



CNP Assurances

ISIN code : FR0000120222 Rating : May 2008

General Information

CNP is a 150 years old French life and pension insurance company, majority-owned by public financial institutions: CDC, Sopassure (holding of La Banque Postale and les Caisses d'Epargne), and the French Treasury. Its main activities are in savings, pensions and casual risks sectors. Its products are sold through external distributors - mainly les Caisse d'Epargne and La Banque Postale- and a direct sales force. Its international development started in 1995 in Argentina, with the creation of a distribution subsidiary and extended via the acquisition of majority shares in several groups in Portugal (1999), Brazil (2001), Italy (where it became the 4th largest life-insurer in 2004) and Spain (2006). In China, a partnership with the Chinese Post has been set-up and sales have started in 2006.

CSR Profile

CNP is active across all CSR domains under review, holding a high position in Human resources, with as strong points the large geographical coverage of its collective agreements and a comprehensive career development system. Its performance in community involvement is also above-average, due to the development of multiple micro-credit and extensively accessible insurance programs. Business behaviour's issues are comprehensively handled, main strengths being the relevant reforms in the customer information system and efficient measures to integrate environmental factors in the supply chain. As for environmental issues, eventhough green products have been developed and the company strives to limit its activities'impact, results are not comprehensively disclosed. Regarding human rights, CNP's approach is mainly focusing on non-discrimination measures. In terms of corporate governance the company's performance is mixed, main risks being the non-independence of the board of Directors and the lack of transparency on executives' remunerations, whereas the audit and control system appears solid and the shareholder's rights are guaranteed.

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Executive Summary

Human Resources

CNP has developed adequate measures regarding all human resources issues. National collective agreements have been signed on all sites, while the implementation of a European work council is progressing. A career management and employability promotion system has been set-up, including individual performance reviews, as well as partly individualized trainings. Health and safety issues are addressed via stress and harassment prevention programs and safe-driving trainings for commercial teams. CNP's overall performance is above sector average.

Environment

CNP's performance in environment is mixed. Its commitment to environmental strategy is comprehensive and accompanied by relevant measures even though none of the company's site has a certified EMS. Green products and services have been developed via a specific SRI portfolio, while 95% of the company's AUM are managed according to an SRI screening system. The energy consumption has been slightly reduced via buildings' and electric installations' optimization. The impact of transportation is addressed via several transport rationalization and pollution reduction measures, which results remain however undisclosed. The company's overall performance is in line with the sector average.

Business Behaviour (C&S)

CNP has issued commitments and implemented efficient measures across all business behaviour challenges. Its main strength lies in the integration of environmental factors in the supply chain, via the inclusion of environmental criteria in tender invitation and contracts and a strict control of suppliers' outsourcing practices. The customer information system has been reinforced, mainly through the implementation of subsidiaries advertising documents' controls. The responsible contractual agreement issue is correctly addressed via a mature customer complaints handling system. Basic corruption prevention rules and an elementary anti-money laundering system including two-levels controls are in place. CNP's overall performance is above the sector average.

Corporate Governance

CNP heterogeneously handles Corporate Governance issues. One major concern lies in the Board of Director, whose Chairman and 70% of the members are not considered independent according to Vigeo criteria. The remuneration system also presents risks, only 20% of the remuneration committee being independent, while executive remuneration is not voted upon at the AGM. On the other hand, the Audit and internal control system seems solid, the audit committee's role being exhaustive and including CSR issues; and shareholder's rights are guaranteed, with the absence of major voting restriction and the respect of the one-share one-vote principle. CNP's overall performance is in line with the sector average.

Community Involvement

CNP has developed relevant programs to address the societal impact of its services. It is engaged in the promotion of basic health and civil insurance products for people with limited income as well as for those with aggravated risks. In addition, CNP supports micro-credit programs in France and emerging countries. CNP's overall performance is above the sector average in this domain.

Human Rights

CNP's approach to human rights related issues is diverse. The respect for freedom of association is addressed by a limited commitment, while specific means to inform employees about their collective right in sensitive countries are not mentioned. In contrast, non-discrimination is one of the company's strengths, with a comprehensive set of passive and active measures to guarantee gender equality and the insertion of disabled persons, the racial equality issue being, however, not addressed. CNP ranks within the sector average in this domain.

Negative criteria assessment for the company

Category	Date	Description
Alcohol	2008/05/13	No involvement no involvement
Animal maltreatment	2008/05/21	No involvement
Armament	2008/05/06	No involvement
Gambling	2008/05/20	No involvement
GMO in food	2008/05/19	No involvement
Hazardous chemicals	2008/05/21	No involvement
Nuclear energy	2008/05/15	No involvement
Sex industry	2008/05/20	No involvement
Tobacco	2008/05/28	No involvement