

Combined Financial Statements

31/12/2021

MUTUAL INSURANCE GROUP
COMPANY MALAKOFF HUMANIS
(SGAM MH)

BALANCE SHEET - ASSETS (IN €K)

in € thousands	Notes	31 Dec 2021	31 Dec 2020
Intangible assets	4.2	158,122	83,666
Of which goodwill	4.1	25,058	28,019
Investments by insurance companies	4.3.1	22,805,122	21,539,188
Land and buildings		462,708	192,793
Holdings in related undertakings, including participations		89,438	102,263
Other investments		22,252,976	21,244,132
Investments representing unit-linked commitments	4.3.2	496,428	482,884
Investments by other companies	4.3.3	2,958,698	2,804,436
Equity-accounted investments	4.4	0	0
Reinsurers' share of technical reserves	4.5	4,652,857	4,230,479
Technical reserves - Life		1,528,520	1,227,577
Technical reserves - non-life		3,124,337	3,002,902
Insurance and reinsurance receivables	4.6	4,637,487	4,279,716
Other receivables	4.6	259,970	230,463
Other assets	4.7	535,467	478,011
Property, plant and equipment		5,296	5,442
Current accounts and cash		530,171	472,569
Accruals - Assets	4.8	193,172	189,601
Deferred acquisition costs		3,473	3,434
Other		189,699	186,167
TOTAL		36,697,323	34,318,444

BALANCE SHEET - LIABILITIES (IN €K)

in € thousands	Notes	31 Dec 2021	31 Dec 2020
Group own funds	4.9	5,600,245	5,092,624
Share capital and equivalent funds		26,413	23,952
Combined reserves		5,352,269	5,212,927
Combined net income		221,563	-144,255
Minority interests	4.10	23,396	20,565
Subordinated liabilities	4.11	247,368	247,369
Gross technical reserves	4.12	26,357,443	23,800,851
Technical reserves - Life		15,901,178	13,636,807
Technical reserves - Non-life		10,456,265	10,164,044
Technical reserves - Unit-linked	4.12	515,491	503,435
Provisions for liabilities and charges	4.13	154,621	174,604
Cash deposits received from reinsurers		457,035	456,582
Insurance and reinsurance liabilities	4.14	2,508,290	2,467,887
Amounts due to banks and financial institutions	4.14	0	0
Other liabilities	4.14	824,080	1,551,181
Accruals - liabilities	4.15	9,354	3,346
TOTAL		36,697,323	34,318,444

OFF-BALANCE SHEET COMMITMENTS (IN €K)

in € thousands	Notes	31 Dec 2021	31 Dec 2020
Commitments received		5,459,702	2,189,948
Insurance companies	4.16.1	5,459,702	2,189,948
Other companies	4.16.2	0	0
Commitments given		1,231,203	325,797
Insurance companies	4.16.1	571,242	325,778
Other companies	4.16.2	659,961	19

INCOME STATEMENT (IN €k)

in € thousands	Notes	Non-life insurance business	Life insurance business	31 Dec 2021	31 Dec 2020
Earned premiums	5.2	5,132,962	1,461,049	6,594,011	6,119,729
Other operating income	5.1	5,769	8,125	13,894	15,545
Net interest income	5.3	193,485	365,341	558,826	445,186
Total current operating revenue		5,332,216	1,834,515	7,166,731	6,580,460
Insurance benefit expenses	5.1	-4,581,058	-1,388,326	-5,969,384	-5,774,058
Net income or expenses from reinsurance contracts held	5.1	25,689	-16,791	8,898	-27,517
Management expenses	5.1	-774,444	-213,467	-987,911	-914,591
Total current operating expenses		-5,329,813	-1,618,584	-6,948,397	-6,716,166
Operating income Before amortisation and impairment of goodwill		2,403	215,931	218,334	-135,706
Amortisation of goodwill	4.1			-2,961	-2,961
Other net income	5.4			71,034	26,530
Operating income After amortisation and impairment of goodwill				286,407	-112,137
Non-recurring income	5.5			-60,986	-31,459
Income tax	6.2			-897	906
Net income of the consolidated companies				224,524	-142,690
Share of net income of equity-accounted companies	4.4			0	0
Net income of the combined group				224,524	-142,690
Net income of minority interests	4.10			2,961	1,565
Net income (Group share)				221,563	-144,255

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1 Significant events

1.1 Deconsolidation of the Expertis entity

By agreement of the Board of Directors of Holding MH on 29 September 2021, the decision was taken to dissolve without liquidation the MH Expertis entity, wholly owned by Holding MH. The terms and conditions of the transaction are as follows:

- Dissolution of MH Expertis with effect from 15 November 2021,
- Transfer of all assets and liabilities (TUP) to Holding MH on 15 December 2021,
- Acquisition by Holding MH of the assets and liabilities at their net carrying amount pursuant to ANC Regulation 2014-03,
- Effective tax date: 1 January 2021.

The impact on Holding MH's income statement is €4m, fully eliminated in the combined accounts.

1.2 First-time consolidation

1.2.1 Acquisition of Axéria Prévoyance

At the end of April 2021, Holding MH acquired 100% of the share capital of Axéria Prévoyance (SA) from the April group, i.e. 1,550,000 ordinary shares with a par value of €20, representing a share capital of €31,000,000. The acquisition price was €223 million.

In accordance with ANC regulation no. 2020-01, particularly in relation to identifiable assets and liabilities relating to Axéria Prévoyance, an intangible asset of €80 million was recognised in the combined financial statements of SGAM MH.

It corresponds to the difference between the acquisition price (including costs directly attributable to the acquisition) and Axéria Prévoyance's share of net assets, less unrealised capital gains on investment securities, at the time of acquisition.

This intangible asset is amortised over a period of 17 years, which corresponds to the period during which this portfolio value will provide economic benefits to the MH Group.

The amortisation charge for the 2021 financial year amounts to €3.2 million (between the acquisition date and 31/12/2021). From the 2022 financial year, this annual charge will amount to €4.7 million.

Axéria Prévoyance was included in the combination scope on 30 April 2021, based on the interim financial statements produced on that date.

1.2.2 Mutuelle Médicis

The affiliation of Mutuelle Médicis with SGAM MH, with effect from 1 January 2021, was approved by the General Meeting of SGAM MH on 22 June 2020. The contribution of Mutuelle Médicis to SGAM MH's establishment fund amounts to €280,000. SGAM MH's establishment fund will thus increase from €8,000,000 to €8,280,000 at the end of 2021.

Furthermore, as part of its affiliation, Mutuelle Médicis undertook in 2020 to acquire a stake in Holding Malakoff Humanis.

It holds 771,429 shares in HMH, i.e. a 1.12% stake.

Médicis was therefore included in the combination scope on 1 January 2021. Its total assets for 2021 amount to €2.9 billion and its revenue in individual savings amount to €46 million.

1.3 Merger of MIEL Mutuelle with Mutuelle Malakoff Humanis

The decision by the French Prudential Supervisory Authority (ACPR) to approve the transfer by merger-absorption of the portfolio of transactions, with the related rights and obligations, from the mutual company Mutuelle Interprofessionnelle Économique Ligérienne, known as "MIEL Mutuelle", to the mutual company Mutuelle Malakoff Humanis (MMH) was published in the Official Journal on 28 October 2021, with retroactive effect for accounting and tax purposes to 1 January 2021.

MIEL Mutuelle was replaced by Malakoff Humanis Mutuelle in 2020.

MIEL Mutuelle's annual revenue is around €40 million (€48 million in 2020).

1.4 Issuance of an intra-group redeemable subordinated note (RSN)

At the end of 2021, Quatrem issued a fixed-term subordinated note (fully subscribed by MHP) with the following main features:

- Issue amount: €165 million,
- Nominal value of the securities: €100,000,
- Subscription terms = 100% of the nominal amount per bond, payable in a single instalment on the issue date,
- Coupon: 3.75% for 10 years then bearing interest at a variable rate of 4.125% + 3-month Euribor from December 2031 - Term: 30 years,
- First prepayment option date: 17/12/2031, option possible subject to the prior approval of the ACPR and compliance with the terms and conditions set out in the subscription agreement.

All related positions and flows were subject to intra-group elimination on consolidation.

1.5 COVID impacts on the 2021 financial statements

2021 was marked by the ongoing health crisis.

Executive Management took all necessary measures to ensure the health of its employees, to maintain the continuity of service for its customers and to preserve the Group's major financial balances.

As in 2020, the effects of the crisis were recognised in the group's provisioning (claims and premiums), particularly with regard to the principle of accounting prudence and given the uncertainty on certain aggregates/risks. As a result, the methods used to estimate premium and claims reserves have been adapted to take into account the effects of the health crisis (short-time working, changes in healthcare consumption, etc.). After underconsumption of healthcare in 2020, healthcare spending caught up in 2021, resulting in an increase in claims. Personal protection insurance stabilised with a lesser effect of short-time work.

In addition, the Group did not make use of government measures or short-time working. At this stage, there is no reason to believe that the Group's ability to continue as a going concern is jeopardised.

1.6 Securities lending

Securities lending transactions were set up at the end of 2021 for MHP (€1.4 billion) and Quatrem (€2.1 billion).

Securities lending is a transaction practised in financial markets consisting of lending securities, with the borrower being required to return them or securities of the same type at a future date, in return for a fee paid by the borrower to the lender.

The lender continues to receive income from the securities during the lending period, so the fee paid for the securities lending is additional income.

The loan is secured by the receipt of collateral (cash or securities).

The terms and conditions for these transactions are as follows:

- Borrower: BP2S (BNP Paribas),
- Term: 1 year,
- Type of securities: French government bonds with a maturity beyond 2022,
- Guarantee/collateral: cash, the cash account linked to this collateral being opened in the name of BP2S, in accordance with the applicable accounting regulations, the amount linked to the collateral is recorded as an off-balance sheet commitment,
- Expected fee: 22bp p.a., representing an additional €8.4 million in financial income for the group.

The loaned securities are reclassified in the financial statements under "Receivables representing loaned securities", with no impact on the balance sheet presentation; the reclassification is made under the "Other investments" balance sheet heading.

1.7 REPO

Faced with the health crisis and to ensure its liquidity, in April 2020 the MH group started using repo transactions via the MHP entity. These transactions consisted of lending investment securities in exchange for cash. Some of these transactions, which were due to expire in 2021, were renewed during the year.

At the end of 2021, the amount of borrowing stood at €200 million (at the end of 2020, the amount was €1 billion).

At this stage, the MH group has not needed to use the cash received to meet these commitments.

1.8 Tax and URSSAF audits

A tax audit of the 2019 and 2020 financial years on Quatrem and MMH has been underway since July 2021.

An URSSAF (social security) audit of the 2018, 2019 and 2020 financial years on MHA has been underway since September 2021. This audit mainly concerns the health tax, the "COVID" tax (2020) and the former general practitioner fee (FMT).

At this stage, these audits are the subject of exchanges and presentation of documentation but have not yet provided conclusive evidence.

1.9 Corporate income tax

The MH group's target investment management tool is GP3. During the migrations in 2020/2021, from the Chorus tool (scope excluding MM, MHP, MMH, INPR and Capreval entities) to the GP3 tool, an anomaly dating from 2018 was detected on the stocks of unrealised capital gains used to determine the tax result. In the context of the taxation of securities subject to Article 209-0A of the French General Tax Code, the tax cost price was underestimated, which resulted in an overvaluation of the stock of unrealised capital gains declared for tax purposes and therefore of the taxable income.

In 2019, the tax paid by the group was therefore overestimated (in 2018, the group had not paid any tax given the group's tax loss). The impact in 2021 is a positive adjustment for the MH group of €16.9 million (corporate tax income).

Amended tax returns were sent to the tax authorities in the 2021 financial year. As part of the ongoing tax audit (see significant events), the anomaly and its consequences were presented.

2 Accounting principles and methods

The group's combined financial statements are prepared in accordance with the provisions of the decree of 29 December 2020 approving the new regulation 2020-01 of the French Accounting Standards Authority (ANC) relating to the consolidation and combination rules for companies governed by the French Insurance Code and provident institutions governed by the French Social Security Code, as amended by regulations no. 2001-01, 2004-05, 2004-10 and 2004-17.

Book III of this regulation describes the specific rules for the combination. This regulation replaces the previous ones.

Regulatory ring-fenced funds recorded in the combined group's entities

In accordance with the provisions of ANC Regulation No. 2015-11 of 26 November 2015, these ring-fenced funds are subject to subsidiary accounting within the entities in question.

- MHP - PERE ring-fenced fund

This is a group supplementary pension contract, legally ring-fenced, which is subject to individual company financial statements. It is also included in MHP's company financial statements.

The main items affected are as follows:

In €k	PERE contract	
	31 Dec 2021	31 Dec 2020
Investments	290,192	294,008
Gross premiums	-	-
Gross life insurance reserves	294,713	301,079
Gross claims reserves	-	-
Other technical reserves	635	634

- MHRS - L441-1 contract

This is a group supplementary pension contract with legally ring-fenced funds, which is subject to individual company financial statements. It is also included in MHRS's company financial statements.

The main items affected are as follows:

In €k	L441-1 contract	
	31 Dec 2021	31 Dec 2020
Investments	30,940	29,281
Gross technical reserves	-31,722	-29,953
Gross premiums	2,213	2,532
Expense on life insurance reserves and other technical reserves	-937	-1,462

- **Médicis - PERP**

This is a supplementary retirement savings contract, taken out on a voluntary and individual basis.

Under the "PACTE" law, which came into force in 2019, the Popular Pension Savings Plan (PERP) was replaced by the Retirement Savings Plan (PER) and can no longer be subscribed since 1 October 2020. PERP contracts opened before this date are maintained and can continue to be managed and funded by new payments.

This contract is legally ring-fenced and is the subject of individual company financial statements.

The main items affected are as follows:

In €k	PERP contract	
	31 Dec 2021	31 Dec 2020
Investments	34,398	33,813
Gross premiums	2,461	3,109
Gross life insurance reserves	34,391	33,463
Gross claims reserves	5	4
Other technical reserves	-	-

2.1 Changes in accounting policies

None.

2.2 Combination scope

The following are included in the combination scope:

- **Entities linked together by a combination link.** This link is characterised by:
 - Common executives;
 - Sufficiently extensive common functional and operational services to allow the implementation of common development, technical and financial policies and coordinated social action;
 - Shared social action and development networks;
 - Joint subsidiaries.
- **Entities over which entities linked by a combination link exercise exclusive control, joint control or significant influence** within the meaning of Articles 211-3 to 211-5 of ANC regulation 2020-01.

Entities with the following characteristics are excluded from the combination scope, insofar as this exclusion does not alter the true and fair view:

- Resource groups and associations whose services are fully re-invoiced to their members (AMAP, GIE Auxia Gestion),
- The resource association of supplementary retirement,
- Supplementary pension entities,
- In general, entities whose impact on the combination is immaterial.

The following entities are not consolidated because they are immaterial to the combined financial statements (the group's ownership interest is shown in brackets):

- Malakoff Humanis Services (100%),
- Kalixia (50%),
- MHIS (100%),
- Viamédix (69.59%),
- Malakoff Humanis Service de Gestion (100%),
- Développement Pléiade (100%).

2.3 Combination and consolidation methods

Entities linked together by a combination link are consolidated by **financial statement aggregation** using the same rules as for full consolidation.

Entities that are exclusively controlled are **fully consolidated**. Exclusive control results from the direct or indirect holding of the absolute majority of the voting rights of the group at the general meeting of shareholders of these entities.

The financial statements of entities controlled jointly with other shareholders are consolidated using the **proportional consolidation** method.

The **equity** method is used for entities over which the Malakoff Humanis group exercises significant influence.

All entities included in the combination scope prepared their financial statements as of 31 December.

Generally speaking, the financial statements were standardised taking into account the significant nature of the restatements to be made.

2.4 Transactions between entities in the scope of consolidation

Intra-group transactions are eliminated from the balance sheet and income statement.

Gains and losses on intra-group disposals are eliminated. To the extent that these gains and losses generate entitlements to policyholders in individual financial statements, a deferred participation is recognised.

2.5 Goodwill

The difference between the acquisition cost of the shares and the initial value of the company's assets and liabilities in the combined accounts constitutes goodwill.

In accordance with Order 2015-07 of 23 November 2015, when there is no foreseeable limit to the period during which goodwill will provide economic benefits to the group, it is not amortised.

When there is a foreseeable limit to its useful life at the time of acquisition, goodwill is amortised on a straight-line basis over this period or, if it cannot be reliably determined, over 10 years.

Valuation method

The valuation is based on the concept of value in use:

- Value in use approach by discounting future cash flows (revalued net assets including the value of portfolios and new business),
- Value in use approach based on the share of net assets.

2.6 Intangible assets

Intangible assets mainly comprise:

- **Contract portfolios** whose valuation results from:
 - first, the contract portfolios acquired by the consolidated companies and recognised in their individual financial statements;
 - second, valuation differences, equal to the difference between the entry value of the assets and liabilities of the controlled company in the combined balance sheet and the carrying amount of these same items in the company's balance sheet.

The value of these portfolios is amortised according to a plan that corresponds to the rate of emergence of expected results on these portfolios on the date of acquisition, reviewed annually.

- **Goodwill** related to the acquisition of portfolios is amortised on a straight-line basis over 10 or 20 years.

In the event of a presumption of impairment, an impairment test is carried out to compare the net carrying amount of portfolios and goodwill with their value in use as defined by ANC Regulation 2014-3, i.e. the value of expected future economic benefits, generally determined on the basis of expected net cash flows.

The expected future economic benefits are assessed on the basis of multi-criteria analyses that do not take into account factors linked to short-term volatility but rather the medium- and long-term outlook, in particular projected changes in revenue, claims ratios, rates of return on assets and overhead growth rates.

2.7 Investments

The combined balance sheet distinguishes between:

- Investments held by **insurance companies**, which are recorded in accordance with the provisions of the personal protection, insurance and mutual accounting plan. These provisions are detailed below.
- Investments held by **other companies** (asset management, employee savings, brokerage and insurance holding company activities) are recorded in accordance with the rules of the general chart of accounts.

Investments by insurance companies include land and buildings, financial investments and cash deposits of ceding companies.

2.7.1 Gross amounts

Land and buildings are recorded in the balance sheet at their acquisition cost, excluding duties and costs. For the breakdown of real estate assets by component provided for in ANC regulation 2014-3, the Malakoff Humanis group has used the amortised historical cost method, which has led to a reconstitution of the actual historical cost of the components. The Malakoff Humanis group has used the FFA grid to determine five categories of components (excluding land): structural work, secondary works, technical installations, fixtures and fitting and upgrades.

Securities are recorded at acquisition cost, net of fees and accrued interest, with the exception of investments representing unit-linked commitments. These are re-estimated at the end of the period based on the change in the related unrealised capital gains or losses. The technical commitments relating to these unit-linked contracts are re-estimated accordingly. These new assessments are maintained in combination.

2.7.2 Depreciation and amortisation

Buildings are depreciated on a straight-line basis for each component according to the depreciation periods recommended by the FFA.

The difference between the acquisition cost of **amortisable securities** and their redemption value is amortised using the actuarial method over the life of the security. This difference (premium or discount) is included in investment in accordance with ANC Regulation No. 2020-01.

2.7.3 Valuation

At the end of the financial year, the securities shown in the detailed statement of investments are valued in accordance with Article R.343-11 of the French Insurance Code, based on the realisable value determined as follows:

- Fixed-income securities are valued on the basis of the last quoted price or their probable trading value, excluding accrued interest.
- Listed shares are valued at the last quoted price on the balance sheet date,
- Unlisted shares are valued at their market value, i.e. the price that would be obtained under normal market conditions and based on the usefulness for the company,
- Open-ended investment companies (SICAV) and mutual funds (FCP) are valued at the last redemption price on the balance sheet date.
- The realisable value of buildings and shares in non-trading property companies (SCI) is determined on the basis of five-year appraisals carried out by independent appraisers, and annual estimates between two appraisals.

2.7.4 Provisions for investment securities

A distinction is made according to the time horizon and intention to sell the securities:

- If the group plans to sell the securities in the short term: regardless of the classification of the investment, the provision to be set aside is equal to the difference between the historical cost price and the market value on the last business day of the financial year.
- If the group does not intend to sell the securities in the short term, a distinction must be made between non-amortisable securities (R.343-10) and amortisable securities (R.343-9).

2.7.4.1 Provisions for investment securities referred to in Article R.343-10

Pursuant to the provisions of ANC Regulation No. 2015-11 of 26 November 2015, investments governed by Article R.343-10 of the French Insurance Code are reviewed to determine whether the unrealised capital loss recognised at the balance sheet date is permanent.

- When the entity holds amortisable securities and has the intention and ability to hold them until maturity:
 - Permanent impairment is assessed based solely on credit risk. A provision for permanent impairment is recognised when there is objective evidence of a credit risk. A credit risk exists when it is probable that the insurance company will not receive all or part of the sums due to it under the commitments entered into by the counterparty (the issuer), either for the payment of interest or for the payment of the principal;
 - Permanent impairment corresponds to the difference between the net carrying amount of the investment and its recoverable amount, if the latter is less than the net carrying amount.
- When the entity holds amortisable securities and has no intention or ability to hold them to maturity, or when the company holds non-amortisable securities:
 - Permanent impairment is calculated by analysing all risks identified on these investments according to the relevant holding period;
 - Permanent impairment corresponds to the difference between the net carrying amount of the investment and its market value, if the latter is lower than the net carrying amount.

In the first case, the recoverable amount is not expected to change significantly over the holding period, except in exceptional cases or when new objective information is known that would substantially change the assumptions used for the valuation. The following methodology was applied for the financial year to take this aspect into account:

- If the difference between the recoverable amount calculated in N-1 and the recoverable amount recalculated using data for year N is greater than 5%, the value recalculated using data for year N is used to calculate the impairment;
- If the difference is less than 5%, the recoverable amount in N-1 is retained to calculate the impairment;
- The provision on a security is limited to its unrealised loss.

In the second case, permanent impairment is presumed in the following three cases:

- Existence of an impairment provision at the previous balance sheet date;
- Consistent situation of significant unrealised loss in relation to its carrying amount over the period of 6 consecutive months preceding the balance sheet date;
- Existence of objective evidence that the company will not be able to recover all or part of the carrying amount of the investment, including:
 - Significant decline in indicators representative of the market or business sector to which the investment belongs;
 - Significant decline in the market value of the investment over a long period, when the market as a whole is performing differently. For French equities, the criterion of significant capital loss can be defined according to actual volatility, i.e. 20% of the carrying amount when the markets are not very volatile; this criterion is increased from 20% to 30% when the markets are very volatile. Accordingly, the 20% threshold was used for the year;
 - Negative change in fundamental investment analysis indicators;
 - Difficulties in selling this investment;
 - Existence of a proven credit risk.

All of the entity's subsidiaries and equity investments are valued annually.

The valuation of equity investments is based on the group's long-term holding in them and is based on the concept of value in use. The value-in-use of equity investments is defined in the general chart of accounts. (PCG 332-3) as the value that the company would be willing to pay to obtain this equity investment if it had to acquire it.

The following factors may be taken into account: objective criteria, predictive criteria, subjective factors. When the impairment is considered to be permanent, a provision is recommended, after taking into account a significance threshold constituting a trigger threshold (20% of the net cost price):

- For equity investment for which provisions were made as of 31/12/N-1, an addition to or a reversal of provision is recognised only if the change between the value as of 31/12/N and the value used as a reference for the provision is greater than 20% in absolute value;

- For securities not provisioned as of 31/12/N-1 that were provisioned during financial year N, reversals of/additions to provisions will be determined on the basis of the value used as the reference for the first provisioning in financial year N.

When the trigger threshold is reached, the provision is made without deductible from the first euro.

In the case of unlisted debt funds, the credit risk is analysed. In the event of proven default of a debt position, the exposure of the entity concerned to the structure issuing the debt is provisioned at the balance sheet date.

2.7.4.2 Provisions for investment securities pursuant to Article R.343-9

Pursuant to the provisions of ANC Regulation No. 2015-11 of 26 November 2015, the entity assesses at each balance sheet date whether there is a proven credit risk resulting from one or more events occurring after the initial recognition of the investment covered by Article R.343-9 of the French Insurance Code and whether the impairment can be reliably estimated.

If there is a proven counterparty risk, the amount of the impairment relates only to the loss due to default risk and not to any change in value due to interest rate fluctuations.

2.7.5 Forward financial instruments (FFIs)

The hedging of the equity segment falls within the scope of the accounting regulations for forward financial instruments (CRC regulation 2005-06), in line with a yield strategy, valued at Marked to Market.

When the strategy is implemented, premiums paid or received relating to FFIs are recorded in the individual financial statements as accrued expenses and deferred income, depending on the nature of the contracts, and are reclassified in the combined financial statements under investments.

At the balance sheet date, premiums paid or received are amortised on a straight-line basis to income and expense over the expected duration of the strategy. FFIs are recognised as commitments given or received (off-balance sheet accounts) at their exercise price.

At the end of the hedging transaction, the income and expenses relating to FFIs are recognised in the income statement.

2.7.6 Inclusion of income

Income from shares is recognised in profit or loss at the date of payment.

Income accrued at the balance sheet date from bonds and other fixed income securities is included in the income statement.

Accrued rental income is recognised in the income statement.

2.7.7 Disposals

Gains and losses on disposals are determined using the first-in first-out method. They are recognised in the income statement when they are realised.

2.7.8 Allocation of financial income

For the preparation of the income statement and the segment income statements presented in this appendix, all net investment income from insurance companies, including income generated by the investment of funds derived from equity, is broken down between the life and non-life business, in accordance with regulation no. ANC 2020-01.

2.8 Receivables

Receivables correspond mainly to:

- Premiums earned for the fourth quarter, not written as of 31 December;
- Receivables arising from reinsurance transactions.

Premiums earned not written as of 31 December relate to the group contract portfolio and are estimated based on quarterly reports received for the current financial year.

Receivables are valued at their nominal value. A provision is recognised to offset the risk of non-repayment. This impairment is estimated based on the age of the receivables and a probable recovery rate.

2.9 Deferred acquisition costs

Life insurance: acquisition costs are in principle deferred within the limit of the future net margins of the contracts in question. They are amortised on the basis of the rate at which these future margins are recognised, revalued at the end of each financial year. Where applicable, they are subject to exceptional amortisation to the extent that future margins become insufficient in view of the amortisation schedule; commercial fees are recorded as "deferred income" and recognised in profit or loss at the same rate as that used for deferred acquisition costs.

As the restatements of acquisition costs were deemed immaterial, acquisition costs recognised in the individual financial statements of certain group insurance companies were maintained as they were in the combined financial statement. They therefore correspond to the deferral of acquisition costs according to the residual life of the contracts and are limited to the difference between the amount of mathematical reserves recognised in the balance sheet in accordance with Article L. 343-1 of the French Insurance Code and the amount of reserves that would be recorded if the acquisition costs were not included in the policyholders' commitments.

Non-life insurance: deferred acquisition costs are calculated on a basis consistent with that used for the deferral of unearned premiums. These costs are amortised over the residual term of the relevant contracts.

2.10 Own funds

Combined own funds represents the aggregate of the own funds and equivalents of the combined entities and the share of own funds (group share) of the consolidated entities.

The impact of changes in own funds method resulting from the application of new regulations is recognised directly in opening own funds.

2.11 Technical reserves

Technical reserves are recognised on the liabilities side of the balance sheet at the gross reinsurance amount, with the ceded portion recorded on the assets side under "Reinsurers' share in technical reserves".

Reserves for work incapacity and disability are calculated in accordance with the rules set out in the decree of 28 March 1996 based on the tables provided by the BCAC or the TPRV 05 tables. They include the valuation of benefits payable for pending disability pensions, calculated on the basis of the probability of moving from an incapacity to a disability situation.

2.11.1 Mathematical reserves

Mathematical reserves represent the difference in present value of the commitments of the insurer (capital or annuity to be paid) and the policyholder (premiums to be paid).

Mathematical reserves for life insurance, presented in the "Life insurance reserves", include:

- Spousal and education pensions;
- Reserves to maintain death cover corresponding to the obligation to maintain death cover in the event of incapacity or disability, for employees covered under group insurance in the event of death.

Commitments are discounted using a rate that is equal to or less than the rate for the contract in question, in accordance with the law. In terms of annuity discount rates, the impact of declining interest rates is taken into account when the rate is considered too high in relation to the expected reinvestment prospects. The discount rates used are lower than the expected rate of return on assets.

When an entity makes use, in its individual financial statements, of the possibilities granted by the regulations concerning the spreading of the constitution of technical reserves, these are fully constituted in the combined financial statements. This is the case for commitments resulting from:

- New mortality tables applied to life annuities: these commitments, which may be provisioned in the individual financial statements until 31 December 2021, are fully recognised in the combined financial statements.

2.11.2 Claims reserves

The claims reserve comprises the claims and benefits outstanding at the end of the period, together with an estimate of claims not yet submitted, net of any recoveries receivable, estimated on the basis of prior year experience. Claims reserves are supplemented, as a deduction, by an assessment of management expenses which, taking into account the items already included in the reserves, must be sufficient to settle the claims.

2.11.3 Equalization reserves

An **equalization reserve** is set up for contracts that provide for it. This reserve represents the cumulative profit or loss of the contracts in question. It is calculated for group death, disability and health benefits.

The closing positions of equalization reserves/general reserves/additional general reserves are estimated each year for each account with participation features as follows:

- A rebasing on reserves in N-1 is done on the basis of customer accounts in N-1.
- The current year addition/reversal is estimated on the basis of:
 - The revenue and S/P of customer accounts in N-1;
 - The application of the discrepancy in year N;
 - Technical and financial protocol characteristics (payout rate of technical profits, etc.).

The contractual equalization reserves in the scope of consolidation are reclassified as policyholder participation reserves.

2.11.4 Reserves for increasing risks

A reserve for increasing risks has been set aside to cover the foreseeable increase in the group's healthcare and age-related dependency costs, which are not covered due to graded premiums.

2.11.5 Policyholder participation reserves

When a return exceeding the guaranteed minimum rate, based on the results of the technical and financial management, is due to the policyholders and has not been distributed to the policyholders during the period, the amount thereof is included in the policyholder participation reserve. It consists of:

- A **due** policyholder participation reserve, which is an identifiable liability arising from regulatory or contractual obligations, based on transactions carried out and recognised as expenses by group entities;
- And, where applicable, a **deferred** policyholder participation reserve, based on certain differences between the bases for calculating future entitlements in the individual and combined financial statements.

Deferred participation is calculated using a participation rate specific to each entity, determined according to the activity (payment of minimum and/or contractual participation) and the asset allocation (ring-fenced or not) of each entity. These rates are reviewed at each balance sheet date.

2.11.6 Liquidity risk reserves

According to Article R.343-5 of the French Insurance Code, a liquidity risk reserve is established when the investments referred to in Article R.343-10, after recognition of permanent impairment, show an aggregate net unrealised loss.

An aggregate net unrealised loss is recognised when the net carrying amount of these investments exceeds the carrying amount of these investments valued as follows:

- For listed securities: the value used is the average price calculated over the thirty days preceding the balance sheet date or, failing that, the last quoted price before that date;
- For shares in open-ended investment companies and units in mutual funds: the value used is the average of the redemption prices published during the thirty days preceding the balance sheet date or, failing that, the last redemption price published before that date;
- The value of other assets is determined in accordance with the rules laid down in Article R.343-11 of the French Insurance Code.

The annual allocation to the liquidity risk reserve for the financial year is equal to one-third of the total net unrealised loss on the investments mentioned in Article R.343-10 of the French Insurance Code, without this allocation leading to the total amount of the reserve recorded in the balance sheet for the financial year exceeding the aggregate net loss on these investments.

In the combined financial statements, in accordance with CRC Regulation 2004-10 of 23 November 2004, the liquidity risk reserve is eliminated. No liquidity risk reserve was recorded for the 2021 financial year.

2.11.7 Other reserves

In life insurance,

- The **reserve for management costs** is established, where applicable, in proportion to all future management expenses of the contracts that are not covered by premiums or by deductions from financial income provided for therein;
- **Technical reserves on unit-linked contracts** are valued on the basis of the assets underlying these contracts. Gains or losses resulting from the revaluation of these assets are recognised in the income statement in order to neutralise the impact of the change in technical reserves.

Internal transactions:

Technical reserves related to internal accepted reinsurance are eliminated.

The same applies to the mathematical reserves recorded in the financial statements of Quatrem, CMAV, MHRS and MHP:

- Under the outsourcing agreements for retirement and similar benefits entered into by the Malakoff Humanis group's resource association (AMAP): these are eliminated in the combined financial statements in the amount of the share of the reserve allocated by AMAP to its members;
- In respect of pension and similar benefit contracts taken out by Quatrem, MHGA and EPSSENS for the benefit of their own employees.

2.12 Provisions for liabilities and charges

Reserves are set aside for the cost of pension and similar benefits for employees. The reserve includes:

- The portion allocated to AMAP members of the reserves for pension and similar benefits recorded in AMAP's balance sheet and measured in accordance with CNC recommendation no. 03-R-01 (preferred method close to IAS 19). The calculations are made:
 - Person by person,
 - According to a turnover rate differentiated by age and socio-professional category,
 - Based on a different retirement age for managers and non-managers,
 - With the actual rate of social security charges,
 - According to INSEE mortality tables 2010 - 2012,
 - With the application of a discount rate and a salary increase rate.
- The portion allocated to these same entities of pension and similar commitments not provided for in AMAP's financial statements due to the existence of the outsourcing contracts referred to in paragraph 2.11.7.

The contracts in question are:

- Lump sum retirement benefits,
- Long service awards,
- Exceptional and temporary contribution (CET),
- Article 83,
- And Article 39.

Other provisions mainly include the entities' share of the provision for risks and charges of the AMAP: provisions for disputes, provisions for labour disputes.

2.13 Reinsurance

Reinsurance acceptances are accounted for on the basis of a valuation of each contract. Financial statements not received at the balance sheet date are estimated and adjusted in the following financial year. The accounting rules applied to these transactions are identical to those applied to direct business.

For reinsurance contracts held, the financial statements are estimated on the basis of the gross accounting data recorded for the corresponding contracts.

2.14 Technical expenses

For the preparation of segment income statements:

- Claims expenses include claims, capital and arrears, as well as the portion of overheads relating to the management of claims settlements.
- The change in non-life mathematical reserves is included in other technical reserves.
- In life insurance, the change in mathematical reserves is included in the life insurance reserves expense.

2.15 Health benefits paid for by complementary health insurance bodies

Professional standard NEP 920 relating to the certification of the financial statements of national social security bodies, published in the Official Journal on 30 December 2012 and applicable from 1 January 2013, and by extension to the complementary health insurance bodies managing the health risk, provides for the following statement to be included in the notes to the financial statements:

In accordance with legal and regulatory texts, in particular Articles L. 161-33 and R. 161-43 of the French Social Security Code, as part of the "third-party payment of the vital sesame card" system and the electronic flows put in place, the payment and accounting of rights relating to certain health-related benefits in kind are made in accordance with the law and regulations, on a declaration basis, without express recognition by the

policyholder/member of the reality of the benefit received. As a complementary health insurance body, the entity does not receive any additional information relating to the billed service (e.g. prescription) pursuant to professional secrecy and has no right to question or inspect health professionals.

However, Malakoff Humanis has implemented a policy to combat "health" risk fraud. This applies to all entities insuring this risk within the group.

In addition, the policy for delegating healthcare services and managing third-party payments includes a specific control system. In particular, the status of policyholders/members and the entitlement are verified. Lastly, a flow control system has been set up to check the consistency and plausibility of claims submitted by third-party payers and/or managed by delegated providers.

Each policyholder is regularly informed of the reimbursements that are made to the healthcare providers that he or she has consulted and of the content of the reimbursements that are sent directly to him or her.

2.16 Operating and management expenses

For the preparation of the segment income statements, technical expenses are classified by function:

- Claims management and benefit payment expenses include the cost of the departments that settle claims, redemptions, benefits outstanding and annuities;
- Contract acquisition costs include costs for production services and sales networks;
- Overheads include audit, management and collection fees, the costs of the departments responsible for monitoring the portfolio and for reinsurance, as well as litigation costs related to premiums;
- Investment expenses include internal and external management costs, as well as financial expenses;
- Other technical expenses correspond to structural expenses that cannot be allocated to other functions and to the amortisation of contract portfolios.

Where identified, overheads are charged directly to these functions. When they concern multiple business centres, they are broken down according to the appropriate work units for each. The same applies to the breakdown between the various insurance categories.

In the income statement:

- Claims and settlement expenses are included in "Insurance benefits expense".
- Investment expenses are deducted from financial income on the line "Financial income net of expenses".

- Acquisition costs, administration costs and other technical expenses are recorded under "Management expenses".

Non-technical expenses are those relating to activities not directly related to the insurance business. These expenses are deducted from other income under "Other net income".

2.17 Taxation

Income tax reported in the combined financial statements includes current and deferred tax.

When a tax is due or receivable and its payment is not contingent on the occurrence of future transactions, it is qualified as due.

In the event of a timing difference between the recognition of income and expenses in the financial statements and their inclusion in the taxable income of a subsequent financial year, the tax is qualified as deferred. This also applies to tax credits and the possibility of tax deductions linked to the existence of a tax loss carryforward.

Deferred tax is calculated for each company according to the tax rules and tax rates known at the time the financial statements are drawn up.

Deferred tax assets and liabilities are netted by each tax entity for equivalent taxes. Potential tax savings from tax loss carryforwards are only taken into account if it is highly probable that they will be offset against future taxable profits. When the netting of deferred tax assets and liabilities results in a net deferred tax asset, the deferred tax asset is recognised only if it is reasonably possible to offset it against future taxable profits.

2.18 Presentation of the financial statements

In the income statement:

- Current operating income before goodwill impairment can be reconciled with the concept of technical result net of reinsurance in the individual financial statements. In contrast to the individual financial statements, however, financial income net of expenses includes financial income from own funds. In addition, premiums and insurance benefits expenses are presented gross of reinsurance, with expenses or income net of reinsurance contracts held shown in a separate line.
- Other net income includes: non-technical income and expenses of insurance companies, operating revenue net of expenses and financial income from other activities.
- Amortisation of contract portfolios is included in the item "Management expenses" of current operating income in the income statement and in the item "Other technical expenses" in the segment income statements.

- Financial income net of expenses from the return on own funds is included in "Financial income net of expenses" of current operating income in the income statement, and in "Net investment income excluding technical account share" in the segment income statements.

All amounts in the financial statements and tables in the notes to the financial statements are expressed in thousands of euros.

The sign convention is as follows:

- Balance sheet:
 - Assets have a positive sign (except for reserves and depreciation),
 - Liabilities have a positive sign.
- Income statement:
 - Income has a positive sign,
 - Expenses have a negative sign.

3 Scope

Amounts in €k	Activity	Supervisory authority	Address of registered office	% stake 2020	31 Dec 2021					
					% stake	% control	Value of securities	Share capital or equivalent funds	Net assets	Net income
Combined entities										
SGAM Malakoff Humanis	Mutual insurance group company (SGAM)	N/A	21 rue Laffitte, Paris 9th arrondissement	-	-	-	-	8,280	133,650	59,786
Malakoff Humanis Prévoyance	Personal protection	ACPR	21 rue Laffitte, Paris 9th arrondissement	-	-	-	-	11,726	2,991,520	61,399
INPR	Personal protection	ACPR	21 rue Laffitte, Paris 9th arrondissement	-	-	-	-	382	335,617	10,055
CAPREVAL	Personal protection	ACPR	21 rue Laffitte, Paris 9th arrondissement	-	-	-	-	380	25,422	1,504
IPSEC	Personal protection	ACPR	16-18 Place du Général Catroux Paris 17th arrondissement	-	-	-	-	380	81,661	-847
CMAV	Insurance	ACPR	21 rue Laffitte, Paris 9th arrondissement	-	-	100.00%	-	480	113,012	3,052
Mutuelle Malakoff Humanis	Mutual	ACPR	21 rue Laffitte, Paris 9th arrondissement	-	-	100.00%	-	3,171	519,751	38,357
Malakoff Humanis Nationale	Mutual	ACPR	139/147 rue Paul Vaillant-Couturier Malakoff (92240)	-	-	100.00%	-	394	84,932	8,448
Radiancé Mutuelle	Mutual	ACPR	95 rue Vendôme, Lyon (69006)	-	-	100.00%	-	381	81,766	4,943
Energie Mutuelle	Mutual	ACPR	45 rue Godot de Mauroy Paris 9th arrondissement	-	-	100.00%	-	229	11,967	-621
Mobilité Mutuelle	Mutual	ACPR	9 rue de Clamart, Boulogne-Billancourt (92100)	-	-	100.00%	-	229	60,806	1,674
Mutuelle Médicis	Mutual	ACPR	18 rue de l'Amiral Hamelin Paris 16th arrondissement	-	-	100.00%	-	381	250,233	3,695
Consolidated entities										
Fully consolidated entities										
Auxia	Insurance	ACPR	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	73,152	74,546	138,095	5,472
Auxia Assistance	Insurance	ACPR	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	3,875	1,780	13,221	2,088
Quatrem	Insurance	ACPR	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	890,488	510,426	727,712	-14,418
Malakoff Humanis Retraite Supplémentaire	Insurance	ACPR	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	69,904	40,058	69,391	-3,341
Laffitte Courtage	Insurance	ACPR	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	7,550	1,138	7,804	-756
Malakoff Humanis Assurance	Insurance	ACPR	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	24,775	23,566	34,960	2,066
Axéria Prévoyance		ACPR	90 avenue Félix Faure Lyon 3rd arrondissement	-	100.00%	100.00%	225,980	31,000	117,441	-14,864
Malakoff Humanis Investissements Privés	Brokerage	-	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	47,102	45,000	107,720	11,661
Holding Malakoff Humanis	Holding company	-	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	1,525,834	1,032,411	2,015,275	35,547
Malakoff Humanis Puccini	Non-trading company (SC)	-	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	425,649	407,229	446,464	24,472
Malakoff Humanis Gestion d'Actifs	Investment funds	-	139/147 rue Paul Vaillant-Couturier Malakoff (92240)	99.98%	100.00%	99.98%	44,200	9,728	40,669	9,642
EPSENS	Employee savings	-	139/147 rue Paul Vaillant-Couturier Malakoff (92240)	55.24%	100.00%	55.24%	18,132	20,377	36,862	6,169
OPCI Vivaldi	Real estate activities	-	91 Bld Pasteur, Paris 17th arrondissement	99.63%	100.00%	99.66%	1,422,815	1,272,749	2,026,039	57,511
Malakoff Humanis Innov'	Other	-	21 rue Laffitte, Paris 9th arrondissement	100.00%	100.00%	100.00%	150,000	150,000	141,009	-1,074

The values of the securities take into account any elimination of capital gains on internal disposals.

2021 deconsolidation

- Expertis - see significant events

First-time consolidation - see significant events

- Mutuelle Médicis,
- Axéria Prévoyance.

Other transactions in 2021

- **Acquisition by Holding MH of the MHGA shares previously held by:**
 - MHP (239 shares),

- EPSENS (1 share).

The eliminated capital loss amounts to €38k.

HMH held 99.98% of MHGA's share capital as of 31/12/21.

- **OPCI Vivaldi:**

- Subscriptions of €125.9 million in net asset values by certain entities in the combination scope,
- The group's stake increased from 99.63% in 2020 to 99.66% in 2021.

4 Balance sheet information

4.1 Goodwill

in € thousands	31 Dec 2020	2021 movements	2021 amortisation	31 Dec 2021
Gross amount	63,399	-	-	63,399
Amortisation	-35,380	-	-2,961	-38,341
NET AMOUNT	28,019	0	-2,961	25,058

Goodwill mainly relates to the acquisition by HMM of the 20% minority stake in Quatrem shares in June 2010, previously held by MMA, for €59 million amortised on a straight-line basis over 20 years. Its net amount as of 31 December 2021 is €25 million.

4.2 Intangible assets

in € thousands	31 Dec 2021			31 Dec 2020
	Gross	Amortisation Impairment	Net	Net
Contract portfolios	-	-	0	0
Other	314,265	-181,201	133,064	55,647
Goodwill	141,948	-141,948	0	0
Software	18,826	-17,597	1,229	1,141
Other intangible assets	153,491	-21,656	131,835	54,506
TOTAL	314,265	-181,201	133,064	55,647

The gross amount of goodwill (€141.9 million) mainly corresponds to the acquisition of various portfolios by Quatrem (€130 million) fully amortised:

- AVIVA and WINTERTHUR portfolios
 - 2003 financial year: €75.6 million (declining-balance amortisation over 20 years),
 - 2007 financial year: €37.5 million (linear amortisation over 10 years),
- AZUR portfolio
 - 2007 financial year: €17.1 million (linear amortisation over 10 years).

The net carrying amount of other intangible assets, €153.5 million, includes

- The AMIS portfolio acquired in 2017 by QUATREM for €45.6 million. This unamortised portfolio is tested for impairment every year,

- The intangible asset relating to the acquisition of Axéria Prévoyance for €80.1 million (gross amount) and amortised for €3.2 million in 2021.

4.3 Investments

4.3.1 Investments by insurance companies

The realisable value of investments was determined in advance on certain items.

Taking into account the latest available valuations of investments (including unit-linked) as of 31/12/2021 would result in a lower market value of -€47 million (i.e. 0.2% of the total investments by insurance companies in 2021), of which -€11 million on MHRS, -€30 million on Quatrem, -€4 million on Auxia, -€3m on CMAV, +€1 million on INPR and +€1 million on MHP.

As a reminder, other investments by insurance companies (excluding unit-linked) are recognised on the basis of historical cost and not market value.

in € thousands	31 Dec 2021				31 Dec 2020			
	Gross amount	Net amount	Realisable value	Unrealised capital gains	Gross amount	Net amount	Realisable value	Unrealised capital gains
Real estate investments	507,284	462,708	572,704	109,996	218,449	192,793	247,552	54,759
Equity securities	101,743	89,438	106,507	17,069	114,645	102,263	117,144	14,881
Equities and variable-income securities	599,796	588,655	848,916	260,261	532,219	522,076	703,439	181,363
Units in equity UCITS	6,850,448	6,799,371	8,764,291	1,964,920	6,386,637	6,368,643	7,424,214	1,055,571
Bonds and other fixed-income securities	9,180,244	9,446,097	10,958,159	1,512,062	10,783,104	11,080,352	14,011,981	2,931,629
Units in UCITS holding exclusively fixed-income securities	1,425,327	1,398,388	1,495,188	96,800	1,351,528	1,350,060	1,539,220	189,160
Deposits with ceding companies	567,240	567,240	567,241	1	1,154,536	1,154,536	1,154,537	1
Other investments	3,515,669	3,453,225	4,357,841	904,616	777,698	768,465	892,568	124,103
Total investments	22,747,751	22,805,122	27,670,847	4,865,725	21,318,816	21,539,188	26,090,655	4,551,467
Share of non-life investments	9,024,264	9,047,023	10,977,306	1,930,282	9,104,102	9,198,211	11,141,894	1,943,683
Share of life investments	13,723,487	13,758,099	16,693,541	2,935,443	12,214,714	12,340,977	14,948,761	2,607,784

Realisation of unrealised capital gains would confer rights in favour of contract beneficiaries and minority shareholders as well as taxation.

The breakdown of investments between life and non-life is made in proportion to gross technical reserves.

The net carrying amount of listed investments was €20,991 million at 31/12/21.

Non-consolidated equity investments by insurance companies with a net carrying amount of €89.4 million mainly correspond to the shares in Babylone SAS (€61 million), Hospi Grand Ouest (€3.9 million), SCOR (€5.6 million), Earlybird SAS (€10.3 million) and Lebon (€3.7 million).

Summary of unlisted investments

in € thousands	31 Dec 2021		31 Dec 2020	
	Net carrying amount	Unlisted investments in %	Net carrying amount	Unlisted investments in %
Real estate	271,496	1.19%	192,820	0.90%
Real estate loans	2,041	0.01%	-	-
Infrastructure	1,092,121	4.79%	947,353	4.40%
Infrastructure debts	1,130	0.00%	1,050	0.00%
Equity investment	58,145	0.25%	74,271	0.34%
Private equity	388,861	1.71%	350,798	1.63%
TOTAL	1,813,794	7.95%	1,566,291	7.27%

4.3.2 Investments representing unit-linked commitments

in € thousands	31 Dec 2021	31 Dec 2020
	Net amount	Net amount
Real estate investments	-	-
Variable-income securities other than UCITS	2,101	2,090
Bonds, negotiable debt securities and other fixed-income securities	159	-
Units in UCITS holding exclusively fixed-income securities	13,196	11,367
Units of other UCITS	480,972	469,427
TOTAL	496,428	482,884

4.3.3 Investments by other companies (non-insurance)

in € thousands	31 Dec 2021				31 Dec 2020			
	Gross amount	Net amount	Realisable value	Unrealised capital gains	Gross amount	Net amount	Realisable value	Unrealised capital gains
Real estate investments	2,046,947	2,014,872	2,291,613	276,741	1,903,476	1,888,899	1,928,657	39,758
Equity securities	350,207	345,662	611,184	265,522	367,993	365,367	603,310	237,943
Equities and other variable-income securities	295,566	266,712	366,833	100,121	288,345	234,766	294,422	59,656
Units in equity UCITS	308,113	307,335	307,334	-1	197,496	196,709	197,659	950
Bonds and other fixed-income securities	15,085	15,085	15,085	0	22,507	22,507	22,507	0
Units in UCITS holding exclusively fixed-income securities	8,106	8,104	8,105	1	96,054	95,255	96,244	989
Other investments	928	928	928	0	933	933	933	0
TOTAL	3,024,952	2,958,698	3,601,082	642,384	2,876,804	2,804,436	3,143,732	339,296

The net carrying amount of the non-consolidated equity investments by other companies (€345.7 million) mainly corresponds to the equity investments of Holding Malakoff Humanis.

4.4 Equity-accounted investments

None: no entity is accounted for by the equity method.

4.5 Reinsurers' share of technical reserves

in € thousands	31 Dec 2021			31 Dec 2020		
	Life	Non-life	Total	Life	Non-life	Total
Reserves for unearned premiums	-	-	0	-	1	1
- Life insurance reserves	936,771	-	936,771	795,227	-	795,227
Claims reserves	299,974	1,424,948	1,724,922	239,795	1,492,896	1,732,691
Policyholder participation reserves	276,073	150,430	426,503	177,584	124,161	301,745
Equalization reserves	-	-	0	-	-	0
- Other technical reserves	-	1,548,959	1,548,959	-	1,385,844	1,385,844
Unit-linked reserves	15,702	-	15,702	14,971	-	14,971
TOTAL	1,528,520	3,124,337	4,652,857	1,227,577	3,002,902	4,230,479

Contractual equalization reserves were reclassified as reserves for policyholder participation of €425.7 million.

Impact of first-time consolidations in ceded technical reserves: €167.1 million (Axéria).

4.6 Statement of receivables by maturity

in € thousands	31 Dec 2021						31 Dec 2020
	Gross amount	Provisions	Net amount	< 1 year	> 1 year < 5 years	> 5 years	Net amount
Receivables arising from insurance or reinsurance transactions	4,704,782	-67,295	4,637,487	4,633,849	3,639	0	4,279,716
Premiums earned not written	1,626,150	-	1,626,150	1,626,150	-	-	1,518,393
Other receivables arising from direct insurance transactions including deferred participation assets	772,396	-67,295	705,101	706,560	-1,458	-	644,695
Receivables arising from reinsurance transactions	2,306,236	-	2,306,236	2,301,139	5,097	-	2,116,628
Other receivables	260,724	-754	259,970	207,995	51,366	609	230,463
Employee related receivables	330	-	330	169	161	-	520
State, social bodies and public authorities	95,420	-	95,420	95,215	205	-	87,340
Deferred tax assets	49,954	-	49,954	-	49,954	-	49,015
Sundry debtors	115,020	-754	114,266	112,611	1,046	609	93,588
TOTAL	4,965,506	-68,049	4,897,457	4,841,844	55,005	609	4,510,179

Impact of first-time consolidations of receivables: €171.6 million, which mainly concerns Axéria.

Deferred participation assets amount to: €41.6 million.

They are due to the elimination of capital gains realised on the sale of assets to OPCI Vivaldi by MHP (€4.4 million), QUATREM (€22.8 million) and CMAV (€14.3 million).

The change in deferred taxes amounts to €939k and concerns the takeover of the stock of MH Expertis following its deconsolidation.

4.7 Other assets

in € thousands	31 Dec 2021			31 Dec 2020
	Gross amounts	Depreciation and amortisation	Net amounts	Net amounts
Operating property, plant and equipment	22,842	-17,546	5,296	5,442
Property, plant and equipment	2,156	-	2,156	2,127
Other operating property, plant and equipment	20,686	-17,546	3,140	3,315
Current accounts and cash	530,171	-	530,171	472,569
TOTAL	553,013	-17,546	535,467	478,011

No fixed assets are covered by a finance lease.

4.8 Accruals - Assets

in € thousands	31 Dec 2021	31 Dec 2020
Deferred acquisition costs	3,473	3,434
Life	2,780	3,118
Non-life	693	316
Interest and rent earned but not yet due	186,594	185,806
Other accruals - assets	3,105	361
TOTAL	193,172	189,601

Deferred acquisition costs recorded in the combined financial statements correspond to those of the individual financial statements, see section 2.9.

4.9 Combined own funds

in € thousands	Capital and equivalent funds	Premiums	Combined reserves	Profit (loss) for the year	Total own funds
Appropriation of net income	-	-	-	-	0
2019 net income - group share	-	-	-	-52,981	-52,981
Other changes	23,952	-	5,267,422	-	5,291,374
Position as of 31 December 2019	23,952	0	5,267,422	-52,981	5,238,393
Appropriation of net income	-	-	-15,657	15,657	0
2020 net income - group share	-	-	-	-144,255	-144,255
Other changes	-	-	-38,838	37,324	-1,514
Position as of 31 December 2020	23,952	0	5,212,927	-144,255	5,092,624
Appropriation of net income	-	-	-144,422	144,422	0
2021 net income - group share	-	-	-	221,563	221,563
Other changes	2,461	-	283,764	-167	286,058
Position as of 31 December 2021	26,413	0	5,352,269	221,563	5,600,245

4.9.1 Contribution of entities to combined own funds

in € thousands	31 Dec 2021	31 Dec 2020
Combined entities	4,456,257	4,022,574
SGAM Malakoff Humanis	108,271	48,206
Malakoff Humanis Prévoyance (MHP)	2,776,288	2,713,807
Malakoff Humanis Mutuelle (MMH)	517,594	480,984
CMAV	106,613	103,279
INPR	354,306	344,250
CAPREVAL	25,422	23,914
Malakoff Humanis Retraite Supplémentaire (MHRS)	-442	2,898
Energie Mutuelle	11,969	13,451
Malakoff Humanis Nationale (MHN)	83,478	75,031
Mobilité Mutuelle	61,082	59,409
IPSEC	81,802	82,653
Radiance Mutuelle	79,641	74,692
Mutuelle Médicis	250,233	-
Consolidated entities	1,143,988	1,070,050
TOTAL	5,600,245	5,092,624

Impact of first-time consolidations on combined own funds: €226,747k:

- Axéria: -€23,486k:
- Médicis: €250,233k.

4.9.2 Contribution of entities to the capitalisation reserve

The impact of the capitalisation reserve in the combined reserves amounts to €367,819k and represents 6,57 % of own funds (all entities with an insurance activity are wholly owned).

in € thousands	31 Dec 2021	31 Dec 2020
Malakoff Humanis Prévoyance (MHP)	281,930	280,857
CMAV	5,939	5,939
INPR	129	129
CAPREVAL	309	309
Malakoff Humanis Retraite Supplémentaire (MHRS)	3,243	3,243
Mobilité Mutuelle	212	212
IPSEC	13	17
Radiance Mutuelle	513	508
QUATREM	38,254	38,254
Malakoff Humanis Assurance (MHA)	2,205	2,205
Auxia	26,086	26,086
AXERIA Prévoyance	8,986	0
TOTAL	367,819	357,759

4.10 Minority interests

in € thousands	OPCI Vivaldi	MHGA	EPSENS	Total minority interests
2019 net income - minority interests	416	3	179	598
Other changes	6,284	25	12,179	18,488
Dividends paid to minority interests				0
Position as of 31 December 2019	6,700	28	12,358	19,086
2020 net income - minority interests	184	1	1,380	1,565
Other changes	-64	-19		-83
Dividends distributed		-3		-3
Position as of 31 December 2020	6,820	7	13,738	20,565
2021 net income - minority interests	198	2	2,761	2,961
Acquisition of minority interests by the group	-540			-540
Other changes	570			570
Dividends distributed	-159	-1		-160
Position as of 31 December 2021	6,889	8	16,499	23,396

OPCI Vivaldi: 0.03% change in % stake (99.63% in 2020 vs. 99.66% in 2021).

4.11 Subordinated liabilities

Date of issue	Maturity	Interest rate	Currency	Legal form	Issuers	Subscribers	Amounts in €k as of 31 December 2021	Amounts in €k as of 31 December 2020
22 December 2000						SCOR	742	742
22 December 2000	Perpetual	4.00%	Euro	Non-voting loan stock	Energie Mutuelle	Mutuelle Générale	183	183
22 December 2000						FNMF	343	343
22 October 2015	22 October 2025	5.75%	Euro	Redeemable subordinated notes	MHP	Multiples	246,100	246,100
TOTAL							247,368	247,368

Energie Mutuelle redeemable subordinated notes

- Redemption possible at the issuer's initiative from the 7th year (December 2007).

MHP redeemable subordinated notes

The issuer has an early redemption option subject to the prior approval of the ACPR from the 6th year (October 2020) and in accordance with the terms and conditions defined in the subscription form.

There is no method for setting the amount of the redemption of the redeemable subordinated notes by the issuer.

4.12 Technical reserves

In € thousands	31 Dec 2021			31 Dec 2020		
	Life	Non-life	Total	Life	Non-life	Total
Gross technical reserves	15,901,178	10,456,265	26,357,443	13,636,807	10,164,044	23,800,851
Reserves for unearned premiums	-	14,837	14,837	-	12,978	12,978
Life insurance reserves	13,894,936	-	13,894,936	11,542,441	-	11,542,441
Claims reserves	1,013,850	6,040,307	7,054,157	1,049,659	5,032,499	6,082,158
Reserves for unexpired risks	-	295	295	-	9,086	9,086
Policyholder participation reserves and deferred participation liabilities	992,392	423,606	1,415,998	1,044,704	475,784	1,520,488
Of which deferred participation liabilities	1,354	643	1,997	-	-	0
Reserves for increasing risks	-	487,002	487,002	-	477,486	477,486
Equalization reserves	-	-	0	-	-	0
Other technical reserves	-	3,490,218	3,490,218	3	4,156,211	4,156,214
Technical reserves - Unit-linked	515,491	-	515,491	503,435	-	503,435
TOTAL	16,416,669	10,456,265	26,872,934	14,140,242	10,164,044	24,304,286

Contractual equalization reserves are reclassified as policyholder participation reserves of €1,135 million.

The €1.9 million deferred participation liabilities recognised at MHP is due to the elimination of capital losses realised on the transfer of assets to OPCI Vivaldi and the elimination of the PERE capitalisation reserve.

Impact of first-time consolidations in gross technical reserves: €2,941.9 million:

- Axéria: €390.3 million,
- Médicis: €2,551.6 million.

4.13 Provisions for liabilities and charges

in € thousands	31 Dec 2021	31 Dec 2020
Provisions for employee benefit commitments	107,470	106,674
Retirement benefits	106,842	106,511
Long service awards	628	163
Other employee benefit commitments	-	-
Negative goodwill	-	-
Deferred tax liability	-	-
Other provisions for liabilities and charges	47,151	67,930
TOTAL	154,621	174,604

Provisions for employee benefit commitments mainly correspond to retirement benefits covered by intra-group insurance policies taken out with CMAV, MHRS, Quatrem and MHP, amounting to: €105.3 million. The amount of employee benefits outsourced to a non-group entity is: €72.1 million.

Retirement benefit calculation assumptions at 31/12/21

Assumptions	IAS 19
Annual change in salaries	Target rate of 2.5% including inflation, with breakdown by age bracket according to the change observed between 2019 and 2020
Discount rate	0.74%
Rate of return on assets	According to the 2021 forecast rates sent by the insurers: AXA: 1.25% and MHRS: 1.12%
Retirement age	<p>The assumed retirement age is the maximum age between:</p> <ul style="list-style-type: none"> - The age defined by MH by socio-professional category - The minimum statutory age according to the generation - The age recalculated with the minimum number of quarters required for full pension according to the age at the start of professional activity defined by MH - The age calculated on the assessment date + 1 day <p><u>Retirement age used</u>: minimum age between the age obtained above and the minimum age for full pension.</p>
Type of retirement for lump sum retirement benefits	100% voluntary
Social security and tax rates	60.00%
Mortality tables	INSEE 2014-2016
Harmonised turnover tables	<p>The rate used is the one observed on average over the last three years. It is calculated by age bracket and socio-professional category.</p> <p>It is zero after age 55 for all socio-professional categories.</p> <p>The reason for leaving is resignation.</p>

4.14 Statement of liabilities by maturity

in € thousands	31 Dec 2021				31 Dec 2020
	Amount	< 1 year	>1 year / < 5 years	> 5 years	Amount
Liabilities arising from insurance or reinsurance transactions	2,965,325	2,964,519	806	0	2,924,469
Liabilities for cash deposits received from reinsurers	457,035	457,035	-	-	456,582
Liabilities arising from direct insurance transactions	295,204	294,398	806	-	328,252
Liabilities arising from reinsurance transactions	2,213,086	2,213,086	-	-	2,139,635
Amounts due to credit institutions	16,261	16,261	0	0	1,603
Other liabilities	807,819	805,657	2,161	0	1,549,578
Other borrowings, deposits and guarantees received	213,468	213,468	-	-	1,014,481
Staff	10,160	9,965	195	-	8,816
State, social bodies and public authorities	204,138	204,021	117	-	166,567
Deferred tax liabilities	0	-	-	-	0
Other liabilities	380,053	378,203	1,849	-	359,714
TOTAL	3,789,405	3,786,437	2,967	0	4,475,650

Impact of first-time consolidations in liabilities: €138.6 million

- Axéria: €123 million,
- Médicis: €15.6 million.

4.15 Accruals - liabilities

in € thousands	31 Dec 2021	31 Dec 2020
Reinsurance technical assessments	-	-
Deferred commissions received from reinsurers	-	-
Other accruals - liabilities	9,354	3,346
TOTAL	9,354	3,346

4.16 Commitments received and given

4.16.1 Commitments received and given by insurance companies

in € thousands	31 Dec 2021	31 Dec 2020
Commitments received	5,459,702	2,189,948
Securities received as collateral from reinsurers	2,035,953	2,171,102
Other commitments received (on forward financial instruments)	-	-
Other securities held on behalf of third parties	3,404,903	-
Other commitments received	18,846	18,846
Commitments given	571,242	325,778
Endorsements, sureties & credit guarantees given	-	-
Other commitments on securities, assets or income	568,451	101,142
Other commitments given (on forward financial instruments)	-	-
Other commitments given	2,791	224,636

Other securities held on behalf of third parties (€3,404 million): see significant events relating to securities lending.

4.16.2 Commitments received from and given by other companies

in € thousands	31 Dec 2021	31 Dec 2020
Commitments received	0	0
Securities received as collateral from reinsurers	-	-
Other commitments received (on forward financial instruments)	-	-
Other securities held on behalf of third parties	-	-
Other commitments received	-	-
Commitments given	659,961	19
Endorsements, sureties & credit guarantees given	19	19
Other commitments on securities, assets or income	-	-
Other commitments given (on forward financial instruments)	-	-
Other commitments given	659,942	-

5 Information on the income statement

5.1 Segment income statements

5.1.1 Non-life insurance technical account

in € thousands	31 Dec 2021			31 Dec 2020
	Gross transactions	Disposals and retrocessions	Net transactions	Net transactions
Earned premiums	5,132,962	-773,337	4,359,625	4,051,129
Share of technical account in net investment income	148,398	-	148,398	123,467
Other technical income	5,769	-	5,769	6,586
Claims expenses	-4,723,062	648,868	-4,074,194	-4,120,966
- Benefits and expenses paid	-4,523,067	669,770	-3,853,297	-3,503,532
- Claims reserves expenses	-199,995	-20,902	-220,897	-617,434
Expenses for other technical reserves	89,537	19,410	108,947	378,979
Profit sharing	52,467	27,396	79,863	-49,697
Acquisition and administration costs	-741,736	103,352	-638,384	-589,432
- Acquisition costs	-350,052	-	-350,052	-330,408
- Administration costs	-391,684	-	-391,684	-347,097
- Commissions received from reinsurers	-	103,352	103,352	88,073
Other technical expenses	-32,708	-	-32,708	-53,360
Technical result of non-life insurance	-68,373	25,689	-42,684	-253,294
Net investment income excluding share of technical account			45,087	42,640
Non-life current operating income			2,403	-210,654

Impact of first-time consolidations in non-life net income: - €14.5 million (Axéria).

5.1.2 Life insurance technical account

in € thousands	31 Dec 2021			31 Dec 2020
	Gross transactions	Disposals and retrocessions	Net transactions	Net transactions
Earned premiums	1,461,049	-392,532	1,068,517	1,063,984
Share of technical account in net investment income	281,184	-	281,184	232,111
Adjustments for ACAV variable capital contracts (capital gain)	36,293	-	36,293	12,506
Other technical income	8,125	-	8,125	8,959
Claims expenses	-1,958,415	205,824	-1,752,591	-1,015,662
- Benefits and expenses paid	-1,882,300	95,869	-1,786,431	-977,485
- Claims reserves expenses	-76,115	109,955	33,840	-38,177
Expenses for other technical reserves	721,854	22,616	744,470	151,345
- Life insurance reserves	758,415	21,883	780,298	205,848
- Reserves on unit-linked contracts	-36,561	732	-35,829	-54,503
- Other technical reserves		1	1	0
Profit sharing	-151,765	120,504	-31,261	-243,829
Acquisition and administration costs	-217,032	26,797	-190,235	-158,764
- Acquisition costs	-93,368	-	-93,368	-85,976
- Administration costs	-123,664	-	-123,664	-87,586
- Commissions received from reinsurers	-	26,797	26,797	14,798
Adjustments for ACAV variable capital contracts (capital loss)	-529	-	-529	-6,293
Other technical expenses	4,079	-	4,079	-8,999
Technical result of life insurance	184,843	-16,791	168,052	35,358
Employee profit-sharing			-514	-1,165
Net investment income excluding share of technical account			48,393	40,755
Life current operating income			215,931	74,948

Impact of first-time consolidations in life net income: €22.9 million:

- Axéria: €17.4 million,
- Médicis: €5.5 million.

5.2 Breakdown of premiums by activity and by entity

5.2.1 Breakdown of gross premiums by entity

in € thousands	31 Dec 2021			31 Dec 2020		
	Non-life	Life	Total	Non-life	Life	Total
Combined entities	3,721,881	824,748	4,546,629	3,713,444	702,094	4,415,538
Malakoff Humanis Prévoyance (MHP)	2,730,222	703,413	3,433,635	2,734,540	633,483	3,368,023
Malakoff Humanis Mutuelle (MMH)	497,393	173	497,566	506,024	186	506,210
CMAV	15	5,265	5,280	-	5,995	5,995
INPR	22,506	9,575	32,081	22,934	9,815	32,749
CAPREVAL	7,614	2,217	9,831	7,200	2,694	9,894
Malakoff Humanis Retraite Supplémentaire (MHRS)	-	31,573	31,573	-	24,575	24,575
Energie Mutuelle	39,017	-	39,017	37,474	-	37,474
Malakoff Humanis Nationale	164,000	2,294	166,294	163,872	2,541	166,413
Mobilité Mutuelle	69,410	-	69,410	64,345	-	64,345
IPSEC	123,796	24,233	148,029	108,443	22,503	130,946
Radiance Mutuelle	67,908	255	68,163	68,612	302	68,914
Mutuelle Médicis	-	45,750	45,750	-	-	0
Consolidated entities	1,411,081	636,301	2,047,382	1,131,084	573,107	1,704,191
QUATREM	1,073,007	395,377	1,468,384	1,052,554	350,367	1,402,921
Auxia	27,292	156,710	184,002	29,251	208,819	238,070
Auxia Assistance	14,069	-	14,069	12,704	0	12,704
Malakoff Humanis Assurance (MHA)	39,887	15,798	55,685	36,575	13,921	50,496
AXERIA Prévoyance	256,826	68,416	325,242	-	-	0
TOTAL	5,132,962	1,461,049	6,594,011	4,844,528	1,275,201	6,119,729

5.2.2 Breakdown of gross premiums by category

in € thousands	31 Dec 2021		31 Dec 2020	
Group	5,445,314	82.6%	5,225,816	85.4%
Personal protection	2,122,402	32.2%	2,029,069	33.2%
Life insurance	950,717	14.4%	856,670	14.0%
Non-life insurance (including long-term care)	1,171,685	17.8%	1,172,399	19.2%
Health	3,095,087	46.9%	3,006,977	49.1%
Retirement savings	227,825	3.5%	189,770	3.1%
Individual	1,148,697	17.4%	893,913	14.6%
Personal protection	173,911	2.6%	145,484	2.4%
Life insurance	81,161	1.2%	103,752	1.7%
Non-life insurance (including long-term care)	92,750	1.4%	41,732	0.7%
Health	773,440	11.7%	623,420	10.2%
Retirement savings	201,346	3.1%	125,009	2.0%
TOTAL	6,594,011	100.0%	6,119,729	100.0%

5.3 Net interest income

in € thousands	31 Dec 2021			31 Dec 2020		
	Non-life	Life	Total	Non-life	Life	Total
Investment income	253,052	479,313	732,365	225,546	356,706	582,252
Investment income	147,015	294,542	441,557	143,025	247,802	390,827
Other investment income	24,327	73,258	97,585	17,766	36,265	54,031
Income from disposal of investments	81,710	75,220	156,930	64,755	60,133	124,888
ACAV adjustments (capital gains)	-	36,293	36,293	-	12,506	12,506
Investment expenses	-59,567	-113,972	-173,539	-59,439	-77,627	-137,066
Internal and external investment management fees and interests	-23,138	-25,768	-48,906	-20,017	-25,905	-45,922
Other investment expenses	-26,054	-55,156	-81,210	-25,783	-30,788	-56,571
Losses on disposal of investments	-10,375	-32,519	-42,894	-13,639	-14,641	-28,280
ACAV adjustments (capital losses)	-	-529	-529	-	-6,293	-6,293
Net interest income	193,485	365,341	558,826	166,107	279,079	445,186
Of which non-technical financial income	45,087	48,393	93,480	42,640	40,755	83,395

5.4 Other net income

This heading includes the non-technical income and expenses of the insurance companies, as well as the operating and financial results of the other activities.

in € thousands	31 Dec 2021	31 Dec 2020
Other non-technical income and expenses of insurance companies	-48,642	-46,167
Of which social action	-36,810	-34,246
Operating income from other activities	10,467	489
Financial income from other activities	109,209	72,208
TOTAL	71,034	26,530

Operating income from other activities

in € thousands	31 Dec 2021	31 Dec 2020
Operating income from other activities	10,467	489
Revenue	81,010	78,521
Other operating income	511	597
External expenses	-51,612	-58,758
Personnel costs	-2,447	-16,170
Taxes and duties	-16,246	-2,847
Depreciation, amortisation and provisions (additions or reversals)	-749	-854
Financial income from other activities	109,209	72,208
TOTAL	119,676	72,697

Income from other activities mainly comprises income from brokerage, employee savings and real estate activities (OPCI and SC Puccini).

5.5 Non-recurring income

in € thousands	31 Dec 2021	31 Dec 2020
Non-recurring income	14,234	11,866
Non-recurring expenses	-75,220	-43,325
TOTAL	-60,986	-31,459

Non-recurring income mainly includes income from asset disposals of €7.3 million in the entity HMH (Viamédis equity investments) and €4.3 million in the entity MHIP.

Non-recurring expenses notably represent the depreciation of the NEO lots: €37.6 million, of which €28 million for MHP and €3.7 million for QUATREM.

6 Other information

6.1 Deferred taxes

in € thousands	31 Dec 2021	31 Dec 2020
Deferred tax assets on tax loss carryforwards	-	-
Deferred tax assets on deductible timing differences	49,954	49,015
Deferred tax liabilities on taxable timing differences	-	-
TOTAL	49,954	49,015
Of which assets (other receivables)	49,954	49,015
Of which liabilities (provisions for liabilities and charges)	-	-

Tax loss carryforwards give rise to the recognition of deferred tax assets only if it is highly probable that they will be offset against future taxable profits (see paragraph 1.4).

In accordance with ANC regulation 2020-01, the following is a list, for the most significant entities, of deferred tax assets not recognised as a precautionary measure, which totalled €189.7 million for the 2020 financial year:

- MHP: €105 million,
- QUATREM: €41.6 million.

Unrecognised deferred tax mainly concerns transactions related to the so-called 209 0A tax provisions (early taxation of capital gains and losses on certain securities) and to non-deductible reserves (general reserves), the timing of which remains uncertain in terms of the Group's projected earnings.

6.2 Tax breakdown

in € thousands	31 Dec 2021	31 Dec 2020
Current tax	-1,836	906
Deferred taxes	939	0
TOTAL	-897	906

6.3 Tax reconciliation

in € thousands	31 Dec 2021	31 Dec 2020
Theoretical tax expense	-36,895	61,400
Expense of premiums net of tax credits	-2,069	744
Use of previous loss carryforwards	8,439	2,489
Change in deferred taxes	939	0
Theoretical corporate tax not capitalised on accounting losses	-47,009	-49,996
Timing and permanent differences	40,059	-39,442
Tax consolidation bonus	60,237	43,079
Other differences	-23,654	-16,911
Employee profit-sharing	-943	-458
Income tax	-897	906

6.4 Personnel costs

in € thousands	31 Dec 2021	31 Dec 2020
Wages and salaries	358,090	353,507
Social security charges	138,606	137,321
Other expenses	36,732	32,949
TOTAL	533,428	523,777

Workforce	31 Dec 2021	31 Dec 2020
Managers	2,700	2,739
Non-managers	3,646	3,724
TOTAL	6,346	6,463

The personnel costs and the workforce mentioned above represent the shares allocated to:

- The members of AMAP,
- The members of GIE Auxia Gestion (Auxia, Auxia Assistance, Laffitte Courtage).

Holding Malakoff Humanis does not have its own staff and receives services from AMAP within the framework of a de facto grouping agreement.

The other entities in the scope of consolidation have their own staff, but some of them have also signed agreements with AMAP or other group entities for the provision of personnel or services.

6.5 Amount of statutory auditors' fees

In accordance with the provisions of ANC Regulation No. 2016-07 of 4 November 2016 approved by the decree of 26 December 2016, the Malakoff Humanis group has chosen to publish information on statutory auditors' fees in the group's combined financial statements.

In this respect, the amount of expenses recognized by the companies included in the combination scope amounts to €2.1 million for statutory audit assignments and €0.2 million for additional audit assignments.

In addition, in order to comply with the ANC regulation amending the PCG (ANC, regulation 2016-07 of 4 November 2016, amending ANC regulation 2014-03 relating to the PCG, order of 26 December 2016, OJ of 28), information on the distribution of fees between the statutory auditors is now mandatory. For the group, in 2021, this breakdown is as follows:

- KPMG: €1 million,
- Mazars: €1 million,
- Prismaudit International: €32k,
- SEC Burette: €28k,
- Grant Thornton: €74k,
- De Lacvievier: €40k.

6.6 Events subsequent to December 31, 2021

As soon as the war with Russia in Ukraine began on 24 February 2022, General Management set up a crisis unit to measure, monitor and control the impact of the group's exposure to the financial markets, to policyholders, and to other contextual elements for the MH group.

The group also received a questionnaire from the ACPR, which will be discussed with them in early March 2022 on the impacts on the MH group.