended June 30, 2021, compared to 8.2% for the same period last year.

1.5.3. IMPACT OF NATURAL CATASTROPHES

During the six months ended June 30, 2021, SCOR Global P&C results were mainly impacted by winter storms both in the US and in Europe, storms in Europe and by deterioration on 2020 hurricanes in the US.

The total net losses due to catastrophes amounted to EUR 283 million for the six months ended June 30, 2021, a higher level in comparison to the same period in 2020, when total net losses due to catastrophes amounted to EUR 160 million.

1.6. SCOR GLOBAL LIFE

1.6.1. GROSS WRITTEN PREMIUMS

For the six months ended June 30, 2021, SCOR Global Life's gross written premiums were EUR 4,673 million compared to EUR 4,677 million for the same period in 2020 (-0.1% at current exchange rates). The growth at constant exchange rates by 5.2% is driven by continued franchise development, particularly in Asian markets.

1.6.2. SCOR GLOBAL LIFE TECHNICAL MARGIN

SCOR Global Life achieved a technical margin[2] for the six months ended June 30, 2021 of 13.1%, driven by the retrocession agreement with Covéa, compared to 5.4% for the same period in 2020.

In the first half of 2021, the Life net technical margin is increased by a one-off impact following the execution of the Covéa retrocession contracts, more than offsetting the cost of Covid-19 claims. The technical result stands at EUR 477 million and it includes the impact of Covéa retrocession contracts of EUR 346 million in the first half of 2021. This gain includes the initial recognition of the retrocession agreement with Covéa, a one-off impact from the amortization of value of business acquired and deferred acquisition costs, and the support of a strong reserving position for the portfolio.

(1) Solvency ratio based on Solvency II requirements. The Group solvency final results are to be filed to supervisory authorities by September 16, 2021 and may differ from the estimates expressed or implied in this Interim Financial Report.

(2) Refer to Appendix – Calculation of financial ratios, for detailed calculation.

The technical margin for the six months ended June 30, 2021, is further impacted by -6.2 points (before retrocession to Covéa) due to the Covid-19 pandemic. As part of the technical margin, the net technical result absorbed EUR 268 million claims caused by the Covid-19 pandemic of which EUR 222 million relates to the Life reinsurance business in the U.S. and EUR 46 million relate to all other markets, net of retrocession and before tax.

1.7. RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2021, there were no material changes to the related party transactions as described in Section 2.3 of the 2020 Universal Registration Document, or new related party transactions, which had a material effect on the financial position or on the performance of SCOR, excepted the settlement agreement of June 10, 2021 between SCOR SE, Covéa Coopérations SA and Covéa S.G.A.M. For more details, see the press release disclosed on June 10, 2021 and the description of the settlement agreement on the SCOR website on https://www.scor.com/en/regulated-information under "Other regulated information".

1.8. RISK FACTORS

The main risks and uncertainties the Group faced as at December 31, 2020 are described in Section 3 of the 2020 Universal Registration Document.

As described in more detail in Section 1.2.8 – Significant events of the period, SCOR has entered into a settlement agreement with Covéa, which includes a quota share retrocession treaty with Covéa covering 30% of all in force business carried by SCOR's Irish Life entities as of December 31, 2020. This agreement with Covéa improves SCOR's capital and liquidity position, reduces life and morbidity exposures, and thus lays the foundation for SCOR to pursue its strategy as an independent global reinsurer and redeploy additional capital towards P&C (re)insurance.

Apart from the evolution of the Covid-19 crisis and its impacts, as described in Section 1.2.1 – Covid-19 of this report, SCOR has not identified any additional material risk or uncertainty arising in the six months ended June 30, 2021.

1.9. RISKS RELATED TO FUTURE MACROECONOMIC DEVELOPMENTS

As vaccination campaigns expand in advanced economies, economic forecasts have been revised upwards in the first half of 2021, with most advanced economies expected to return to their pre-Covid-19 activity level between late 2021 and late 2022. Uncertainty remains, however, on the successful roll-out of the vaccination campaigns across the world and the future evolution of the virus. Some economic indicators point to a more limited potential economic rebound than currently expected, *e.g.* saturation of production capacities, bottlenecks on strategic products, accelerating inflation, carbon price increases above transition assumptions, central banks continuing with an accommodative monetary policy and public deficits and debt continuing to explode at historical levels.

Whilst the economy is likely to rebound, several sources of risk remain that could potentially affect the performance of the Group's asset portfolio in 2021. The escalation of international tensions with China could affect the current trend of world trade, negatively affecting asset markets. Many Eurozone governments face large public debts that would become difficult to manage if their respective trends to diverge continue and the interest rate spreads rise sharply. Emerging countries are facing an unstable future, as volatile commodity prices, financial imbalances and capital outflows could become a source of market and economic turmoil. Moreover, due to the exceptionally accommodating monetary policies pursued by most central banks, the prices of many assets might become biased, with the possibility of asset bubbles developing and then bursting in some markets. In the long term, uncertainties remain on the exit strategy to the above-mentioned unprecedented monetary policies, with the risk of not being able to avoid an inflationary shock.

02

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT JUNE 30, 2021 (UNAUDITED)

2.1. INTERIM CONSOLIDATED BALANCE SHEET

ASSETS

In EUR millions		As at June 30, 2021 (unaudited)	As at December 31, 2020
Goodwill arising from insurance activities		**800**	**800**
Goodwill arising from non insurance activities		**82**	**82**
Value of business acquired		**832**	**1,099**
Insurance business investments	**Note 3.6.1**	**30,079**	**30,098**
Real estate investments		616	603
Available-for-sale financial assets		16,882	18,243
Investments at fair value through income		1,880	1,632
Loans and receivables		10,516	9,418
Derivative instruments		185	202
Investments in associates		**11**	**13**
Share of retrocessionaires in insurance and investment contract liabilities		**2,909**	**1,781**
Other assets		**12,163**	**10,540**
Accounts receivable from assumed insurance and reinsurance transactions		6,937	6,564
Accounts receivable from ceded reinsurance transactions		1,319	286
Deferred tax assets		707	562
Tax receivables		132	126
Miscellaneous assets		1,717	1,546
Deferred acquisition costs		1,351	1,456
Cash and cash equivalents		**2,302**	**1,804**
TOTAL ASSETS		**49,178**	**46,217**

SHAREHOLDERS' EQUITY AND LIABILITIES

In EUR millions		As at June 30, 2021 (unaudited)	As at December 31, 2020
Shareholders' equity – Group share		**6,318**	**6,155**
Share capital		1,471	1,471
Additional paid-in capital		608	609
Revaluation reserves		257	315
Consolidated reserves		3,605	3,511
Treasury shares		(65)	(43)
Net Income for the year		380	234
Share-based payments		62	58
Non-controlling interests		**20**	**22**
TOTAL SHAREHOLDERS' EQUITY		**6,338**	**6,177**
Financial liabilities	**Notes 3.6.5 and 3.6.6**	**3,163**	**3,210**
Subordinated debt		2,516	2,538
Real estate financing		470	487
Other financial liabilities		177	185
Employee benefits and other provisions		**175**	**227**
Contract liabilities		**31,782**	**30,501**
Insurance contract liabilities		31,418	30,162
Investment and financial reinsurance contract liabilities		364	339
Other liabilities		**7,720**	**6,102**
Derivative instruments		23	85
Accounts payable on assumed insurance and reinsurance transactions		852	710
Accounts payable on ceded reinsurance transactions		1,976	1,230
Deferred tax liabilities		231	260
Tax payables		364	135
Miscellaneous liabilities		4,274	3,682
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**49,178**	**46,217**

2.2. INTERIM CONSOLIDATED STATEMENT OF INCOME

		Six months ended June 30	
In EUR millions		2021 (unaudited)	2020 (unaudited)
Gross written premiums		8,441	8,195
Change in unearned premiums reserves		(292)	54
Gross earned premiums		**8,149**	**8,249**
Other income and expenses		(8)	(8)
Investment income		361	322
Total income from ordinary activities		**8,502**	**8,563**
Gross benefits and claims paid		(6,919)	(6,357)
Gross commissions on earned premiums		(1,781)	(1,481)
Net retrocession result		1,226	(146)
Investment management expenses		(41)	(40)
Acquisition and administrative expenses		(306)	(289)
Other current operating expenses		(83)	(116)
Total other current operating income and expenses		**(7,904)**	**(8,429)**
CURRENT OPERATING RESULT		**598**	**134**
Other operating expenses		(16)	(12)
Other operating income		24	6
OPERATING RESULT (BEFORE IMPACT OF ACQUISITIONS)		**606**	**128**
Acquisition related expenses		-	-
Gain from bargain purchase		-	-
OPERATING RESULT		**606**	**128**
Financing expenses		(66)	(72)
Share in results of associates		(2)	(1)
CONSOLIDATED INCOME, BEFORE TAX		**538**	**55**
Corporate income tax	Note 3.7	(158)	(32)
CONSOLIDATED NET INCOME		**380**	**23**
Attributable to:			
Non-controlling interests		-	(3)
GROUP SHARE		**380**	**26**
In EUR			
Earnings per share (Basic)	Note 3.8	2.04	0.14
Earnings per share (Diluted)	Note 3.8	2.02	0.14

2.3. INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended June 30	
In EUR millions	2021 (unaudited)	2020 (unaudited)
Consolidated net income	**380**	**23**
Other comprehensive income	**143**	**3**
Items that will not be reclassified subsequently to income	**26**	**-**
Remeasurements of post-employment benefits	32	-
Taxes recorded directly in equity	(6)	-
Items that will be reclassified subsequently to income	**117**	**3**
Revaluation – Available-for-sale financial assets	(125)	211
Shadow accounting	60	(116)
Effect of changes in foreign exchange rates	188	(108)
Net gains/(losses) on cash flow hedges	(17)	54
Taxes recorded directly in equity	11	(32)
Other changes	-	(6)
COMPREHENSIVE INCOME, NET OF TAX	**523**	**26**
Attributable to:		
Non-controlling interests	-	(3)
Group share	523	29

2.4. INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended June 30	
In EUR millions	2021 (unaudited)	2020 (unaudited)
Net cash flows provided by/(used in) SCOR Global Life operations	(200)	57
Net cash flows provided by/(used in) SCOR Global P&C operations	731	286
Net cash flows provided by/(used in) operations	**531**	**343**
Acquisitions of consolidated entities	(2)	(2)
Changes in scope of consolidation (cash and cash equivalent of acquired companies)	-	-
Disposals of consolidated entities, net of cash disposed of	-	-
Acquisitions of real estate investments	(23)	(6)
Disposals of real estate investments	-	109
Acquisitions of other insurance business investments [(1)]	(5,028)	(2,747)
Disposals of other insurance business investments [(1)]	5,206	3,289
Acquisitions of tangible and intangible assets	(49)	(69)
Disposals of tangible and intangible assets	-	-
Net cash flows provided by/(used in) investing activities	**104**	**574**
Issuance of equity instruments	5	3
Treasury share transactions	(46)	(34)
Dividends paid	-	-
Cash generated by issuance of financial liabilities	-	37
Cash used to redeem financial liabilities	(29)	(81)
Interest paid on financial liabilities	(73)	(82)
Other cash flows from financing activities	6	17
Net cash flows provided by/(used in) financing activities	**(137)**	**(140)**
Effect of change in foreign exchange rates on cash and cash equivalents	-	(32)
TOTAL CASH FLOW	**498**	**745**
Cash and cash equivalents at January 1	**1,804**	**1,435**
Net cash flows by/(used in) operations	531	343
Net cash flows by/(used in) investing activities	104	574
Net cash flows by/(used in) financing activities	(137)	(140)
Effect of change in foreign exchange rates on cash and cash equivalents	-	(32)
CASH AND CASH EQUIVALENTS AT JUNE 30	**2,302**	**2,180**

(1) Acquisition and disposals of other insurance business investments also include movements related to bonds and other short-term investments which have a maturity date of less than three months and are classified as cash equivalents.

2.5. INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In EUR millions	Share capital	Additional paid-in capital	Revaluation reserves	Consolidated reserves	Treasury shares	Net income	Share-based payments	Non controlling interests	Total consolidated
Shareholders' equity at January 1, 2021	**1,471**	**609**	**315**	**3,511**	**(43)**	**234**	**58**	**22**	**6,177**
Allocation of prior year net income	**-**	**-**	**-**	**234**	**-**	**(234)**	**-**	**-**	**-**
Consolidated net income	**-**	**-**	**-**	**-**	**-**	**380**	**-**	**-**	**380**
Other comprehensive income net of tax	**-**	**-**	**(58)**	**201**	**-**	**-**	**-**	**-**	**143**
Revaluation – Assets available for sale	-	-	(125)	-	-	-	-	-	(125)
Shadow accounting	-	-	60	-	-	-	-	-	60
Effect of changes in foreign exchange rates	-	-	-	188	-	-	-	-	188
Net gains/(losses) on cash flow hedges	-	-	-	(17)	-	-	-	-	(17)
Taxes recorded directly in equity	-	-	7	(2)	-	-	-	-	5
Remeasurements of post-employment benefits	-	-	-	32	-	-	-	-	32
Other changes	-	-	-	-	-	-	-	-	-
Comprehensive income net of tax	**-**	**-**	**(58)**	**201**	**-**	**380**	**-**	**-**	**523**
Share-based payments (1)	-	-	-	(6)	(22)	-	4	-	(24)
Other changes	-	-	-	-	-	-	-	(1)	(1)
Capital transactions (2)	-	(1)	-	-	-	-	-	-	(1)
Dividends paid	-	-	-	(335)	-	-	-	(1)	(336)
SHAREHOLDERS' EQUITY AT JUNE 30, 2021 (UNAUDITED)	**1,471**	**608**	**257**	**3,605**	**(65)**	**380**	**62**	**20**	**6,338**

(1) Increase of treasury shares for EUR -22 million mainly coming from the cancellation of shares related to the share-buy-back program.

(2) Movement presented above related to the issuance of shares on the exercise of stock-options for EUR 5 million (EUR 2 million in share-capital and EUR 3 million in additional paid-in capital). This resulted in the creation of 251,500 new shares during the six months ended June 30, 2021. These movements were offset by a reduction in group capital by cancellation of 189,700 treasury shares for EUR -6 million (EUR -1 million in share-capital and EUR -5 million in additional paid-in capital).

In EUR millions	Share capital	Additional paid-in capital	Revaluation reserves	Consolidated reserves	Treasury shares	Net income	Share-based payments	Non controlling interests	Total consolidated
Shareholders' equity at January 1, 2020	**1,473**	**624**	**214**	**3,614**	**(54)**	**422**	**55**	**26**	**6,374**
Allocation of prior year net income	**-**	**-**	**-**	**422**	**-**	**(422)**	**-**	**-**	**-**
Consolidated net income	**-**	**-**	**-**	**-**	**-**	**26**	**-**	**(3)**	**23**
Other comprehensive income net of tax	**-**	**-**	**77**	**(74)**	**-**	**-**	**-**	**-**	**3**
Revaluation – Assets available for sale	-	-	211	-	-	-	-	-	211
Shadow accounting	-	-	(116)	-	-	-	-	-	(116)
Effect of changes in foreign exchange rates	-	-	-	(108)	-	-	-	-	(108)
Net gains/(losses) on cash flow hedges	-	-	-	54	-	-	-	-	54
Taxes recorded directly in equity	-	-	(18)	(14)	-	-	-	-	(32)
Remeasurements of post-employment benefits	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	(6)	-	-	-	-	(6)
Comprehensive income net of tax	**-**	**-**	**77**	**(74)**	**-**	**26**	**-**	**(3)**	**26**
Share-based payments [1]	-	-	-	(3)	2	-	11	-	10
Other changes	-	-	-	-	-	-	-	-	-
Capital transactions [2]	(3)	(15)	-	-	-	-	-	-	(18)
Dividends paid	-	-	-	-	-	-	-	-	-
SHAREHOLDERS' EQUITY AT JUNE 30, 2020 (UNAUDITED)	**1,470**	**609**	**291**	**3,959**	**(52)**	**26**	**66**	**23**	**6,392**

(1) Reduction of treasury shares for EUR 2 million mainly coming from the cancellation of shares related to the share-buy-back program.

(2) Movement presented above related to the issuance of shares on the exercise of stock-options for EUR 3 million (EUR 1 million in share-capital and EUR 2 million in additional paid-in capital). This resulted in the creation of 133,900 new shares during the six months ended June 30, 2020. These movements were offset by a reduction in group capital by cancellation of 509,135 treasury shares for EUR -21 million (EUR -4 million in share-capital and EUR -17 million in additional paid-in capital).

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT JUNE 30, 2021 (UNAUDITED)

3.1. GENERAL INFORMATION

The unaudited interim condensed consolidated financial statements (the "Financial Statements") reflect the financial position of SCOR and its consolidated subsidiaries (the "Group") as well as the interest in associated companies for the six months ended June 30, 2021.

Information about the SCOR Group and the principal activities of the Group are disclosed in Section 1.2 of the 2020 Universal Registration Document.

The Board of Directors approved the Financial Statements on July 27, 2021.

3.2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

3.2.1. BASIS OF PREPARATION

The Group's Financial Statements for the six months ended June 30, 2021 have been prepared in accordance with IAS 34 – Interim Financial Reporting, and with applicable standards adopted by the European Union as at June 30, 2021.

The Group's Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements included in Section 4 of the 2020 Universal Registration Document. The accounting policies, principles and methods applied in the preparation of the Financial Statements are consistent with those applied for the consolidated financial statements for the year ended December 31, 2020, unless otherwise stated.

In preparing these Financial Statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities, as well as the disclosure of contingent assets and liabilities at the reporting date.

Management reviews these estimates and assumptions periodically, based on past experience and other factors. With regards to the Covid-19 pandemic, assessment of the impact with respect to the P&C and Life business exposures requires a high degree of estimation and is highly judgmental. In general, claims information is still limited. Estimates for determining the accounting positions as at June 30, 2021 are made based on current available information and SCOR's expertise. There is still a high degree of uncertainty regarding future developments and current estimates could evolve as more information becomes available. The actual outcome and results could differ substantially from estimates and assumptions made.

The main material financial statement captions for which the Group uses estimates and assumptions are reinsurance reserves, accounts receivable from and accounts payable on reinsurance transactions, the fair value and impairment of financial instruments, intangible assets, retirement and other defined postemployment benefits and deferred taxes, in particular with respect to the recognition of deferred tax assets and the availability of future taxable income against which tax loss carryforwards can be used.

The actual outcome and results could differ substantially from estimates and assumptions made. Interim results are not indicative of full year results.

The Group's Financial Statements are presented in Euros (EUR) and all values are rounded to the nearest EUR million except where otherwise stated. The other key currencies in which the Group conducts business and the exchange rates used for the preparation of the Financial Statements are as follows:

EUR per foreign currency unit	Closing rate		Average rate			
	As at June 30, 2021	As at December 31, 2020	Q2 2021	Q1 2021	Q2 2020	Q1 2020
USD	0.8437	0.8187	0.8298	0.8297	0.9087	0.9062
GBP	1.1657	1.1189	1.1602	1.1440	1.1279	1.1604
CNY	0.1305	0.1254	0.1285	0.1280	0.1282	0.1299
CAD	0.6803	0.6432	0.6756	0.6553	0.6555	0.6756

3.2.2. IFRS STANDARDS APPLIED FOR THE FIRST TIME

The amended International Financial Reporting Standards and Interpretations as adopted by the European Union applicable for the first time during the six months ended June 30, 2021, regarding replacement issues in the context of the Interest Rate Benchmark Reform did not materially impact the Financial Statements.

On August 27, 2020, the IASB released the phase 2 of amendments relating to the Interest Rate Benchmark Reform. In addition to the standards covered in the phase 1 issued on September 26, 2019 (IFRS 9, IAS 39 and IFRS 7), the phase 2, "Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16", addresses the impacts on financial reporting once an IBOR benchmark rate is replaced by an alternative reference interest rate.

These amendments are both qualitative and quantitative: qualitatively, the reform does not lead to the derecognition of existing assets nor discontinue hedging relationships but requires the updating of the Effective Interest Rate (EIR) and hedge accounting relationship documentation according to the Alternative Reference Rates (ARR). Quantitatively, the entity should disclose progress on the transition and any relating risks at each reporting period.

Since 2019, SCOR has engaged a review of contracts in order to identify the impacts of the reform and has set-up multidisciplinary working groups involving Legal, Finance and Underwriting teams from Life and P&C business units, SCOR Global Investments as well as Group Treasury. As the EURIBOR transition is already effective since 2019, the analyses focus on IBOR impacts and consist in identifying contracts having IBOR as reference rates, measure the potential impact and eventually amend such contracts. The Group's exposure remains limited:

- On the reinsurance business, impacts are mostly associated to interest due on overdue balances. Consequently, underwriting guidelines have been amended on P&C side to remove the explicit reference to IBOR as soon as 2019 while the Life business unit is performing a review of in-force contracts to amend and approve Alternative Reference Rates with the cedants when new or renewed treaties refer to replacement rates. The convergence with new reference rates is expected to be finalised by the end of 2021, before IBOR are discontinued.

  More marginally, a small number of P&C funds withheld contracts referring to IBOR are being amended, with only limited impact considering the number of contracts embedding such features, together with updated underwriting guidance updated in 2019.
- Amendments to derivative contracts referring to IBOR rates have been made by adhering on January 22, 2021 to the International Swaps and Derivatives Association (ISDA) Fallback Protocol and Supplement. These publications aim to facilitate the multilateral application of the amended reference rates to legacy derivative contracts.

  FX forwards and swaps are not affected by the reform as they do not refer to IBOR rates. EUR/USD cross-currency swaps are also not impacted due to offsetting effects between their different components.
- On the investment portfolio, the exposure to IBOR remains quite limited and mainly relates to Collateralized Loans Obligations (CLOs) or leveraged loans, to a lesser extent senior corporate bonds or inflation linked related securities.

SCOR will finalise the transition during the second half of 2021, before IBOR reference rates are discontinued.

3.2.3. IFRS STANDARDS PUBLISHED BUT NOT YET EFFECTIVE

The following standards relevant to SCOR and expected to have a significant impact on its consolidated financial statements have been issued by the International Accounting Standards Board but are not yet effective or have not been adopted by the European Union:

On July 24, 2014, the IASB published IFRS 9 – Financial Instruments. The final version of IFRS 9 replaces the previously published versions of IFRS 9 on classification and measurement and hedge accounting. It also replaces IAS 39 – Financial Instruments: Recognition and Measurement and covers classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The EU endorsed IFRS 9 on November 22, 2016. However, SCOR opted for the Deferral Approach for IFRS 9 as granted by IFRS 4 and thus can defer application of the standard until January 1, 2023 if such effective date will be endorsed by the EU. To avoid a simultaneous first-time application with IFRS 17 for operational reasons, SCOR proposed to adopt IFRS 9 one year earlier than IFRS 17, on January 1, 2022.

IFRS 9 requires financial assets to be classified based on the business model for managing the financial assets and their contractual cash flows characteristics. Based on their classification, financial assets will be measured at amortized cost, fair value through other comprehensive income (OCI) or fair value through P&L. The new impairment model requires recognition of expected credit losses based on available historical, current and forecast information. The hedging model included in IFRS 9 aligns hedge accounting more closely with risk management but does not fundamentally change the types of hedging relationships or the requirements to measure and recognize hedge effectiveness.

The adoption of IFRS 9 will affect the classification and measurement of the Group's financial assets as more financial assets are expected to be accounted for at fair value through profit or loss. For equity investments, an accounting policy choice will be available to account for such instruments at fair value through profit or loss, or at fair value though OCI without recycling. SCOR's impairment policies will also be affected as impairments will be recognized based on expected credit losses and no longer based on incurred credit losses only. There are no significant changes expected for the hedge accounting as applied by SCOR.

The Group is in the process of implementing IFRS 9 and has finalized the methodologies for classification and measurement as well as for the expected credit risk model. Design and systems implementation are about to be finalized and several test phases are scheduled throughout 2021 to ensure operational readiness for adoption of IFRS 9 on January 1, 2022.

On May 18, 2017, the IASB published IFRS 17 – Insurance Contracts, which will replace the current guidance in IFRS 4 – Insurance Contracts. After making a number of amendments, the final IFRS 17 was issued by the IASB on June 25, 2020. The Standard has a mandatory effective date of January 1, 2023, with earlier application permitted. The amendments address targeted improvements and some of the concerns and implementation challenges that were identified after IFRS 17 was published in 2017. The IASB also extended to 2023 the temporary exemption for insurers to apply IFRS 9. The final Standard on Insurance Contracts still needs to be endorsed by the EU.

IFRS 17 will significantly change the accounting for insurance contracts as currently applied. IFRS 17 introduces a current fulfilment measurement approach as the general model for all insurance and reinsurance contracts. Insurance obligations will be the sum of current fulfilment cash flows and the unearned profit for a contract or group of contracts. Current fulfilment cash flows comprise the discounted expected future cash in- and outflows in the boundary of a contract or group of contracts, including a risk adjustment. The unearned profit is called CSM (Contractual Service Margin). Contracts that are onerous on initial recognition require an immediate loss recognition. Insurance contracts will be re-measured based on current market information at each reporting date. Under IFRS 17, the performance of the Group will mainly be depicted through the insurance service result (the profit earned from providing (re)insurance coverage) and the financial result (investment income from managing insurance assets and insurance finance expense from discounting insurance obligations). Gross written premiums will no longer be presented on the face of the income statement. Presentation of balance sheet and income statement will change under IFRS 17 compared to current practice. The new Standard also requires additional disclosures and reconciliations to enable users of the Financial Statements to understand the amounts recognized on the balance sheet and in total comprehensive income as well as the risks embedded in insurance contracts that the Group issues. IFRS 17 implementation requires significant changes in systems and processes. SCOR continues to work on the implementation and testing phase of the IFRS 17 project. Developments of potential changes to IFRS 17 have been closely monitored to ensure consequential impact on the implementation work are timely taken into account. The final mandatory effective date of IFRS 17, January 1, 2023, has been considered in the overall project planning.

3.3. SIGNIFICANT EVENTS

COVID-19 IMPACT

Management continuously monitored the developments and has assessed the impacts of the pandemic on SCOR's consolidated financial statements as at June 30, 2021 considering that a high degree of management judgment is required in making accounting assessments.

The Group interim consolidated financial statements are prepared under the going-concern assumption and include the current assessment of claim costs for the first six months of 2021 for SCOR's P&C and Life business units (EUR 109 million, net of retrocession and reinstatement premiums and before tax and EUR 268 million Covid-19 related claims, including IBNR, net of reduced flu claims in the U.S., net of retrocession and before tax, respectively), based on data currently available, information received from cedents to date and the results of models used.

For the Life business unit, key assumptions in determining claims costs include epidemiological assumptions in relation to expected population impacts from Covid-19 and assumptions in relation to how this translates to the (re)insured population.

- The main exposure arises in the U.S, accounting for EUR 222 million of claim costs, including IBNR, net of reduced flu claims in the U.S., net of retrocession and before tax.
- In other markets, Covid-19 related claims amount to EUR 46 million, with increased claims mainly in the UK and Latin America.

For the P&C business unit, the Group's exposure in the first half of 2021 comes mainly from Property Business Interruption lines, due to an increase in direct gross costs incurred by cedents with adverse court decisions in France and the UK, and cedents filing claims for two separate events corresponding to the March and October 2020 lockdowns.

SETTLEMENT AGREEMENT WITH COVÉA

On June 10, 2021, SCOR and Covéa announced the signing of a settlement agreement. Covéa and SCOR wished to restore peaceful relations, based on professionalism and in keeping with their respective independence. The agreement includes the following key points:

- The settlement agreement includes an orderly exit by Covéa from the share capital of SCOR. Covéa granted SCOR a call option on the shares it holds, at an exercise price of EUR 28 per share and for a period of five years. The option is transferable to any third party designated by SCOR so that SCOR can organize this exit in its best interests. Covéa will not purchase, directly or indirectly, alone or in concert, for a period of seven years, SCOR shares. For more information see Note 3.6.1 – Insurance business investments.
- As an indemnity settlement, Covéa agreed to pay to SCOR a sum of EUR 20 million, before tax. Covéa and SCOR both agreed to an immediate withdrawal of all legal actions and claims linked to the combination proposal made by Covéa in 2018. For more information see Note 3.9 – Litigation matters.
- In connection with the resumption of reinsurance relations between Covéa and SCOR, SCOR will cede to Covéa as of January 1, 2021, 30% of all in force business carried by SCOR's Irish Life entities as of December 31, 2020. The agreed net up-front payment from Covéa amounts to USD 1,014 million and is determined in reference to the net of retrocession audited Best Estimate Liability as of December 31, 2020 in SCOR's Irish Life entities Solvency 2 reporting. The payment was received on July 1, 2021. For more information see Note 3.5.1 – Operating segments.

3.4. BUSINESS COMBINATIONS

There were no business combinations during the six months ended June 30, 2021.

3.5. SEGMENT INFORMATION

The primary activities of the Group are described in Section 1.2 of the 2020 Universal Registration Document.

For management purposes, the Group is organized into three business units (SCOR Global P&C, SCOR Global Life and SCOR Global Investments), of which SCOR Global P&C and SCOR Global Life are considered reportable operating segments, and one corporate cost center, referred to as "Group Functions".

SCOR Global Investments is the asset management business unit of the Group. Its role is complementary to the two reportable operating segments as it manages SCOR Global P&C's and SCOR Global Life's investment assets associated with their contract liabilities. SCOR Global Investments also manages third-party assets, however this activity is currently considered not material. Therefore, SCOR Global Investments is not considered a separate reportable operating segment for the purposes of IFRS 8 – Operating segments. The reportable operating segment SCOR Global P&C is responsible for SCOR's property and casualty insurance and reinsurance (also referred to as "Non-Life"); and the reportable operating segment SCOR Global Life is responsible for Life reinsurance (also referred to as "Life"). Each operating segment underwrites different types of risks and offers different products and services which are marketed *via* separate channels. Responsibilities and reporting within the Group are established on the basis of this structure. No operating segments have been aggregated to form the SCOR Global P&C and the SCOR Global Life reportable operating segments.

Management reviews the operating results of the SCOR Global P&C and SCOR Global Life segments individually for the purpose of assessing the operational performance of the businesses and to allocate resources. The amount of inter-segment transactions, primarily in relation to gross written premiums, is not significant. Hub shared service costs are allocated to the business units using a headcount allocation key.

Group functions do not constitute an operating segment and do not generate revenues. Costs related to Group functions are not directly attributable to either the SCOR Global P&C or SCOR Global Life segments.

3.5.1. OPERATING SEGMENTS

The following table sets forth the operating results for the Group's operating segments and its corporate cost center for the six months ended June 30, 2021 and 2020. Inter-segment recharges of expenses are eliminated at consolidation level.

	For the six months ended June 30 (unaudited)							
	2021				2020			
In EUR millions	SCOR Global Life	SCOR Global P&C	Group Functions	Total	SCOR Global Life	SCOR Global P&C	Group Functions	Total
Gross written premiums	4,673	3,768	-	8,441	4,677	3,518	-	8,195
Change in gross unearned premiums reserves	2	(294)	-	(292)	(11)	65	-	54
Gross earned premiums	**4,675**	**3,474**	**-**	**8,149**	**4,666**	**3,583**	**-**	**8,249**
Revenues associated with financial reinsurance contracts	6	-	-	6	8	-	-	8
Gross benefits and claims paid	(4,626)	(2,293)	-	(6,919)	(3,878)	(2,479)	-	(6,357)
Gross commissions on earned premiums	(1,024)	(757)	-	(1,781)	(648)	(833)	-	(1,481)
GROSS TECHNICAL RESULT (1)	**(969)**	**424**	**-**	**(545)**	**148**	**271**	**-**	**419**
Ceded written premiums	(1,026)	(520)	-	(1,546)	(430)	(422)	-	(852)
Change in ceded unearned premiums reserves	-	69	-	69	-	(12)	-	(12)
Ceded earned premiums	**(1,026)**	**(451)**	**-**	**(1,477)**	**(430)**	**(434)**	**-**	**(864)**
Ceded claims	1,256	221	-	1,477	399	211	-	610
Ceded commissions	1,142	84	-	1,226	34	74	-	108
Net retrocession result	**1,372**	**(146)**	**-**	**1,226**	**3**	**(149)**	**-**	**(146)**
NET TECHNICAL RESULT (1)	**403**	**278**	**-**	**681**	**151**	**122**	**-**	**273**
Other income and expense excl. Revenues associated with financial reinsurance contracts	**-**	**(14)**	**-**	**(14)**	**1**	**(17)**	**-**	**(16)**
Investment revenues	63	116	-	179	80	142	-	222
Interests on deposits	74	3	-	77	79	3	-	82
Capital gains/(losses) on the sale of investments	19	71	-	90	21	42	-	63
Change in fair value of investments	(1)	6	30	35	(1)	(1)	-	(2)
Change in impairment and amortization of investments	(3)	(11)	-	(14)	(2)	(22)	-	(24)
Foreign exchange gains/(losses)	(2)	(4)	-	(6)	4	(23)	-	(19)
Investment income	**150**	**181**	**30**	**361**	**181**	**141**	**-**	**322**
Investment management expenses	(11)	(24)	(6)	(41)	(12)	(24)	(4)	(40)
Acquisition and administrative expenses	(139)	(156)	(11)	(306)	(139)	(136)	(14)	(289)
Other current operating expenses	(17)	(14)	(52)	(83)	(36)	(30)	(50)	(116)
CURRENT OPERATING RESULT	**386**	**251**	**(39)**	**598**	**146**	**56**	**(68)**	**134**
Other operating expenses	(3)	(13)	-	(16)	(4)	(8)	-	(12)
Other operating income	1	1	22	24	1	5	-	6
OPERATING RESULT (BEFORE IMPACT OF ACQUISITIONS)	**384**	**239**	**(17)**	**606**	**143**	**53**	**(68)**	**128**

(1) Technical results are the balance of income and expenses allocated to the insurance and reinsurance business.

SCOR Global Life achieved a technical margin[1] for the six months ended June 30, 2021 of 13.1%, driven by the retrocession contracts with Covéa, compared to 5.4% for the same period in 2020.

In the first half of 2021, the Life technical margin is increased by a one-off impact following the execution of the Covéa retrocession contracts. The net technical result stands at EUR 403 million, and it includes a net gain of EUR 346 million that reflects the initial recognition of the retrocession agreement with Covéa, a one-off impact from the amortization of value of business acquired and deferred acquisition costs, and the support of a strong reserving position for the portfolio. The net upfront ceding commission from Covéa is accounted for in the ceded commission line of the income statement.

The technical margin for the six months period ended June 30, 2021 is further impacted by -6.2 pts (before retrocession to Covéa) due to the Covid-19 pandemic. As part of the technical margin, the net technical result absorbed EUR 268 million claims caused by the Covid-19 pandemic, of which EUR 222 million relate to the Life reinsurance business in the U.S. and EUR 46 million relate to all other markets, net of retrocession and before tax.

For SCOR Global P&C the net technical result for the six months ended June 30, 2021 reflects a net combined ratio (calculated by dividing the sum of Non-Life claims, including natural catastrophes, commissions and management expenses net of retrocession, by earned premiums net of retrocession) of 97.2% compared to 102.3% for the same period in 2020. Natural catastrophes had an impact of 9.4% on the net combined ratio for the first six months in 2021, compared to 5.1% for the same period last year. Covid-19 had an impact of 3.6% on 2021 net combined ratio compared to 8.2% last year.

3.5.2. GROSS WRITTEN PREMIUMS AND INSURANCE CONTRACT LIABILITIES BY GEOGRAPHIC REGION

The distribution of gross written premiums by geographic region for SCOR Global Life, based on market responsibility, is as follows:

In EUR millions		For the six months ended June 30 (unaudited) 2021	2020
SCOR Global Life			
33%	EMEA	1,545	1,519
47%	Americas	2,215	2,350
20%	Asia-Pacific	913	808
TOTAL GROSS WRITTEN PREMIUMS		**4,673**	**4,677**

Contract liabilities and share of retrocessionaires in contract liabilities for SCOR Global Life, allocated on the same basis as gross written premiums, are as follows:

	As at June 30, 2021 (unaudited)		As at December 31, 2020	
In EUR millions	Contract liabilities	Share of retrocessionaires in contract liabilities	Contract liabilities	Share of retrocessionaires in contract liabilities
SCOR Global Life				
EMEA	9,567	320	9,498	398
Americas	3,554	1,263	3,316	126
Asia-Pacific	1,634	41	1,516	44
TOTAL	**14,755**	**1,624**	**14,330**	**568**

The significant increase in share of retrocessionaires in contract liabilities in the Americas region is mainly due to the retrocession contracts entered into with Covéa (refer to Note 3.3 – Significant events). Contract liabilities at June 30, 2021, reflect the support of a strong reserving position for the portfolio.

(1) Refer to Appendix – Calculation of financial ratios, for detailed calculation.

The distribution of gross written premiums by geographic region for SCOR Global P&C, based on the country in which the ceding company operates for treaty business and localization of the insured for facultative business, is as follows:

In EUR millions		For the six months ended June 30 (unaudited) 2021	2020
SCOR Global P&C			
41%	EMEA	1,550	1,352
42%	Americas	1,578	1,576
17%	Asia-Pacific	640	590
TOTAL GROSS WRITTEN PREMIUMS		**3,768**	**3,518**

For SCOR Global P&C, contract liabilities, allocated on the same basis as gross written premiums, and share of retrocessionaires in contract liabilities, allocated based on the location of the retrocessionaire, are as follows:

	As at June 30, 2021 (unaudited)		As at December 31, 2020	
In EUR millions	Contract liabilities	Share of retrocessionaires in contract liabilities	Contract liabilities	Share of retrocessionaires in contract liabilities
SCOR Global P&C				
EMEA	8,776	587	8,363	535
Americas	6,032	587	5,626	590
Asia-Pacific	2,219	111	2,182	88
TOTAL	**17,027**	**1,285**	**16,171**	**1,213**

3.5.3. ASSETS AND LIABILITIES BY OPERATING SEGMENT

Key balance sheet captions by operating segment, as reviewed by management, are broken down as follows:

	As at June 30, 2021 (unaudited)			As at December 31, 2020		
In EUR millions	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Goodwill arising from insurance activities	45	755	800	45	755	800
Value of business acquired	832	-	832	1,099	-	1,099
Insurance business investments	13,187	16,892	30,079	13,424	16,674	30,098
Share of retrocessionaires in insurance and investment contract liabilities	1,624	1,285	2,909	568	1,213	1,781
Cash and cash equivalents [(1)]	1,268	1,034	2,302	708	1,096	1,804
TOTAL ASSETS	**23,748**	**25,430**	**49,178**	**21,470**	**24,747**	**46,217**
Contract liabilities	(14,755)	(17,027)	(31,782)	(14,330)	(16,171)	(30,501)

(1) Cash and cash equivalents include cash held by the Group on behalf of third parties as part of its asset management activity for a total amount of EUR 70 million on June 30, 2021 (December 31, 2020: EUR 165 million).

As an impact of the Life retrocession contracts entered into with Covéa (refer to Note 3.3, Significant events), the value of business acquired was reduced by EUR 269 million and the share of retrocessionaires in contract liabilities increased by EUR 1,242 million.

3.5.4. CASH FLOW BY OPERATING SEGMENT

Operating cash flow by segment is disclosed on the face of the interim condensed consolidated statements of cash flows.

3.6. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES

3.6.1. INSURANCE BUSINESS INVESTMENTS

The Group's insurance business investments by category and valuation technique are presented in the following table:

		Investments and cash as at June 30, 2021 (unaudited)				
In EUR millions		Total	Level 1	Level 2	Level 3	Cost or amortized cost
Real estate investments		**616**	**-**	**-**	**-**	**616**
Equity securities	Note 3.6.4	830	194	546	-	90
Debt securities	Notes 3.6.3 & 3.6.4	16,052	14,278	1,774	-	-
Available-for-sale financial assets		**16,882**	**14,472**	**2,320**	**-**	**90**
Equity securities	Note 3.6.4	1,868	178	1,690	-	-
Debt securities	Notes 3.6.3 & 3.6.4	12	12	-	-	-
Investments at fair value through income		**1,880**	**190**	**1,690**	**-**	**-**
Loans and receivables		**10,516**	**1,169**	**-**	**-**	**9,347**
Derivative instruments [(1)]		**185**	**-**	**90**	**95**	**-**
TOTAL INSURANCE BUSINESS INVESTMENTS		**30,079**	**15,831**	**4,100**	**95**	**10,053**
Cash and cash equivalents [(2)]		**2,302**	**2,302**	**-**	**-**	**-**
INVESTMENTS AND CASH		**32,381**	**18,133**	**4,100**	**95**	**10,053**
Percentage		**100%**	**56%**	**13%**	**0%**	**31%**

		Investments and cash as at December 31, 2020				
In EUR millions		Total	Level 1	Level 2	Level 3	Cost or amortized cost
Real estate investments		**603**	**-**	**-**	**-**	**603**
Equity securities	Note 3.6.4	654	192	383	-	79
Debt securities	Notes 3.6.3 & 3.6.4	17,589	15,724	1,865	-	-
Available-for-sale financial assets		**18,243**	**15,916**	**2,248**	**-**	**79**
Equity securities	Note 3.6.4	1,618	232	1,386	-	-
Debt securities	Notes 3.6.3 & 3.6.4	14	14	-	-	-
Investments at fair value through income		**1,632**	**246**	**1,386**	**-**	**-**
Loans and receivables		**9,418**	**185**	**-**	**-**	**9,233**
Derivative instruments [(1)]		**202**	**-**	**98**	**104**	**-**
TOTAL INSURANCE BUSINESS INVESTMENTS		**30,098**	**16,347**	**3,732**	**104**	**9,915**
Cash and cash equivalents [(2)]		**1,804**	**1,804**	**-**	**-**	**-**
INVESTMENTS AND CASH		**31,902**	**18,151**	**3,732**	**104**	**9,915**
Percentage		**100%**	**57%**	**12%**	**0%**	**31%**

(1) Liabilities of EUR 23 million arising from derivative financial instruments are disclosed in the liability section of the consolidated balance sheet (as at December 31, 2020: EUR 85 million).

(2) Cash and cash equivalents include cash held by the Group on behalf of third parties as part of its asset management activity for a total amount of EUR 70 million on June 30, 2021 (December 31, 2020: EUR 165 million).

Classification, valuation and impairment methods are presented in Section 4.6 – Notes to the consolidated financial statements, Note 8 of the 2020 Universal Registration Document.

The Group provides disclosures on the measurements of financial instruments held at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement. Assessing the significance of a particular input to the fair value measurement requires judgment, considering factors specific to the asset or liability. At each end of a reporting period, the Group considers the classification relevancy of financial instruments that are measured at fair value.

The valuation methodology of financial instruments is monitored to identify potential reclassifications. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Included in this level are financial instruments for which quoted prices or rates represent actual and regularly occurring transactions that are available from a stock exchange, dealer or broker. Such instruments comprise listed equities, government, covered and agency bonds, corporate bonds as well as short-term investments. For units in unit-linked trusts, shares, open-ended investment companies and derivative financial instruments (including real estate, interest rate and mortality swaps, options etc.), fair value is determined by reference to published bid values.

Level 2: models prepared by internal and external experts using observable market inputs

The Group has certain investments which are valued based on models prepared by internal and external experts using observable market inputs. These primarily comprise structured products, other than securities issued by government agencies for which the market is considered active, hybrid and tier 1 and tier 2 corporate debt, private placements, inflation linked government assimilated bonds, specific alternative investments and derivative instruments.

Level 3: valuation inputs for the asset or liability which are not based on observable market data (unobservable inputs)

The value of these instruments is neither supported by prices from observable current market transactions in the same instrument nor is it based on available market data. If a fair value measurement uses inputs based significantly on unobservable inputs, it is classified as a Level 3 measurement. Level 3 instruments consist mainly of derivative instruments primarily relating to the Atlas catastrophe and mortality bonds.

Further details on the valuation of these derivative instruments are included within Section 4.6 – Notes to the consolidated financial statements, Note 8.9 – Derivative Instruments in the 2020 Universal Registration Document.

Call option on SCOR shares granted by Covéa (level 2)

In connection with the settlement agreement (please refer to Note 3.3 – Significant events), Covéa granted a call option to SCOR on the shares it holds, at an exercise price of EUR 28 per share and for a period of five years. The exercise price is subject to amendment in certain conditions. The call option is transferable to any third party designated by SCOR, so that SCOR can organize the change in the best interest of its shareholders. The option was recognized as a derivative instrument at fair value as determined by an external valuation and the carrying value of the option as at June 30, 2021 amounts to EUR 30.3 million.

Atlas catastrophe bonds (level 3)

Atlas Capital UK 2019 PLC provides the Group with multi-year risk transfer capacity of USD 250 million to protect itself against named storms in the U.S., earthquakes in the U.S. and Canada, and windstorms in Europe. The risk period for Atlas Capital UK 2019 will run from June 1, 2019, to May 31, 2023.

Atlas Capital Reinsurance 2020 DAC provides the Group with multi-year risk transfer capacity of USD 200 million to protect itself against storms in the U.S. and earthquakes in the U.S. and Canada. The risk period for Atlas Capital Reinsurance 2020 DAC will run from April 30, 2020, to May 31, 2024.

These instruments are recognized as derivatives and valued using a cumulated expected loss model that is based on a combination of market inputs to the extent that trades in this instrument are active and catastrophe modelling tools developed by a third-party service provider (AIR).

The significant unobservable inputs used in the valuation model are:

Unobservable inputs	Atlas Capital UK 2019 PLC	Atlas capital Re 2020 DAC
Expected loss US Named Storm based on AIR model	6.31%	5.56%
Expected loss US and Canadian earthquake based on AIR model	3.54%	3.87%
Expected loss European Windstorm based on AIR model	1.64%	NA

A significant catastrophic event (US or Canadian Earthquake or a US Named Storm or a European Windstorm) that would occur during the coverage period of the respective bonds would lead to a change in the fair value of the derivative instrument.

Available-for-sale financial assets measured at cost

Available-for-sale financial assets include EUR 90 million of investments which are measured at cost (December 31, 2020: EUR 79 million). These investments include primarily equity securities and funds which are not listed.

During the six-month periods ended June 30, 2021 and 2020, there were no material gains or losses realized on the disposal of available-for-sale financial assets which were previously carried at cost.

Transfers and classification of investments

There have been no material transfers between Level 1 and Level 2 fair value categories during the six-month periods ended June 30, 2021 and 2020.

Real estate investments

During the six months ended June 30, 2021, SCOR has not sold any building (during the six months ended June 30, 2020, SCOR sold a building with EUR 47 million gain on sale).

3.6.2. MOVEMENTS IN FINANCIAL INSTRUMENTS CATEGORIZED WITHIN LEVEL 3 OF THE FAIR VALUE HIERARCHY

During the six months ended June 30, 2021, there was no transfer into/out of the Level 3 fair value measurement category.

In EUR millions	Equity securities	Debt securities	Loans and receivables	Derivative instruments	Total
Net book value at January 1, 2021	**-**	**-**	**-**	**104**	**104**
Foreign exchange rate movements	-	-	-	-	-
Income and expense recognized in statement of income	-	-	-	(9) (1)	(9)
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers into level 3	-	-	-	-	-
Transfers out of level 3	-	-	-	-	-
Change in fair value through OCI	-	-	-	-	-
Change in scope of consolidation	-	-	-	-	-
NET BOOK VALUE AT JUNE 30, 2021	**-**	**-**	**-**	**95**	**95**

(1) Movements in derivative instruments are due to the change in fair value of Atlas Capital UK 2019 PLC and Atlas Capital Reinsurance 2020 DAC, derivatives recorded in other operating expenses and contingent capital facilities recorded in investment income.

During the six months ended June 30, 2020, there was no transfer into/out of the Level 3 fair value measurement category.

In EUR millions	Equity securities	Debt securities	Loans and receivables	Derivative instruments	Total
Net book value at January 1, 2020	**-**	**-**	**-**	**85**	**85**
Foreign exchange rate movements	-	-	-	-	-
Income and expense recognized in statement of income	-	-	-	(6) (1)	(6)
Additions	-	-	-	67 (2)	67
Disposals	-	-	-	-	-
Transfers into level 3	-	-	-	-	-
Transfers out of level 3	-	-	-	-	-
Change in fair value through OCI	-	-	-	-	-
Change in scope of consolidation	-	-	-	-	-
NET BOOK VALUE AT JUNE 30, 2020	**-**	**-**	**-**	**146**	**146**

(1) Movements in derivative instruments are due to the change in fair value of Atlas Capital UK 2019 PLC and Atlas Capital Reinsurance 2020 DAC, derivatives recorded in other operating expenses and contingent capital facilities recorded in investment income.
(2) The addition concerns the new Atlas Capital Reinsurance 2020 DAC derivative contract and the new contingent capital facilities.

3.6.3. DEBT SECURITIES CREDIT RATING STRUCTURE

The analysis of the credit ratings of debt securities is as follows:

In EUR millions		As at June 30, 2021 (unaudited)		As at December 31, 2020	
15%	AAA	2,346	15%	2,561	15%
26%	AA	4,109	26%	4,252	24%
26%	A	4,199	26%	4,888	28%
18%	BBB	2,899	18%	3,396	19%
9%	<BBB	1,526	9%	1,443	8%
6%	Not Rated	985	6%	1,063	6%
TOTAL DEBT SECURITIES		**16,064**	**100%**	**17,603**	**100%**

3.6.4. BREAKDOWN OF SECURITIES AVAILABLE FOR SALE AND AT FAIR VALUE THROUGH INCOME

The following table summarizes the debt and equity securities and unrealized gains/(losses) by class of securities classified as available for sale and at fair value through income:

	As at June 30, 2021 (unaudited)		As at December 31, 2020	
In EUR millions	Net book value	Net unrealized gains/(losses)	Net book value	Net unrealized gains/(losses)
Government bonds & similar				
France	71	(1)	76	-
Germany	62	1	54	1
Netherlands	61	-	46	1
United Kingdom	50	-	80	-
Other EU	69	(1)	67	(1)
United States	2,668	9	2,484	12
Canada	272	16	281	25
Japan	36	-	33	-
China	785	4	770	2
Supranational	200	-	212	3
Other	1,272	14	1,266	32
Total government bonds & similar	**5,546**	**42**	**5,369**	**75**
Covered bonds & Agency MBS	**1,182**	**24**	**1,393**	**40**
Corporate bonds	**7,606**	**189**	**9,021**	**407**
Structured & securitized products	**1,730**	**(10)**	**1,820**	**(23)**
TOTAL DEBT SECURITIES	**16,064**	**245**	**17,603**	**499**
Equity securities	**2,698**	**157**	**2,272**	**16**
TOTAL AVAILABLE FOR SALE AND FAIR VALUE THROUGH INCOME	**18,762**	**402**	**19,875**	**515**

IMPAIRMENT

During the six months ended June 30, 2021, the Group recorded EUR 1 million impairment revenues on debt securities (same period in 2020: EUR 1 million impairment charges) and EUR 6 million impairment expenses on equity securities (same period in 2020: EUR 9 million), in accordance with its impairment policies as defined in Section 4.6 – Notes to the consolidated financial statements, Note 8.2 of the 2020 Universal Registration Document.

3.6.5. FINANCIAL LIABILITIES

The following table sets out an overview of the debt issued by the Group:

		As at June 30, 2021 (unaudited)		As at December 31, 2020	
In EUR millions	Maturity	Net book value	Fair value	Net book value	Fair value
Subordinated debt					
EUR 250 million	Perpetual	256	291	250	283
USD 625 million	Perpetual	516	546	522	553
USD 125 million	Perpetual	102	108	104	110
EUR 250 million	06/05/2047	249	285	253	292
EUR 600 million	06/08/2046	594	664	603	682
EUR 500 million	05/27/2048	500	589	509	608
EUR 300 million	09/17/2051	299	300	297	302
Total subordinated debt (1)		**2,516**	**2,783**	**2,538**	**2,830**
Investment properties financing		158	158	176	176
Own-use properties financing		312	312	311	311
Total real estate financing (2)		**470**	**470**	**487**	**487**
Other financial debt (2)		**177**	**177**	**185**	**185**
TOTAL FINANCIAL DEBT		**3,163**	**3,430**	**3,210**	**3,502**

(1) In 2021, the balance includes EUR 23 million accrued interests (as at December 31, 2020: EUR 39 million).
(2) These debts are not publicly traded. Therefore, the carrying amounts are reflective of their fair value.

3.6.6. FINANCIAL DEBT AND CAPITAL

CASH-FLOW HEDGE ON PERPETUAL SUBORDINATED DEBTS

In order to hedge the foreign exchange risk associated with the debts issued in USD (USD 625 million issued March 13, 2018 and USD 125 million issued December 17, 2019), SCOR entered into cross-currency swaps which exchange the principals and the coupons on the notes into Euro and mature on March 13, 2029.

Cash-flow hedge accounting is applied. The fair value of the swaps is obtained from the banking counterparty using market inputs. As part of the usual analysis of accounts processes, these third-party valuations are checked for reasonableness. The total relating notional amount is USD 750 million as at June 30, 2021 (December 31, 2020: USD 750 million). As at June 30, 2021, the balance sheet amount of these swaps is an asset of EUR 26 million (as at December 31, 2020: asset of EUR 42 million). No inefficiency was identified on these hedges during the first half of 2021.

REAL ESTATE FINANCING

Real estate financing relates to the acquisition of investment properties and own-use properties through property-related bank loans of EUR 470 million (EUR 487 million as at December 31, 2020), of which EUR 77 million related to real estate financing at MRM S.A. (EUR 77 million as at December 31, 2020).

The majority of real estate financing contracts contain accelerated repayment clauses and other debt covenants. Such covenants define certain ratios to comply with, among which loan to value ratios (LTV), defined as the relation between the carrying amount of the financing and the market value of the real estate being financed, interest coverage rates (ICR), representing the percentage at which interest charges are covered by rental income, and debt service coverage ratios (DSCR), representing the percentage at which debt amortization and interest expense are covered by rental income. Under existing financing contracts LTV ratios vary between 44% and 65% and ICR/DSCR between 130% and 558%.

CASH-FLOW HEDGE ON REAL ESTATE FINANCING

SCOR has entered into interest rates swaps to cover its exposure to financial debt with variable interest rates relating to real estate investments. Cash-flow hedge accounting is applied. The fair value of these swaps is obtained from the banking counterparty using market inputs. As part of the usual analysis of accounts processes, these third-party valuations are checked for reasonableness. The total notional amount relating to these swaps is EUR 44 million as at June 30, 2021 (December 31, 2020: EUR 44 million). As at June 30, 2021, the balance sheet amount of these swaps is a liability of EUR 2 million (as at December 31, 2020: liability of EUR 2 million). No inefficiency was identified on these hedges during the first half of 2021.

CONTINGENT CAPITAL FACILITY

On December 3, 2019, SCOR arranged a contingent capital facility with J.P. Morgan taking the form of a contingent equity line, providing the Group with EUR 300 million coverage in case of extreme natural catastrophes or life events impacting mortality. Under this arrangement, SCOR issued 9.4 million warrants in favor of J.P. Morgan, each warrant giving J.P. Morgan the right to subscribe to two new SCOR shares. J.P. Morgan has undertaken to exercise accordingly the number of warrants necessary for the subscription of up to EUR 300 million (issuance premium included) of new shares, without exceeding 10% of SCOR's share capital, when the aggregate amount of (i) the estimated ultimate net losses resulting from eligible natural catastrophes incurred by the Group (in its capacity as an insurer/reinsurer) between January 1, 2020 and December 31, 2022 or (ii) the ultimate net claims amount recorded by SCOR Group Life business unit (in its capacity as an insurer/reinsurer) over two consecutive semesters over the period from July 1, 2019 and December 31, 2022 reaches certain contractual thresholds subject to review by SCOR's Statutory Auditors. In addition, subject to no drawdown having already been conducted under the facility, if SCOR's daily volume-weighted average share price falls below EUR 10, an individual tranche of EUR 150 million will be drawn down out of the EUR 300 million facility.

J.P. Morgan is committed to subscribing the new shares, in case of exercise of the warrants, but does not intend to become a long-term shareholder of SCOR and would therefore resell the shares by way of private placements and/or sales on the open market. In this respect, SCOR and J.P. Morgan have entered into a profit sharing arrangement, whereby 75% of the gain generated by the resale of the new shares, if any, would be retroceded to SCOR. If the resale of the new shares occurs immediately upon exercise through an off-market transaction, the profit share owed to SCOR will be paid in the form of SCOR shares in order to limit the dilutive impact of the transaction for SCOR's shareholders.

In the absence of any extreme triggering event, no shares would be issued under the facility and this facility would therefore remain without any dilutive impact for the shareholders.

2020 DIVIDEND

SCOR's Annual General Meeting of June 30, 2021 resolved to distribute, for the 2020 fiscal year, a dividend of one euro and eighty cents (EUR 1.80) per share, being an aggregate amount of dividend paid of EUR 335 million, calculated on the basis of the number of shares eligible for dividend as of the payment date. The ex-dividend date was July 2, 2021 and the dividend was paid on July 6, 2021.

3.7. INCOME TAX

For the six months ended June 30, 2021 corporate income tax was an expense of EUR 158 million (EUR 32 million for the six-months ended June 30, 2020). The increase of EUR 126 million is mainly due to the increase in pre-tax income from EUR 55 million for the first half-year in 2020 to EUR 538 million for the first half-year in 2021 mainly driven by income impacts from the settlement agreement with Covéa.

3.8. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated as follows for the six-month periods ended June 30, 2021 and 2020:

	As at June 30, 2021 (unaudited)			As at June 30, 2020 (unaudited)		
In EUR millions	Net income (numerator)	Shares, (denominator) *(in thousands)* (1)	Net income per share *(in EUR)*	Net income (numerator)	Shares, (denominator) *(in thousands)* (1)	Net income per share *(in EUR)*
Basic earnings per share						
Net income – Group share	380	186,217	2.04	26	186,469	0.14
Diluted earnings per share						
Dilutive effects	-	-	-	-	-	-
Stock options and share-based compensation (2)	-	1,571	-	-	1,861	-
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS AND ESTIMATED CONVERSIONS	**380**	**187,788**	**2.02**	**26**	**188,330**	**0.14**

(1) Average number of shares during the period, excluding treasury shares.
(2) Calculated assuming all options are exercised when the average SCOR share price for the year exceeds the option exercise price.

The exercise of stock-options has consistently led to treasury shares being cancelled as decided by the General Meeting of the Company in order to avoid any dilutive effect of such exercise upon the share capital.

3.9. LITIGATION MATTERS

The Group describes the litigation matters in more detail in Section 4.6 – Note 26 of the 2020 Universal Registration Document.

COMISIÓN NACIONAL DE LA COMPETENCIA

On November 12, 2009, and following an administrative sanctioning procedure, the Spanish competition authority (*Comisión Nacional de la Competencia*, or the "CNC") sanctioned SCOR Global P&C SE Ibérica Sucursal, a branch of SCOR Global P&C, and a number of other insurance and reinsurance companies for an alleged infringement of Article 1 of Law 15/2007, of July 3, 2007, on Competition (the "Competition Act" which prohibits agreements and concerted practices that may have as an object or effect the restriction of competition in the market). The infraction would have consisted in an agreement to set the minimum price and other commercial conditions applied to customers in the market for decennial insurance for constructions in Spain. Pursuant to such decision, SCOR was sentenced to pay a fine of EUR 18.6 million. Other insurers and reinsurers were also fined in relation to the same matter.

On March 9, 2017, after appeal procedures, the CNMC issued a resolution in which it confirmed SCOR's fine at the amount of EUR 18.6 million. SCOR had further appealed the CNMC's resolution. Ultimately, on September 25, 2020, SCOR had been informed that the Spanish Constitutional Tribunal declared SCOR's appeal inadmissible in a final decision.

On February 22, 2021, SCOR received a payment order from Spanish antitrust authorities for EUR 18.6 million. Payment was rendered by SCOR on May 5, 2021.

In addition to the litigation described above, SCOR is involved in court, arbitration and other formal or informal dispute resolution proceedings in its normal course of business. Based on Management's assessment these current proceedings are not expected to have a significant negative impact on the consolidated financial statements.

LEGAL ACTIONS AGAINST THIERRY DEREZ, COVÉA AND BARCLAYS

In relation to the unsolicited takeover proposal submitted by Covéa on August 24, 2018, SCOR had initiated several legal actions against Thierry Derez, Covéa SGAM, Covéa Coopérations and Barclays Bank PLC on January 29, 2019. These legal actions were at different stages in the respective court proceedings.

On June 10, 2021, SCOR and Covéa have announced the signing of a settlement agreement between Covéa SGAM, Covéa Coopérations and SCOR SE. As part of this settlement agreement, Covéa has agreed to pay an indemnity settlement of EUR 20 million (before tax). Covéa and SCOR agreed to immediately abandon, with regard to all persons concerned, all legal actions and claims linked to the takeover proposal made by Covéa in 2018. Each party waives all future legal actions or claims linked to such takeover proposal. The payment was received on June 22, 2021.

On June 11, 2021, SCOR and Barclays Bank PLC have signed an agreement to settle the litigation initiated by SCOR, without admission of liability. Through this settlement agreement, both parties are irrevocably wholly and unconditionally released, waived and discharged from the claims made.

3.10. SUBSEQUENT EVENTS

None.

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STATUTORY AUDITORS' REPORT ON THE HALF-YEARLY FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French monetary and Financial code *(Code monétaire et financier),* we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of SCOR SE, for the period from January 1 to June 30, 2021; and
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRS as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements it being reminded that it is not our responsibility to conclude on the fair presentation and consistency with the condensed half-yearly consolidated financial statements of the solvency related information disclosed in paragraph 1.4 of the half-yearly management report.

Paris-La Défense, July 27, 2021

The Statutory Auditors
French original signed by

MAZARS		KPMG SA	
Maxime Simoen	Guillaume Wadoux	Pierre Planchon	Antoine Esquieu

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STATEMENT BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

I declare that, to the best of my knowledge, the condensed half-year consolidated financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company and of all consolidated companies, and that the business review presented on pages 3 to 11 gives a true and fair view of the significant developments during the period and their impact on the financial statements, of the main related party transactions as well as a description of the main risks and uncertainties faced by all of these entities for the six remaining months of the fiscal year.

Paris, July 27, 2021

Laurent Rousseau
Chief Executive Officer

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APPENDIX – CALCULATION OF FINANCIAL RATIOS

6.1. APPENDIX – CALCULATION OF FINANCIAL RATIOS

6.1.1. BOOK VALUE PER SHARE

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Group shareholders' equity	**6,318**	**6,155**	**6,369**
Shares issued as at closing date	186,791,876	186,730,076	186,674,276
Treasury shares as at closing date	(741,353)	(259,567)	(389,478)
Basic number of shares	**186,050,523**	**186,470,509**	**186,284,798**
BASIC BOOK VALUE PER SHARE	**33.96**	**33.01**	**34.19**

6.1.2. RETURN ON INVESTMENTS AND RETURN ON INVESTED ASSETS

The return on investments (ROI) is used to assess the profitability of the Group's investments, including funds withheld by cedents and other deposits less cash deposits. This percentage return is calculated by dividing the total net investment income by the average investments (calculated as the quarterly averages of the total investments).

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Average investments [1]	28,498	28,135	28,132
Total net investment income [2]	295	665	302
RETURN ON INVESTMENTS (ROI)	**2.1%**	**2.4%**	**2.2%**

(1) Average of quarterly "Total investments" disclosed in Note 6.1.4 of this appendix, adjusted for ceded funds withheld.

(2) As at June 30, 2021, Total net investment income excludes EUR 30 million related to the option on own shares granted to SCOR in connection with the Covéa settlement agreement (see Section 1.2.8 – Significant events of the period).

The return on invested assets (ROIA) is used to assess the return on the Group's invested assets excluding funds withheld by cedents. This percentage return is calculated by dividing the total investment income on invested assets by the average invested assets (calculated as the quarterly averages of the total invested assets).

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Average invested assets [1]	20,738	20,486	20,457
Total investment income on invested assets [2]	259	582	260
RETURN ON INVESTED ASSETS (ROIA)	**2.5%**	**2.8%**	**2.6%**

(1) Average of quarterly "Total Invested Assets" disclosed in Note 6.1.4 of this appendix.

(2) As at June 30, 2021, Total investment income on invested assets excludes EUR 30 million related to the option on own shares granted to SCOR in connection with the Covéa settlement agreement (see Section 1.2.8 – Significant events of the period).

6.1.3. INVESTMENT INCOME ON INVESTED ASSETS AND NET INVESTMENT INCOME

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Investment revenues on invested assets [(1)]	**175**	**427**	**220**
Realized gains/(losses) on fixed income	88	143	13
Realized gains/(losses) on loans	2	-	1
Realized gains/(losses) on equities	9	-	-
Realized gains/(losses) on real estate	(1)	47	48
Realized gains/(losses) on other investments	-	7	-
Realized gains/(losses) on invested assets [(2)]	**98**	**197**	**62**
Impairment of fixed income	-	(2)	-
Impairment of loans	-	(3)	(1)
Impairment of equities [(3)]	-	(31)	(9)
Impairment/depreciation of real estate [(4)]	(7)	(18)	(10)
Impairment of other investments	(1)	-	-
Impairment/amortization on invested assets [(3)(4)]	**(8)**	**(54)**	**(20)**
Fair value through income on invested assets [(5)(6)(7)]	(5)	16	-
Financing costs on real estate [(8)]	(1)	(4)	(2)
TOTAL INVESTMENT INCOME ON INVESTED ASSETS	**259**	**582**	**260**
Net interest income on funds withheld and contract deposits	77	163	82
Investment management expenses	(41)	(80)	(40)
TOTAL NET INVESTMENT INCOME	**295**	**665**	**302**
Foreign exchange gains/(losses)	(6)	(13)	(19)
Income from other consolidated entities	2	1	1
Income/(expenses) on technical items [(9)]	28	(3)	(4)
Financing costs on real estate	1	4	2
IFRS INVESTMENT INCOME NET OF INVESTMENT MANAGEMENT EXPENSES	**320**	**654**	**282**

(1) As at June 30, 2021, Investment revenues on invested assets are presented net of EUR 1 million real estate revenues attributable to third parties and net of EUR 3 million of income received from assets not held for investment purposes.
(2) As at June 30, 2021, Realized gains/(losses) on invested assets is net of EUR 9 million losses on derivative instruments, included in Fair value through income on invested assets.
(3) Impairments on invested assets are net of EUR 4 million of impairments related to assets not held for investment purposes.
(4) As at June 30, 2021, Impairment/depreciation of real estate is presented net of EUR 1 million impairment/depreciation attributable to third parties.
(5) Includes (2).
(6) Fair value through Income on invested assets are net of EUR 2 million of losses related to certain consolidated entities held for investment purposes, included in the scope of Invested Assets.
(7) As at June 30, 2021, Fair value through income on invested assets excludes EUR 30 million related to the option on own shares granted to SCOR in connection with the Covéa settlement agreement (see Section 1.2.8 – Significant events of the period).
(8) Real estate financing expenses relate to real estate investments (buildings owned for investment purposes) only, net of financing expenses attributable to third parties.
(9) Income/(expenses) on technical items include (1), (3), (4) and (7) amongst other technical items.

6.1.4. INVESTED ASSETS, MANAGEMENT CLASSIFICATION *VS* IFRS CLASSIFICATION

Management Classification / IFRS Classification *In EUR millions*	June 30, 2021 (unaudited) Cash	Fixed income	Loans	Equities	Real estate	Other invest-ments	Total invested assets	Funds withheld by cedants and other [7]	Total invest-ments	Accrued interests	Technical items [1]	Total IFRS classification
Real estate investments	**-**	**-**	**-**	**-**	**616**	**-**	**616**	**-**	**616**	**-**	**-**	**616**
Equity securities	1	90	51	172	95	245	654	176	830	-	-	830
Debt securities	-	14,600	1,335	-	-	8	15,943	-	15,943	109	-	16,052
Available-for-sale financial assets	**1**	**14,690**	**1,386**	**172**	**95**	**253**	**16,597**	**176**	**16,773**	**109**	**-**	**16,882**
Equity securities	-	-	-	178	-	1,690	1,868	-	1,868	-	-	1,868
Debt securities	-	-	-	12	-	-	12	-	12	-	-	12
Investments at fair value through income	**-**	**-**	**-**	**190**	**-**	**1,690**	**1,880**	**-**	**1,880**	**-**	**-**	**1,880**
Loans and receivables [2]	**-**	**1,169**	**1,259**	**-**	**4**	**67**	**2,499**	**8,013**	**10,512**	**4**	**-**	**10,516**
Derivative instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**185**	**185**
TOTAL INSURANCE BUSINESS INVESTMENTS	**1**	**15,859**	**2,645**	**362**	**715**	**2,010**	**21,592**	**8,189**	**29,781**	**113**	**185**	**30,079**
Cash and cash equivalents	2,302	-	-	-	-	-	2,302	-	2,302	-	-	2,302
TOTAL INSURANCE INVESTMENTS AND CASH AND CASH EQUIVALENTS	**2,303**	**15,859**	**2,645**	**362**	**715**	**2,010**	**23,894**	**8,189**	**32,083**	**113**	**185**	**32,381**
Less third parties' interests [3]	(70)	(155)	(1,655)	(4)	(58)	(1,524)	(3,466)	-	(3,466)	-	-	-
Other consolidated entities [4]	-	-	-	-	-	279	279	-	279	-	-	-
Direct real estate unrealized gains and losses [5]	-	-	-	-	108	-	108	-	108	-	-	-
Direct real estate debt [6]	-	-	-	-	(126)	-	(126)	-	(126)	-	-	-
Cash (payable)/ receivable	(2)	-	-	-	-	-	(2)	-	(2)	-	-	-
TOTAL MANAGEMENT CLASSIFICATION	**2,231**	**15,704**	**990**	**358**	**639**	**765**	**20,687**	**8,189**	**28,876**	**-**	**-**	**-**

(1) Including Atlas CAT bonds and foreign exchange derivatives.
(2) Loans and receivables excluded from invested assets are certificates of deposit (CDs) maturing in more than three months and less than twelve months.
(3) Assets invested by third parties in mutual funds and non-controlling real estate investments fully consolidated by SCOR.
(4) Certain consolidated entities held for investment purposes have been included in the scope of Invested Assets.
(5) Fair value less carrying amount of real estate investments excluding EUR 9 million attributable to third-party investors.
(6) Real estate financing related to real estate investments (buildings owned for investment purposes) excluding EUR 31 million attributable to third-party investors.

Management Classification / IFRS Classification *In EUR millions*	As at December 31, 2020											
	Cash	Fixed income	Loans	Equities	Real estate	Other invest-ments	Total invested assets	Funds withheld by cedants and other	Total invest-ments	Accrued interests	Technical items [1]	Total IFRS classification
Real estate investments	**-**	**-**	**-**	**-**	**603**	**-**	**603**	**-**	**603**	**-**	**-**	**603**
Equity securities	-	90	52	163	92	202	599	55	654	-	-	654
Debt securities	-	16,052	1,407	-	-	8	17,467	-	17,467	122	-	17,589
Available-for-sale financial assets	**-**	**16,142**	**1,459**	**163**	**92**	**210**	**18,066**	**55**	**18,121**	**122**	**-**	**18,243**
Equity securities	-	-	-	232	-	1,386	1,618	-	1,618	-	-	1,618
Debt securities	-	-	-	14	-	-	14	-	14	-	-	14
Investments at fair value through income	**-**	**-**	**-**	**246**	**-**	**1,386**	**1,632**	**-**	**1,632**	**-**	**-**	**1,632**
Loans and receivables [2]	**-**	**184**	**1,124**	**-**	**4**	**68**	**1,380**	**8,034**	**9,414**	**4**	**-**	**9,418**
Derivative instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**202**	**202**
TOTAL INSURANCE BUSINESS INVESTMENTS	**-**	**16,326**	**2,583**	**409**	**699**	**1,664**	**21,681**	**8,089**	**29,770**	**126**	**202**	**30,098**
Cash and cash equivalents	1,804	-	-	-	-	-	1,804	-	1,804	-	-	1,804
TOTAL INSURANCE INVESTMENTS AND CASH AND CASH EQUIVALENTS	**1,804**	**16,326**	**2,583**	**409**	**699**	**1,664**	**23,485**	**8,089**	**31,574**	**126**	**202**	**31,902**
Less third parties' interests [3]	(165)	(137)	(1,621)	(9)	(59)	(1,222)	(3,213)	-	(3,213)	-	-	-
Other consolidated entities [4]	-	-	-	-	-	280	280	-	280	-	-	-
Direct real estate unrealized gains and losses [5]	-	-	-	-	125	-	125	-	125	-	-	-
Direct real estate debt [6]	-	-	-	-	(145)	-	(145)	-	(145)	-	-	-
Cash (payable)/ receivable	(10)	-	-	-	-	-	(10)	-	(10)	-	-	-
TOTAL MANAGEMENT CLASSIFICATION	**1,629**	**16,189**	**962**	**400**	**620**	**722**	**20,522**	**8,089**	**28,611**	**-**	**-**	**-**

(1) Including Atlas CAT bonds and foreign exchange derivatives.
(2) Loans and receivables excluded from invested assets are certificates of deposit (CDs) maturing in more than three months and less than twelve months.
(3) Assets invested by third parties in mutual funds and non-controlling real estate investments fully consolidated by SCOR.
(4) Certain consolidated entities held for investment purposes have been included in the scope of Invested Assets.
(5) Fair value less carrying amount of real estate investments excluding EUR 7 million attributable to third-party investors.
(6) Real estate financing related to real estate investments (buildings owned for investment purposes) excluding EUR 31 million attributable to third-party investors.

6.1.5. GROUP COST RATIO

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Total expenses as per profit & loss account [1]	(430)	(857)	(445)
Unallocated loss adjustment expenses (ULAE) [2]	(37)	(63)	(35)
Total management expenses	**(467)**	**(920)**	**(480)**
Investment management expenses	41	80	40
Total expense base	**(426)**	**(840)**	**(440)**
Corporate finance	9	11	7
Amortization	41	84	40
Non controllable expenses	7	11	4
Total management expenses (for cost ratio calculation)	**(369)**	**(734)**	**(389)**
Gross written premiums	**8,441**	**16,368**	**8,195**
GROUP COST RATIO	**4.4%**	**4.5%**	**4.7%**

(1) Total expenses are investment management expenses, acquisition and administrative expenses and other current operating expenses as presented in Section 2.2 – Interim condensed consolidated statements of income.
(2) ULAE are part of gross benefits and claims paid.

6.1.6. RETURN ON EQUITY

Return on equity (ROE) is based on the Group's share of net income divided by average shareholders' equity (calculated as time weighted average shareholders' equity). This return is annualized when calculated quarterly.

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Consolidated net income – Group share	**380**	**234**	**26**
Opening shareholders' equity – Group share	6,155	6,348	6,348
Weighted consolidated net income [1]	190	117	13
Payment of dividends [2]	(2)	-	-
Weighted increase in capital [2]	4	(12)	(5)
Effect of changes in foreign exchange rates [3]	94	(261)	(54)
Revaluation of assets available-for-sale and others [1]	(35)	57	61
Weighted average shareholders' equity	**6,406**	**6,249**	**6,363**
ROE	**12.2%**	**3.8%**	**0.8%**

(1) Pro-rata of 50%: linear acquisition throughout the period in 2020 and 2021.
(2) Considers time weighted transactions based on transactions dates.
(3) A daily weighted average is used for the currency or currencies that experienced material foreign exchange rates movements, and simple weighted average is used for the other currencies.

6.1.7. NET COMBINED RATIO

The loss ratio is calculated by dividing Non-Life claims (including natural catastrophes) by Non-Life premiums earned. This ratio is net of retrocession.

The commission ratio is calculated by dividing Non-Life reinsurance commissions by Non-Life premiums earned. This ratio is net of retrocession.

The technical ratio is a Non-Life indicator and is calculated as the sum of the loss ratio and commission ratio. This ratio is net of retrocession and is used to assess the net performance of reinsurance transactions excluding P&C management expenses.

The P&C management expense ratio is calculated by dividing management expenses incurred for Non-Life reinsurance operations by Non-Life premiums earned. This ratio is net of retrocession.

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Gross earned premiums	3,474	7,113	3,583
Ceded earned premiums	(451)	(912)	(434)
Net earned premiums	**3,023**	**6,201**	**3,149**
Gross benefits and claims paid	(2,293)	(4,774)	(2,479)
Ceded claims	221	423	211
Total Net claims	(2,072)	(4,351)	(2,268)
Loss ratio	**68.6%**	**70.2%**	**72.0%**
Gross commissions on earned premiums	(757)	(1,643)	(833)
Ceded commissions	84	153	74
Total Net commissions	(673)	(1,490)	(759)
Commission ratio	**22.2%**	**24.0%**	**24.1%**
Total technical ratio	**90.8%**	**94.2%**	**96.1%**
Acquisition and administrative expenses	(156)	(254)	(136)
Other current operating expenses	(14)	(67)	(30)
Other income and expense from reinsurance operations	(24)	(54)	(30)
Total P&C management expenses	**(194)**	**(375)**	**(196)**
Total P&C management expense ratio	**6.4%**	**6.0%**	**6.2%**
TOTAL NET COMBINED RATIO	**97.2%**	**100.2%**	**102.3%**

6.1.8. LIFE TECHNICAL MARGIN

The Life technical margin is calculated as a percentage of the net technical result plus income from funds held by ceding companies and the net of gross and ceded earned premiums.

In EUR millions	As at June 30, 2021 (unaudited)	As at December 31, 2020	As at June 30, 2020 (unaudited)
Gross earned premiums	4,675	9,208	4,666
Ceded earned premiums	(1,026)	(892)	(430)
Net earned premiums	**3,649**	**8,316**	**4,236**
Net technical result	**403**	**324**	**151**
Interest on deposits	74	156	79
Technical result	**477**	**480**	**230**
LIFE TECHNICAL MARGIN	**13.1%**	**5.8%**	**5.4%**

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