



Solvency and Financial Condition Report 2018

Groupe VYV

GROUPE
vyv
Entrepreneur du
mieux-vivre

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Glossary

Acronym	Meaning
Acronyms of the components of Groupe VYV	
MGEFI	Mutuelle Générale de l'Economie, des Finances et de l'Industrie
MGEN	Mutuelle Générale de l'Education Nationale
MMG	Mutuelle Mare Gaillard
MNT	Mutuelle Nationale Territoriale
RMA	Ressources Mutuelles Assistance
UHM	Union Harmonie Mutualité
Acronyms relating to insurance and the Solvency II Directive	
ACPR	<i>Autorité de Contrôle Prudentiel et de Résolution</i> – French banking and insurance authority
ALM	Asset and Liability Management
BE	Best Estimate
BSCR	Basic Solvency Capital Requirement
DTA/DTL	Deferred Tax Assets/Deferred Tax Liabilities
EIOPA	European Insurance and Occupational Pensions Authority
ORSA	Own Risk Self-Assessment
PCI	Property and Casualty Insurance
RSR	Regulatory Solvency Report
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report
SSE	Social and Solidarity Economy
UCITS	Undertaking for Collective Investment in Transferable Securities (<i>Organisme de placement collectif en valeurs mobilières – OPCVM</i>)
UL	Unit-Linked
UMG	Group mutualist union (<i>Union Mutualiste de Groupe</i>)

The Solvency II lines of business are abbreviated as follows throughout this report:

Solvency II Line of business	Solvency II line of business Number and abbreviation	Solvency II line of business full name
Health similar to non-life	1 Medical expenses	Medical expense insurance
	2 Income protection	Income protection insurance
	13 Medical expenses (PR)	Proportional medical expenses reinsurance
	14 Income protection (PR)	Proportional income protection reinsurance
Non-life	9 Credit and suretyship	Credit and suretyship insurance
	11 Assistance	Assistance insurance
	12 Miscellaneous financial loss	Miscellaneous financial loss insurance
	23 Assistance (PR)	Proportional assistance reinsurance
Health similar to life	29 Health insurance	Health insurance
	33 Non-life and health annuities	Annuities stemming from non-life insurance contracts and relating to health insurance obligations
	35 Health reinsurance	Health reinsurance
Life	30 Insurance with PP	Insurance with profit participation
	31 Index-linked and UL insurance	Index-linked and unit-linked insurance
	32 Other life insurance	Other life insurance
	36 Life reinsurance	Life reinsurance



Introduction

The Solvency and Financial Condition Report provides information on Groupe VYV and its solvency for the reporting period from 1 January 2018 to 31 December 2018.

The report was drawn up in accordance with Articles 290 to 303 and Articles 359 to 371 Delegated Regulation (EU) 2015/35 commonly known as the Solvency II Directive. Furthermore, it complies with the structure specified in Annex XX of the Delegated Regulation as well as the procedures, formats and templates provided by the Implementing Regulation (EU) 2015/2452 for drawing up the Solvency and Financial Condition Report.

Unless otherwise stated, the figures in this report are in millions of euros.

It was approved before being published on 28 May 2019 by the Board of Directors of the UMG Groupe VYV.



Perimeter

Groupe VYV was created in September 2017 and is both the leading player in health insurance in France and the leading national operator for healthcare and related services. As a creator of improved living standards, it wants to ensure that everyone has the right to genuine social protection, thereby contributing to the general interest.

Groupe VYV is made up of three unions that structure the relations between the Group and the mutual insurance companies that form it:

- A strategic and prudential group mutualist union (UMG Groupe VYV): the umbrella entity that manages the Group’s overall strategy, coordinates its implementation and carries out audit missions;
- A healthcare and related services union (VYV Care union) which defines the Group’s strategy for the health, social and medico-social businesses;
- A group mutualist union (UGM VYV Cooperation) that provides policy coordination and exchange of resources and experience between the members of the UGM.

In the remainder of the report, unless otherwise indicated, “Groupe VYV” refers to the prudential perimeter of the group as shown in the figure below:

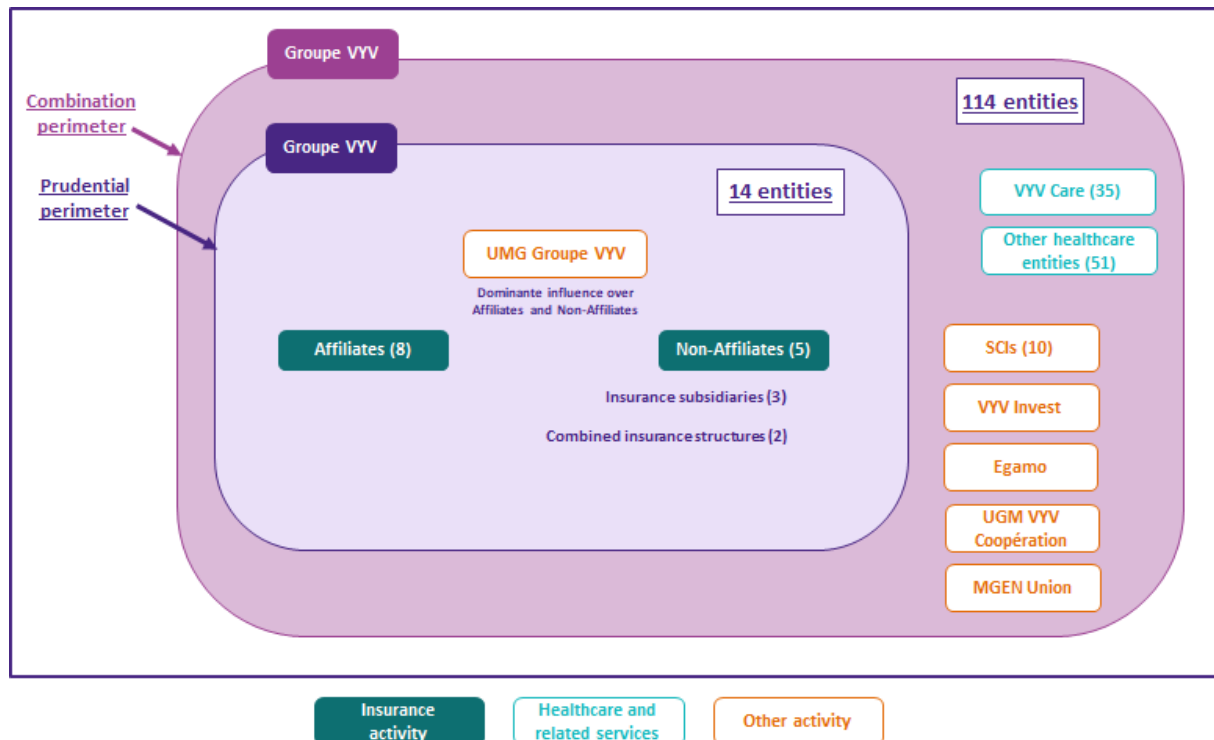


Figure 1 - Simplified structure of Groupe VYV and of its different perimeters at 31 December 2018



Summary

This report was drawn up based on financial and regulatory data at 31 December 2018.

Groupe VYV had the following key figures:

In €m	31 December 2018	31 December 2017	Variation
GRUPE VYV's business (combination perimeter)			
Groupe VYV's revenue	8,686.0	8,399.6	3.4%
<i>including Insurance premiums</i>	6,933.1	6,701.5 ¹	3.5%
Groupe VYV's income	67.3	63.5	6.0%
<i>including Insurance income</i>	55.7	48.5	14.8%
GRUPE VYV'S SOLVENCY (prudential perimeter²)			
Solvency Capital Requirement (SCR)	2,446.9	2,393.5	2.2%
Solvency II own funds	3,919.9	2,630.0	49.0%
Solvency ratio³	160.2%	109.9%	45.8%
Groupe VYV's "aggregated own funds"	5,519.6	5,578.6	-1.1%
"Aggregated ratio"³	225.6%	233.1%	-3.2%
FINANCIAL STRENGTH OF GROUPE VYV			
Rating	On 28 January 2019 Fitch assigned the rating "A+ Outlook stable" to Groupe VYV's main operating entities		

A - Business and Performance

Groupe VYV wants to prove the economic and social effectiveness of its non-profit model, and to represent mutualistic performance in tomorrow's world.

With revenue of €8,686m including €6,933m for the prudential perimeter, Groupe VYV is the leading health insurer in France and the leading national operator for healthcare and related services. As a result, it protects over 10 million people.

¹ Pro-forma compared with similar information presented in the Solvency II report for financial year 2017 after adjustment for intra-group transactions

² The prudential perimeter is organised via a Group Mutualist Union (UMG). The UMG organises substantial and long-term financial solidarity links between its affiliates which are explicitly mentioned in the articles of association and formalised in an affiliation agreement.

³ The current affiliation agreement between the UMG Groupe VYV and its affiliates introduces a limit to the own funds that are eligible to cover the Groupe VYV's SCR: not all of the affiliates' own funds are automatically available for the solidarity mechanism. It should be noted that the affiliation agreement was modified on 1 January 2018, strengthening the solidarity links between affiliates. The solvency ratio takes this limit into account and is calculated in accordance with prudential requirements. A second ratio, called the "aggregated ratio" takes into account all of the own funds held by Groupe VYV without taking into account the limit introduced by the affiliation agreement.



Since Groupe VYV is a mutual insurer, it has no shareholders to pay. As such, the profits made directly increase its own funds and contribute to the development of its businesses, for the benefit of its subscribers.

At 31 December 2018, Groupe VYV's income amounted to €67m (including €56m for the prudential perimeter) and remain at a similar level to those at the end of the previous year.

B - System of governance

The governance of the UMG Groupe VYV is based on:

- The Board of Directors which is responsible for defining the group's strategic guidelines and the methods of implementing them, as well as approving the written policies;
- The effective managers, the Chairman of the Board of Directors and the Operational Manager (Chief Executive Officer), who implement the strategy defined previously and can commit the UMG Groupe VYV towards third parties;
- The four holders of the key functions who take part in the management of the risk management system and supervision of the business, in their respective fields;
- A committee procedure that favours discussion, coordination and complementarity between the different players.

It complies with the following two basic principles:

- Four eyes principle: all important decisions are examined by two people at least (in this case, the Chairman of the Board of Directors and the Operational Manager);
- Prudent person principle: Groupe VYV ensures that the risks taken are measurable and implements an appropriate system for monitoring and controlling them.

The UMG Groupe VYV has a dominant influence over the components of the prudential group. In particular, it ensures compliance with the rights and obligations resulting from the articles of association and affiliation agreements for its affiliates.

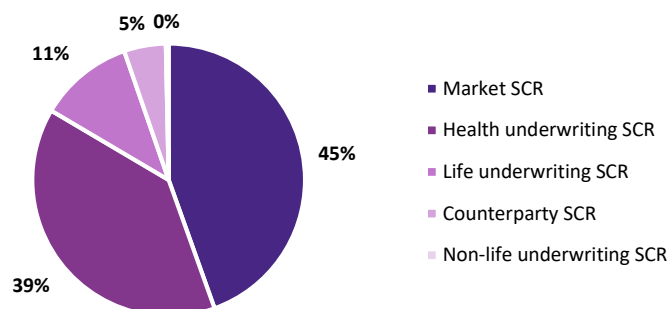
C - Risk profile

The risks borne by Groupe VYV are inherent in its insurance business. Groupe VYV is thus particularly exposed to the risks linked to adverse variations in the financial markets as well as to the various technical risks present in its balance sheet (increase in the number of claims, unsuitable pricing, regulatory changes etc.).

Groupe VYV has organised a centralised risk management system to identify the risks to which it may be exposed and ensure they are brought under control.



The distribution of Groupe VYV's risks according to the groupings and quantifications specified in the Solvency II Directive is as follows:



Breakdown of Groupe VYV's basic solvency capital requirement before diversification by risk module at 31 December 2018

Groupe VYV's main risks are the market and Health underwriting risks:

- The market risk represents the risk relating to investments made representing obligations to insured persons or the own funds of the components of the Group and the UMG Groupe VYV;
- The Health underwriting risk is characteristic of the Group's business, based on coverage of Health risks (78% of the earned premiums) and Protection (20% of the earned premiums).

D – Valuation for solvency purposes

The valuations carried out under prudential standards to calculate the solvency ratio comply with the Solvency II Directive, i.e. the amounts applied are those for which the assets and liabilities could be exchanged, transferred or settled under an arm's length transaction between informed and consenting parties.

E - Capital management

Groupe VYV's capital is managed in a way that ensures that it always meets the solvency requirements of Groupe VYV and of each of its components.

To calculate its solvency ratio, Groupe VYV uses the Standard Formula specified by the Solvency II Directive, applying the first method defined by the regulations, called the "consolidation method".

Groupe VYV reinforced the solidarity links between its affiliated members on 1 January 2018. This change had a direct impact on its solvency ratio. At the end of 2017 the solvency ratio amounted to 110%.



At 31 December 2018, with eligible own funds therefore of €3,920m (of which over 99% are classified as Tier 1⁴), for a capital requirement of €2,447m, the solvency ratio now amounts to 160%.

In accordance with the Solvency II Directive, only own funds that can be mobilised under the solidarity mechanism for affiliates are deemed to be eligible to cover the capital requirement for the purpose of the solvency ratio. However, Groupe VYV has greater financial strength. For instance, taking into account all of the Group's own funds, i.e. €5,520m, Groupe VYV has more than twice its capital requirement and had a ratio, called the "aggregated ratio" of 226% at 31 December 2018.

Finally, on 28 January 2019 the rating agency Fitch awarded the rating "A+ Outlook stable" to Groupe VYV's main operating entities (Harmonie Mutuelle, MGEFI, MGEN, MNT and Mutex), thereby confirming the Group's financial strength.

⁴ Tier 1 own funds are the highest quality own funds as defined in the Solvency II Directive.



A. Business and Performance

The purpose of Part A - Business and Performance is to present the business and main results of Groupe VYV at 31 December 2018.

In the introduction it presents Groupe VYV's structure* and the differences in perimeter between the combination perimeter within which the earnings are achieved, and the prudential perimeter which meets the requirements of the Solvency II Directive, including this report.

A.1 Business

A.1.1 Organisation of Groupe VYV

The following organisation chart shows the organisation of Groupe VYV's combination perimeter at 31 December 2018:

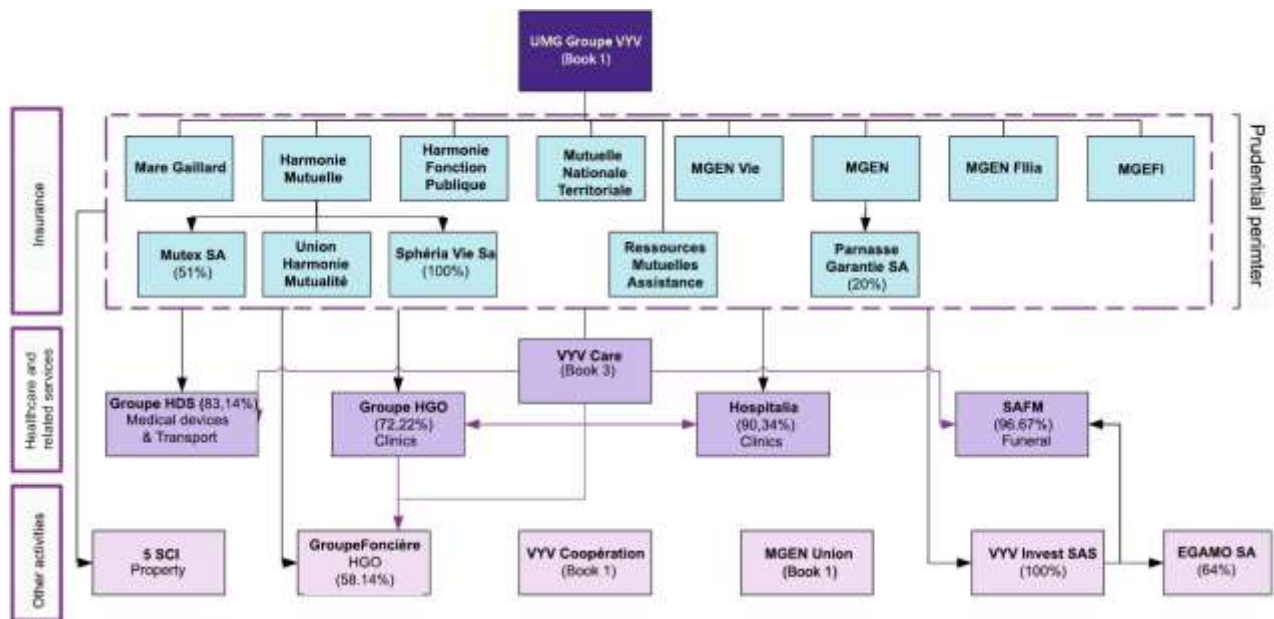


Figure 2 - Organisation chart of Groupe VYV's combination perimeter at 31 December 2018

* Groupe VYV in the widest sense, i.e. the combination perimeter which includes: the prudential perimeter (i.e. the Insurance business), the Healthcare and related services business and the other businesses



A.1.1.1 Prudential perimeter

Groupe VYV is a prudential group as defined in the Solvency II Directive:

- it has a **dominant influence** over the decisions of the affiliated entities. This influence results in:
 - An affiliation agreement governing its articles of association and its relations with its affiliates;
 - The introduction of a centralised risk management system;
 - The definition of the Group’s risk management policies by its components.
- It is characterised by **strong and lasting financial relations** between the group and its various entities, shown by the introduction of a financial solidarity mechanism.

Furthermore, given its prudential nature, Groupe VYV draws up combined financial statements, a prudential balance sheet and an annual report on the Group’s management, and is subject to the supervision of the French banking and insurance authority (ACPR).

The prudential perimeter of Groupe VYV comprises the following fourteen French entities⁵:

- UMG Groupe VYV;
- Eight affiliated mutual insurance companies, as governed by Book II of the French mutual insurance code (*Code de la Mutualité*):
 - Harmonie Fonction Publique;
 - Harmonie Mutuelle;
 - Mutuelle Générale de l’Économie des Finances et de l’Industrie (“MGEFI”);
 - Mutuelle Générale de l’Éducation Nationale (“MGEN”);
 - MGEN Filia;
 - MGEN Vie;
 - Mutuelle Mare Gaillard;
 - Mutuelle Nationale Territoriale (“MNT”).
- Five non-affiliated entities that have combination or capital links with the UMG Groupe VYV:
 - Three insurance subsidiaries:
 - Mutex SA, in which Harmonie Mutuelle has a 51% share and which is fully consolidated in the group’s accounts;
 - Sphéria Vie SA, wholly-owned by Harmonie Mutuelle and fully consolidated in the group’s accounts;
 - Parnasse Garanties SA, in which MGEN has a 20% share and which is accounted for in the group’s accounts using the equity method;
 - Two combined insurance structures:
 - Ressources Mutuelles Assistance (“RMA”);

⁵ It should be noted that from 1 January 2019 the UMG Groupe VYV has two additional affiliated members: Chorum and SMACL Assurances.



- Union Harmonie Mutualité, controlled by Harmonie Mutuelle.

The businesses of all of the Group's insurance entities are described in their own Solvency II report.

The UMG Groupe VYV also has a dominant influence over 100 entities in Groupe VYV that fall within the combination perimeter rather than the prudential perimeter.

A.1.1.2 Combination perimeter

The combination perimeter of Groupe VYV includes:

- The prudential perimeter detailed above;
- The Healthcare and related services business (in particular via VYV Care);
- The other businesses.

A.1.2 General information

Groupe VYV's head office is located at Tour Montparnasse, 33 avenue du Maine, BP 25, 75755 Paris Cedex 15, France.

As a prudential group, Groupe VYV is supervised by the French banking and insurance authority (ACPR), located at 4 place de Budapest, CS 92459, 75436 Paris Cedex 09, France, and prepares its combined financial statements according to French accounting standards.

The statutory auditors of Groupe VYV are:

- Mazars, represented by Pascal Parant, whose offices are located at 61, rue Henri Regnault, 92075 La Défense Cedex, France;
- Grand Thornton, represented by Valérie Dagannaud, whose offices are located at 29, rue du Pont, 92200 Neuilly-sur-Seine, France.

A.1.3 Presentation of Groupe VYV's business

A.1.3.1 Main coverage offered by the Group

This section only describes the insurance businesses within the prudential perimeter. These are divided into four categories:

- Health business, which includes all of the coverage linked to supplementary health insurance products;
- Protection business, which mainly includes coverage for death, incapacity/disability, dependency and funerals;
- Savings/Pensions business which provides euro-denominated and unit-linked (UL) policies;
- Other businesses which mainly include surety coverage and assistance.



The following table shows the allocations of Groupe VYV's main types of coverage by Solvency II line of business⁶:

Type of business Groupe VYV	Groupe VYV's main types of coverage	Solvency II line of business	
Health	Supplementary health insurance	1	Medical expenses
	Supplementary health insurance (acceptances)	13	Medical expenses (PR)
Protection	Death protection/Compensation of funeral costs	32	Other life insurance
	Death protection/Compensation of funeral costs/Whole life funeral costs (acceptances)	36	Life reinsurance
	Daily allowances/Temporary loss of autonomy/ Accidental death	2	Income protection
	Daily allowances/Temporary loss of autonomy/ Accidental death (acceptances)	14	Income protection (PR)
	Daily allowance (long-term sick leave)/Disability annuities/Dependency annuities	33	Non-life and health annuities
	Dependency for life	29	Health insurance
	Dependency for life/Disability annuities/Dependency annuities (acceptances)	35	Health reinsurance
	Whole life funeral costs	30	Insurance with PP
	Childbirth allowance	12	Miscellaneous financial loss
Savings/Pensions	Life insurance and supplementary pension insurance in euro funds	30	Insurance with PP
	Life insurance and supplementary pension insurance, unit-linked (UL)	31	Index- and unit-linked insurance
Other businesses	Rental deposit & acquisition	9	Credit and suretyship
	Assistance	11	Assistance
	Assistance (acceptances)	23	Assistance (PR)

Table 1 - Correspondence between the Solvency II lines of business and the main types of coverage offered by Groupe VYV

A.1.3.2 Key figures

The table below shows the premiums earned (gross of reinsurance and excluding intra-group transactions) at 31 December 2018 by type of business:

	In €m	Earned premiums (gross of reinsurance)	Proportion
Health		5,427.0	78%
Protection		1,373.7	20%
Savings/Pensions		102.4	1%
Other businesses		29.9	0%
Total		6,933.1	100%

Table 2 - Presentation of Groupe VYV's business at 31 December 2018

⁶ The Solvency II lines of business are shown with an abbreviated name in all of the report's tables. A table showing the abbreviations and full names as defined by the Delegated Regulation is provided after the glossary on page 4 of the report.



The premiums earned by Groupe VYV at 31 December 2018 amounted to €6,933m with almost 70% from Harmonie Mutuelle and MGEN. This figure was up by 3.5% compared with the previous year.

Via these premiums, Groupe VYV protected more than 10 million people at 31 December 2018.

The premiums earned at 31 December 2018 can be analysed by type of business:

- For Health, the main business of Groupe VYV, Harmonie Mutuelle, MGEN and MNT provided almost 90% of the earned premiums;
- Half of the Group's Protection business is from Mutex via life and sick leave coverage, and the other half is from MGEN, MGEN Vie and MNT;
- The Group's Savings/Pensions business is provided almost exclusively by Mutex.

Groupe VYV conducts most of its business in France, and only a small part of its business (less than 1% of earned premiums) is carried out abroad: MGEN's business carried out under the freedom to provide services in Portugal (via Europamut), the business of VYV IB which offers cover for expatriates throughout the world and via the Italian subsidiary of Harmonie Mutuelle.

A.1.4 Operations and transactions within Groupe VYV

Introduction of reinsurance treaties within Groupe VYV

During 2018, RMA which centralises Groupe VYV's assistance business, introduced two internal reinsurance treaties with the components of Groupe VYV:

- An initial treaty with Harmonie Mutuelle, backdated to 1 January 2018, relating to Harmonie Mutuelle's health policies, for which the assistance services are provided by RMA. In 2018, RMA thus ceded almost €4m in premiums to Harmonie Mutuelle.
- A second treaty with MGEN effective from 1 January 2019 relating to MGEN's health policies for which the assistance services are provided by RMA. The premiums that will be ceded by RMA to MGEN under this treaty are estimated at €3m in 2019.

Furthermore, another internal reinsurance treaty came into force on 1 January 2018: Union Harmonie Mutualité is wholly reinsured by Harmonie Mutuelle.

Change in the reinsurance treaties within Groupe VYV

The internal reinsurance treaty that already existed between MGEN and MGEN Filia was modified on 1 January 2018: MGEN Filia is now reinsured by MGEN for 80% and no longer 100%.

These new reinsurance treaties are added to the reinsurance treaties already in place between:

- MGEN, reinsurer of MGEN Vie;
- Harmonie Mutuelle, reinsurer of Harmonie Fonction Publique, Mutex and Sphéria Vie;
- Mutex, reinsurer of MGEN and Harmonie Mutuelle.



Intra-group transactions between the components and the UMG Groupe VYV

The UMG Groupe VYV did not carry out any intra-group transactions with its components in 2018.

A.1.5 Highlights of 2018

2018 was a decisive year that made it possible to bring Groupe VYV into existence and implement the first solutions to make the mutualistic promise underlying the project and the aims of the Group a reality. It also made it possible to federate other players in the project deployed by Groupe VYV.

A.1.5.1 Highlights relating to the prudential perimeter

Affiliation of Chorum: Groupe VYV's reference for the Social and Solidarity Economy (SSE)

Groupe VYV's General Assembly of 12 July 2018 approved the affiliation of Chorum on 1 January 2019 as one of the UMG's mutual insurance companies.

Chorum is a mutual group dedicated exclusively to Social and Solidarity Economy (SSE) professionals who are the original partners of all of Groupe VYV's components. Chorum offers companies and employees in the SSE sector a comprehensive range of coverage and services suited to their protection, health, savings, PCI⁷, pensions and social engineering requirements. Chorum is the only mutual insurance company wholly dedicated to social and solidarity economy professionals, and for 60 years it has been working in close collaboration with the social partners to offer high quality social protection, whether in the form of collective bargaining agreements or on the employer's initiative. Chorum protects over 715,000 people, i.e. a third of all employees in the SSE sector, and has over 23,000 subscriber organisations.

Affiliation of SMACL Assurances: Groupe VYV's reference for property and damage insurance

The affiliation of SMACL Assurances to the UMG Groupe VYV from 1 January 2019 was approved on 13 November 2018 at the Extraordinary General Assembly of Groupe VYV. For the first time, a mutual insurance company (*société d'assurance mutuelle*) joined a group made up of mutual health insurance companies.

SMACL Assurances was set up in 1974 and is the mutual insurance company for authorities and public institutions, elected representatives and territorial officials. It also covers the risks of companies, associations, private individuals and economic players in all regions. SMACL Assurances offers support for private or professional risks for 20,000 authorities and public institutions, almost 50,000 associations and companies (particularly in the social and solidarity economy) and over 40,000 private individuals (elected representatives, former elected representatives and territorial officials, employees of numerous public entities as well as the administrators, subscribers, volunteers and staff of associations and state-owned enterprises. SMACL Assurances is the original partner of MNT, and thereby supports Groupe VYV's service offerings thanks to 40 years' expertise in PCI.

⁷ In the insurance sector, PCI refers to "Property and Casualty Insurance" and corresponds to all policies for damage to property.



A.1.5.2 Highlights relating to the combination perimeter and excluding the prudential perimeter

Creation of VYV Invest: Groupe VYV's development tool

To consolidate its achievements and prepare for the future, VYV Invest was created and establishes itself as a key tool to give the Group the means needed to achieve its aims. VYV Invest is a simplified joint stock company (SAS) whose shareholders are the affiliated mutual insurance companies and the UMG Groupe VYV, and which was allocated capital of nearly €200 million at its constitutive general assembly on 13 November 2018.

VYV Invest has already made it possible to pool the subsidiaries and holdings, in order to provide strategic and economic management of them at group level. VYV Invest's portfolio comprises nine holdings contributed by the UMG Groupe VYV, Harmonie Mutuelle and MGEN and three companies that VYV Invest invested in directly in 2018.

VYV Invest enables Groupe VYV to continue to invest in six strategic fields (innovation, services, insurance, international, healthcare offers, housing) in order to promote its development and to be able to reinforce the range of services and products offered to the group's subscribers and customers.

Start of exclusive discussions with Groupe Arcade to create an innovative model combining health and housing

Housing is not just decisive for health, it is an essential condition for improved living standards and must take into account the distinctive features of the different regions and the course of each person's life.

Under these conditions, Groupe VYV (the leading player for mutual social and solidarity protection) and Groupe Arcade (fourth largest social landlord in France with comprehensive property expertise thanks to its private division) decided on 23 May 2018 to start a process of exclusive discussions to study possible synergies between the two groups. The shared aim of the two groups is to pool their expertise in order to favour the emergence of a new model, combining all of their housing and social protection know-how, and thereby create a unique and innovative housing model in support of improved living standards.

This partnership project with Groupe Arcade will result in 2019 in the creation of Groupe Arcade-VYV (third pillar of Groupe VYV) which reinforces the Group's ability to make its mutualistic promise a reality and offer solidarity-based social protection.

Widening of the perimeter of VYV Care

VYV Care is the leading non-profit operator for the healthcare and related services offering, working daily with the Group's mutual insurance companies to improve access to healthcare.

As a result, in 2018 VYV Care expanded:

- By welcoming two new Book III unions as defined in the French mutual insurance code (*Code de la Mutualité*): Mutualité Française de la Vienne and Union Territoriale Mutualiste Lorraine.
- New entities and new players joined or officialised their membership of VYV Care: Mutualité Française Eurélienne et Loirétaine, the association Mutualistes Sans Frontières, the Association pour la Promotion des Personnes Sourdes, Aveugles et Sourdes-Aveugles and the management unions Jules Verne and La Sagesse.

These new members increased the number of healthcare and related services institutions throughout France to over 1,000.



A.2 Underwriting Performance

The following table shows Groupe VYV's income and expenses during 2018, broken down by Solvency II line of business⁸ according to several aggregates:

- Premiums earned: this aggregate corresponds to the earned premiums gross of reinsurance;
- Claims incurred: this aggregate includes the claims paid for the financial year;
- Other expenses: this aggregate includes the expenses related to the underwriting business (claims management fees, administrative costs, acquisition expenses and general expenses related to underwriting);
- Reinsurance: this aggregate includes the balance relating to reinsurance operations apart from cessions/reversals of technical provisions with reinsurers;
- Variation in provisions: this aggregate is equal to the difference (net of reinsurance) of the amounts of technical provisions between the start and the end of the financial year.

<i>In €m</i>	Medical expenses	Income protection	Credit and suretyship	Assistance	Miscellaneous financial loss	Health insurance	Life insurance with PP	Index-linked and UL life insurance	Other life insurance	Non-life and health annuities	Health reinsurance	Life reinsurance	TOTAL 2018	TOTAL 2017 ⁹
Premiums earned	5,427.0	734.0	0.6	29.3	2.9	94.8	111.9	2.3	391.2	77.4	6.4	55.1	6,933.1	6,701.5
Claims incurred	(4,360.4)	(412.7)	1.2	(14.4)	(3.1)	(45.0)	(223.2)	(0.9)	(355.7)	(244.2)	(3.8)	(22.8)	(5,684.9)	(5,555.3)
Other expenses	(991.5)	(119.5)	(23.6)	(11.4)	(0.5)	(24.6)	(84.8)	(1.5)	(78.7)	(28.2)	0.0	(11.4)	(1,375.6)	(1,263.2)
Reinsurance	(9.5)	(52.8)	(1.3)	(0.4)	0.0	(13.8)	1.1	0.0	14.7	(15.2)	0.0	(0.1)	(77.2)	130.2
Variation in provisions	6.9	10.5	0.0	0.1	0.0	11.6	(35.9)	3.1	(14.0)	15.9	5.8	33.5	37.5	254.3
Total	72.5	159.6	(23.0)	3.2	(0.6)	23.0	(230.9)	3.1	(42.5)	(194.3)	8.4	54.4	(167.1)	267.4

Table 3 - Groupe VYV underwriting income and expenses at 31 December 2018

Groupe VYV noted an increase in earned premiums (3.5%) and an increase in claims paid (2.3%) in the previous financial year. The biggest variations in the "Reinsurance" and "Variation in provisions" aggregates are due to several significant operations within Mutex:

- In 2018 Mutex was selected by the Mutual Insurance sector to introduce the Protection coverage of its new National Collective Bargaining Agreement: this resulted in an increase in the technical provisions for the "Other life insurance" and "Non-life and health annuities" lines of business, which had a negative impact on the variation in technical provisions at the end of 2018;
- Several reinsurance treaties expired on 31 December 2017, which generated substantial reversals of technical provisions by Mutex (amounting to over €200m) which immediately and exceptionally increased Groupe VYV's underwriting result.

⁸ In the following table alone, the names used for the Solvency II lines of business include the line named and the equivalent in proportional reinsurance. For example: "Income protection" refers both to line of business No. 2 ("Income protection") and No. 14 ("Income protection (PR)").

⁹ Pro-forma compared with similar information presented in the Solvency II report for financial year 2017



It should be specified that:

- The underwriting income and expenses in the “Income protection” and “Non-life and health annuities” lines of business should be analysed jointly, since most of the premiums relating to claims for “Non-life and health annuities” are classified under “Income protection” in accordance with the Solvency II Directive.
- The underwriting income and expenses for the year do not include all of the income items, such as for example the financial income related to insurance in force for “Life insurance with PP” or the amounts of technical provisions already existing at the start of the financial year.

A.3 Investment Performance

By their nature, the businesses carried out by Groupe VYV expose it to long-term risks. Consequently, the Group invests a large proportion of its assets in stable, long-term products: mainly interest rate products (sovereign and corporate bonds). Its portfolio also comprises other assets (equities, property investments, units in collective investment undertakings etc.) which boost its profitability. The asset portfolio is characterised by prudent management suited to the portfolio risks.

The following table shows the income from Groupe VYV’s investments at 31 December 2018, broken down by asset class according to two aggregates:

- Income from assets: this aggregate corresponds to the dividends on equities and units in collective investment undertakings, interest on interest rate products, and rent from real estate;
- Net gains and losses: this aggregate corresponds to the profits and losses generated by the sale or maturity of assets during the year.

<i>In €m</i>	Government bonds	Corporate bonds	Other interest rate products	Equities & Collective investment undertakings	Property, plant and equipment	Cash and deposits	Derivatives	TOTAL 2018	TOTAL 2017
Income from assets	34.9	121.3	6.1	57.3	11.2	10.1	0.0	240.9	247.7
Net gains and losses	19.4	(8.7)	(1.6)	36.8	(0.6)	0.2	0.0	45.5	97.9
Total	54.3	112.6	4.5	94.0	10.6	10.3	0.0	286.3	345.6

Table 4 – Gains/Income from Groupe VYV’s investments at 31 December 2018

The gains and income from investments recorded during financial year 2018 amounted to almost €286m and was mainly from accrued interest from bonds held in the portfolio. This is due to the predominance of interest rate products in Groupe VYV’s portfolio.



A.4 Performance of the other businesses

At 31 December 2018, Groupe VYV did not have any businesses other than those described in the two previous sections¹⁰. Consequently, Groupe VYV's income includes firstly the non-technical income and expenses, and secondly the corporate tax income or expense.

Corporate tax represented income in 2018 amounting to almost €10.1m, which differed from the previous financial year: tax in 2017 represented an expense of €75.9m. The income recognised at 31 December 2018 includes:

- An income tax expense due (entered in the individual financial statements) equal to €1.7m;
- Income resulting from the variation in deferred tax (due to combination adjustments in the accounts) equal to €11.8m.

A.5 Any other information

After its initial rating (published on 28 January 2019) the rating agency Fitch assigned Groupe VYV's main operating entities (Harmonie Mutuelle, MGEFI, MGEN, MNT and Mutex) an A+ rating for its financial strength. The Outlooks are Stable.

In its assessment, Fitch emphasised some of Groupe VYV's strengths:

- "A very strong business profile";
- A position as "leader for health insurance in France";
- "Very great financial strength";
- "Very low financial debt".

Hardly a year after the creation of Groupe VYV, this rating shows the dynamics of the Group's project, and the pertinence of the mutualistic model. It also represents proof of confidence for all of our partners, subscribers and customers. This rating confirms the Group in its aim to position itself as a mutualistic player in improved living standards, of use to everyone, throughout their life.

¹⁰ It should be specified that Egamo, the asset management company with mutualistic values which centralises management of the Group's assets, is now included in Groupe VYV's other businesses, and no longer in the prudential group. At 31 December 2017 this entity represented a source of income outside the underwriting and investment businesses totalling €0.5m.



B. System of governance

Since the creation of Groupe VYV, various authorities were gradually set up to meet regulatory obligations, enable the smooth functioning of the Group in institutional terms, and favour subscribers' representation within its governance.

Part B - System of governance presents the governance of Groupe VYV, its risk management system (including the system for own risk self-assessment) and the objectives and operating framework of the four key functions defined by the Solvency II Directive.

B.1 General information on the system of governance

B.1.1 System of governance

Groupe VYV's system of governance is based on a Board of Directors and the General Management, to which specific committees are attached dedicated to compliance with the regulatory framework and compliance with good governance practices.

In accordance with the provisions of the Solvency II Directive and in particular the "Four eyes principle", Groupe VYV has at least two effective managers, i.e.:

- The Chairman of the Board of Directors of Groupe VYV, Mr Thierry BEAUDET.
- The Operational Manager (called the Chief Executive Officer in the remainder of the report), Mr François VENTURINI.

From 1 February 2019, Mr Stéphane DEDEYAN became the Chief Executive Officer, taking over from Mr François VENTURINI who was the Chief Executive Officer of Groupe VYV since its creation in September 2017.

Furthermore, the four key functions have a direct link to the effective managers, in particular via their own dedicated committees.



The following diagram shows a simplified version of Groupe VYV's system of governance at the end of 2018:

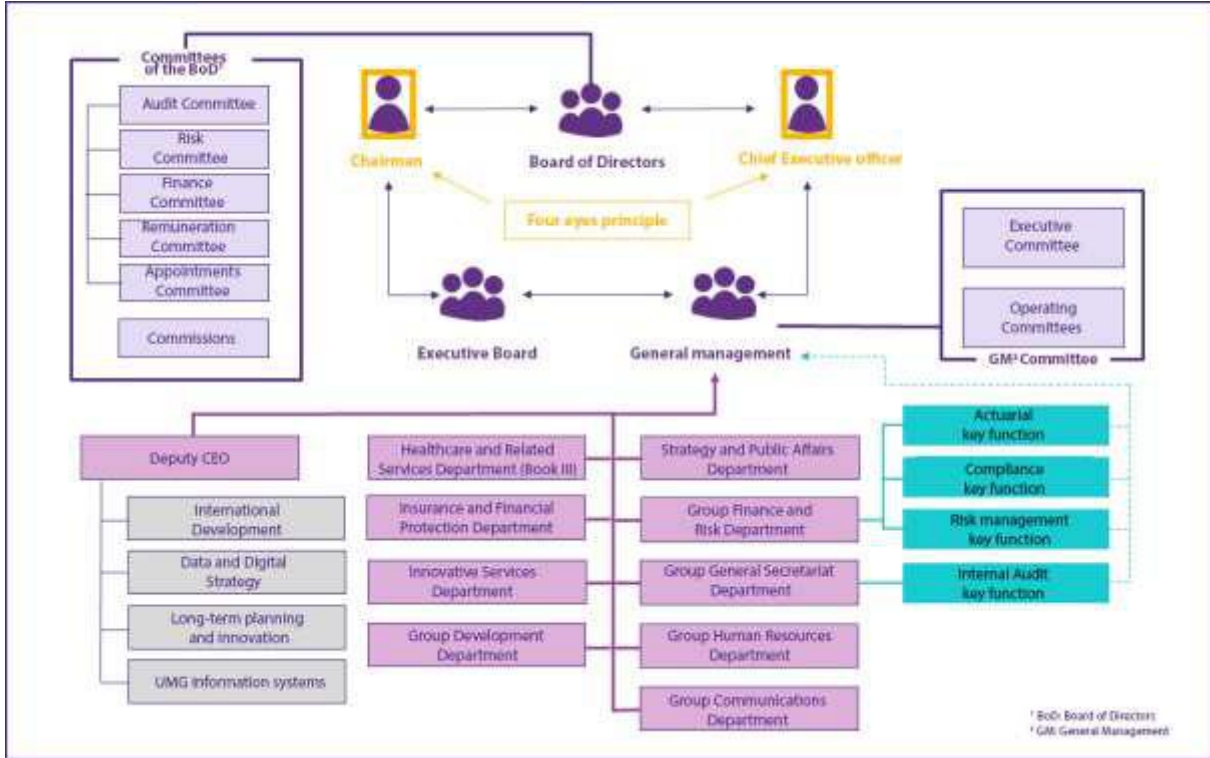


Figure 3 - Simplified presentation of Groupe VYV's system of governance at 31 December 2018

B.1.1.1 Board of Directors

Composition and roles of the Board of Directors

At 31 December 2018 Groupe VYV was managed by a Board of Directors made up of 25 directors.

The Board of Directors makes all of the decisions that it considers necessary for the management and development of Groupe VYV, within the limits of the regulations in force and the articles of association, and ensures that they are implemented. It deals with any issues that concern the smooth running of the group, settles matters that concern it via its decisions, and conducts the controls and checks that it considers appropriate.

In addition, the Board of Directors has the power to:

- Approve, prior to their appointment, the appointment of the Operational Manager and effective managers employed by each affiliate, appointed by its Board of Directors on the proposal of its chairman;
- Approve, prior to their appointment, the appointment of the managers of the key functions of each affiliate, appointed by its Board of Directors on the proposal of its chairman.



Subject to the powers expressly assigned to General Assemblies, the following decisions fall within the competence of the Board of Directors:

- Defining and controlling the implementation of a centralised governance system in particular for key functions (Risk Management, Compliance, Actuarial and Internal Audit key functions);
- Defining and controlling the implementation of Group policies including in particular the compliance, internal control, internal audit, risk management, ORSA, operational risk management, and investment and ALM risk management policies;
- Implementing common businesses between the affiliates;
- Drawing up the annual budget for day-to-day running and investment;
- Decisions regarding non-current investments and equity investments;
- Determining the methods of implementing the financial solidarity mechanism.

The Board of Directors also has the power to control and impose penalties on the affiliated entities.

Executive Board of the Board of Directors

An Executive Board is formed within the Board of Directors with a maximum of 14 members chaired by the chairman of the group and comprising the deputy vice-president, vice-presidents, members of the Board of Directors, and the Chief Executive Officer, the effective manager of the group.

The Executive Board meets whenever required, and its role is to:

- Investigate matters submitted to it and prepare a doctrinal or policy position which will be presented to the Board of Directors;
- Express any opinions or positions to the Board of Directors;
- Monitor the implementation of policy decisions made by the Board of Directors.

Committees of the Board of Directors

The Board of Directors also relies on the work of various committees. These are subcommittees of the Board of Directors and solely comprise directors of the UMG (apart from the audit committee which may include experts who are not directors). They are dedicated to compliance with the regulatory framework and in particular the Solvency II Directive, and compliance with good governance practices.

The Board of Directors has five committees: the audit committee, the risk committee, the finance committee, the remuneration committee and the appointments committee.

Audit committee

The audit committee meets whenever necessary and in particular in order to:

- Monitor the process of drawing up financial reports;
- Monitor the effectiveness of the internal control and risk management systems (policies, procedures, methods and tools) used by the UMG and its components;
- Monitor the statutory audit of the annual financial statements and combined financial statements by the statutory auditors;
- Examine the independence of the statutory auditors.



It is also responsible for:

- Deciding on the internal audit plans of the UMG Groupe VYV;
- Making sure there is an internal audit plan for each of the components and reading it;
- Reading the findings and recommendations of the audit missions conducted in the components;
- Conducting audits of the components under the conditions specified in the affiliation agreement.

In addition, it is given the annual business report of the group Internal Audit key function.

Risk committee

The risk committee meets at least four times a year, and more often if necessary. It prepares the decisions of the Board of Directors. The information dealt with by this committee concerns the following two aspects: the group's risk management, and risk monitoring for its components.

The work linked to the group's risk management comprises:

- Defining the group's risk appetite and the group's general risk tolerance limits;
- Approving and updating the risk management policies;
- Monitoring risk identification, control and management at group level in particular by regularly examining the risk mapping;
- The process of drawing up the annual and ad hoc group ORSAs and approving the ORSA reports;
- Reviewing the financial reports and the key function reports;
- Reviewing the narrative reports.

The work linked to monitoring the risks of components includes:

- Monitoring the main indicators of the components;
- Preparing prior agreements (if necessary reading the associated ad hoc ORSA reports);
- Monitoring preventive audits;
- Preparing the methods of implementing financial solidarity;
- Monitoring the implementation of financial solidarity and the associated recovery plan.

Finance committee

The finance committee meets at least four times a year, in particular for the following deadlines: budgetary process, closing process (individual and combined financial statements).

With the support of the group Finance and Risk department, it prepares the decisions of the Board of Directors in the following fields:

- Budgetary aspects: the group's budget, monitoring the drawing up of the UMG's budget as well as forecasts for the year-end and actual results;
- Review of the background note for the budgetary process of the components;
- Monitoring the drawing up of the business plan of the UMG and the group;



- Monitoring the closing of the individual and consolidated financial statements and the combination perimeter;
- Management of the UMG's assets: analysis of results of investments, determining the asset allocation, checking the implementation of the investment and ALM risk management policy and, if necessary, suggesting changes to this policy;
- Analysing equity investments;
- Study of the financing of major projects.

Remuneration committee

The remuneration committee meets once a year. It reviews:

- The awarding of exceptional compensation to the directors of the UMG in connection with their term of office at the UMG;
- The structure and level of remuneration of the members of the group Executive Committee as well as of the chief executive officers of the affiliated members of the UMG and of certain subsidiaries;
- The Directors and Officers liability insurance arrangements for the group's managers.

Appointments committee

The appointments committee meets at least twice a year, in particular for the general assemblies of the affiliated members. Its role is to:

- Control, mediate and propose solutions to matters raised by the federal cohabitation of the representative unions under the aegis of the group;
- Assign, monitor and coordinate the terms of office and representatives of the group within the group's subsidiaries, participations and authorities;
- Draw up the report of the Board of Directors on the terms of office (report on the terms of office held).

Commissions

In addition to the committees described above, there are also commissions whose aim is to promote group policy and encourage all of the components to adopt the group's issues. They are made up of directors of members of the group, elected representatives or activists from the regions or specialised in topics linked to the commission.

Groupe VYV has four commissions dedicated to the following topics: International Development, Innovation and Digital Technology, Territorial Coordination and Training, and Development.



B.1.1.2 General management

The general management of Groupe VYV is carried out by the Operational Manager, a natural person who cannot be a director and who has the title of Chief Executive Officer. The Board of Directors appoints the Operational Manager on the proposal of the Chairman of the Board of Directors and sets the conditions under which it delegates to him the powers required for effective management of Groupe VYV.

General management is divided into specific committees which include:

- The general executive committee, comprising 11 members at 31 December 2018, which is responsible for the operational implementation of the strategy defined by the Board of Directors;
- Several operating committees: the Chief Executive Officer relies on operating committees which include the four committees dedicated to each of the key functions (Risk Management, Compliance, Actuarial and Internal Audit key functions) and the committee comprising the holders of the key functions.

B.1.1.3 Key functions

The Risk Management key function of Groupe VYV is responsible for leading the group's risk management system. As such, it is in charge of identifying major risks, monitoring the risk profile, and conducting the group's ORSA. In association with its counterparts in the components, it is responsible for coordinating methods and drawing up the group's regulatory reports (SFCR/RSR and ORSA).

It manages the "Risk Management Key Function Holders Committee", an operating committee which brings together each month the Risk Management key function holders of the group's components and manages and coordinates the risk management systems.

Since 7 June 2018 this function has been held by Mrs Mathilde JUNG, Risk Management Director of Groupe VYV. It was previously carried out by Mrs Isabelle DRENO, Finance and Risks Director.

The main aim of **Groupe VYV's Compliance key function** is to protect the reputation and image of the company, ensure the continuity of its values, guarantee compliance by the company with changes in laws and regulations, and avoid the risk of legal, administrative or disciplinary penalties, in association with internal control and the Risk Management key function.

It manages and coordinates the systems for managing the risks of non-compliance by leading the Compliance Key Function Holders Committee, an operating committee which brings together the Compliance key function holders of the group's main components.

Since 2 October 2018 this function has been carried out by Mr David KRIST, Internal Control and Compliance Director of Groupe VYV. It was previously carried out by Mrs Isabelle DRENO, Finance and Risks Director.

Groupe VYV Actuarial key function ensures that technical risks are properly controlled. It has direct access to the resources and tools required to enable it to ensure compliance with the policies (underwriting, reserving and reinsurance), methods and procedures implemented by the components. It produces a group actuarial report including specific focuses for each of the components.



It leads the “Actuarial Key Function Holders Committee”, an operating committee which brings together the holders of the Actuarial Key Function of the non-affiliated combined entities as well as the technical departments of the affiliated entities. The aim of this committee is to manage and coordinate the missions of the Actuarial key function within the UMG and its components.

It is carried out by Mrs Sandrine CLEMENT, Groupe VYV Actuarial Director.

The Groupe VYV Internal Audit key function is responsible for periodic control as an independent, objective and autonomous player; it makes the group’s resources available to each Internal Audit key function holder appointed by the components.

It leads the Key Function Holders and Internal Audit Correspondents Committee, an operating committee responsible for coordinating the Internal Audit key function holders of the group’s components.

It is carried out by Mr Hervé LAURENT, Groupe VYV Internal Audit Director.

B.1.2 Remuneration policy and practice

B.1.2.1 General principles of the remuneration policy

Groupe VYV’s remuneration policy:

- Aims to attract, develop the loyalty, motivate and reward the contribution of employees to the development of Groupe VYV;
- Aims to promote the lasting commitment of employees;
- Does not encourage risks to be taken above the company’s risk tolerance limits;
- Guarantees consistent and fair treatment of employees (in particular gender equality).

Groupe VYV takes into account the general interest of Groupe VYV and market practices to determine employees’ salaries. The remuneration system consists of a fixed component, a possible variable component and various benefits (health, protection and employee savings contracts) structured in a balanced manner.

In the event of a variable component, it aims to reward individual and collective performance (e.g. profit-sharing). This possible variable component remains lower than the fixed component. Depending on the employee’s role, it is linked to achieving targets or may take the form of an exceptional bonus to reward an occasional contribution.

B.1.2.2 Salary of managers and members of the Board of Directors

The duties of directors of entities governed by the French mutual insurance code (*Code de la Mutualité*) are unpaid. Pursuant to Article L.114-6 of the French mutual insurance code, the General Assembly decided to allocate compensation to the Chairman of the Board of Directors or to directors who have been entrusted permanent responsibilities.

For the members of the Executive Committee, the variable component of their salary is designed in such a way that it is material but remains lower than the fixed component.

The salary of the managers and directors is examined by the remuneration committee.



B.1.2.3 Salary of holders of the key functions

For the holders of the key functions, the salary is similar to that of the other Groupe VYV employees. The variable component is not linked to the targets of the business lines whose operations they approve or check.

B.1.3 Material transactions with related parties

Creation of VYV Invest

VYV Invest is a simplified joint stock company (SAS) whose shareholders are the affiliated mutual insurance companies and the UMG Groupe VYV, and which was allocated capital of nearly €200 million at its constitutive general assembly on 13 November 2018. VYV Invest has already made it possible to pool the subsidiaries and holdings, in order to provide strategic and economic management of them at Group level.

Increase in the capital of Sphéria Vie

In 2018 Harmonie Mutuelle contributed a total of €20 million to the capital increase of Sphéria Vie.

B.2 Fit and proper requirements

B.2.1 Perimeter

Groupe VYV assesses the “fit and proper” nature of the people who exercise or will exercise the following positions within the group: directors (members of the Board of Directors), the effective managers (Chairman of the Board of Directors and the Chief Executive Officer) and the managers of key functions (Risk Management, Compliance, Actuarial and Internal Audit key functions).

Fit and proper requirements apply from the time of their appointment and throughout the performance of their duties, and are checked as such.

B.2.2 Policy and process to guarantee that key persons meet the fit and proper requirements

All of the guidelines for the checks to be carried out on managers, directors and managers of key functions to verify and certify that they are fit and proper are presented in a dedicated group fit and proper requirements policy. This policy is approved by the Board of Directors and updated each year.



B.2.2.1 Assessment of fitness

The analysis of fitness by Groupe VYV is mainly based on the curriculum vitae of the aforesaid persons, which is requested from each of them.

The principle of individual fitness applies to the effective managers and the managers of key functions for their area of responsibility. Furthermore, their fitness is assessed according to the following criteria:

- Knowledge and expertise which is assessed based on their training and diplomas (in particular in the fields of insurance, finance, actuarial profession, management etc.);
- Experience acquired in the course of previous duties (term of office, nature and complexity of the company etc.).

The fitness of the members of the Board of Directors is mainly assessed at collegial level, making sure that whenever there is a new appointment or reappointment, the Board of Directors collectively still meets the fitness requirements.

However, individual fitness is also assessed on an individual basis for directors who carry out specific missions (e.g. chairman of the audit committee).

B.2.2.2 Assessment of propriety

The propriety of a member of the Board of Directors is defined in accordance with the regulations according to their reputation and integrity.

Before they take up their duties, Groupe VYV ensures that they meet the propriety requirements by obtaining the following information:

- The person's identity (photocopy of valid proof of identity);
- Proof of lack of a criminal record, company director disqualification, administrative or disciplinary penalty from a supervisory or professional authority or suspension or expulsion from a professional organisation in France or abroad, and lack of proceedings in progress (declaration on honour of lack of a criminal record and no financial and/or disciplinary penalties; extract of Section 3 of the police record less than three months old).

In addition, for members of the effective management, an extract from police records is requested when they are appointed or their term of office is renewed. Similarly, the police records of employees responsible for key functions are checked every three years.

Finally, the people concerned by the fit and proper regulatory requirements must notify any potential conflict of interests before they take up their duties and throughout the time that they exercise their duties.



B.3 Risk management system including the own risk and solvency assessment

B.3.1 Description of the risk management system

B.3.1.1 Principles of the risk management system

The centralised risk management system of the UMG Groupe VYV and its components is part of an overall system based on three lines of defence. The roles and responsibilities of the players involved in these three lines of defence were defined based on the Solvency II Directive.



Figure 4 - Presentation of the three lines of defence

1st line of defence: operational functions

For the coordination of the UMG Groupe VYV and its components, the players responsible for controls for the first line of defence are the Operational Managers: they are responsible for the implementation of the risk assessment, monitoring and management systems within their area of authority. Their knowledge gives them a key role in identifying risks inherent in their business, maintaining the risk mapping and deploying the essential checks to control the operations. Within this context, they are responsible for organising continuous monitoring of the legality, security and validity of the operations that they carry out in the course of their activities, in particular by conducting internal audits and cross-checks.

2nd line of defence: risk management functions

The coordination of the 2nd line of defence involves in particular the Risk Management and Compliance key functions and the Internal Control manager. These are independent of the operational functions and are responsible for organising and coordinating the internal control system in their organisation in compliance with the Solvency II Directive and the framework principles specified by the UMG Groupe VYV. The same applies to the Actuarial key function which assesses the appropriateness of the procedures and checks put in place by the components with regard to technical aspects.



3rd line of defence: the Internal Audit function

The Internal Audit key function coordinates the 3rd line of defence of the UMG Groupe VYV risk management system. It is responsible for periodic control as an independent, objective and autonomous player. It pools all of the audit teams of the Groupe VYV components and makes available to each holder of the Internal Audit key function appointed in Groupe VYV's components the resources required to assess the effectiveness of the first two lines of defence.

B.3.1.2 Risk appetite framework

Regarding the level of results expected, reflected in a multi-annual scheme of operations, the risk management strategy ensures that Groupe VYV's risk profile is maintained at an acceptable level in view of the risk appetite framework set. This monitoring is carried out in connection with the own risk self-assessment.

Risk appetite refers to the level of aggregate risk that the group accepts. This represents the right balance between the targets for development and return, and the risks caused by the business of the group's components, to ensure they maintain their respective solvencies.

The risk appetite framework of the various components of the group is in line with the one set at group level. For the affiliated entities, it is defined to prevent any triggering of the group solidarity mechanism.

B.3.1.3 Own Risk Self-Assessment

The Own Risk Self-Assessment (commonly called ORSA) is a major process in the risk management system and an integral part of the group's management and decision-making process. It is controlled by the group's ORSA policy, approved by Groupe VYV's Board of Directors and updated annually. There is an operating committee for the own risk self-assessment, the ORSA Committee, made up of the Chief Executive Officer, several members of the General Executive Committee, the Risk Management key function holder and the Actuarial key function holder.

The own risk self-assessment is carried out regularly and its purpose is to:

- Make sure that the identification of risks to which the group is exposed is relevant;
- Assess the resistance of the group's solvency to stressed scenarios and define appropriate corrective action.

Identification and assessment of risks

Mapping of the group's risks makes it possible to identify, assess and rank the main risks and ensure that they are controlled.

Systematic perception of risks is carried out using two separate and complementary approaches:

- Top-down approach: this involves obtaining from the managers the risks that may limit or prevent the achievement of the strategic targets of the UMG Groupe VYV and its components, or damage their values;
- Bottom-up approach (or process approach): this aims to analyse the risks linked to the processes implemented within the UMG Groupe VYV and its components.



Two methods are used to assess the risks:

- A quantitative method: applicable for the risks specified in the Standard Formula (underwriting, market, operational and counterparty) as well as those not or poorly taken into account in the Standard Formula (spread risk for euro zone sovereign bonds);
- A qualitative method: at this level, a risk exposure assessment is carried out by analysing their probability of occurrence, potential cost and the effectiveness of the associated control measures.

Furthermore, mapping of major risks of the group's components enhances the mapping of major risks of the group for all risks deemed to be material according to the group scale or that may result in a risk of contagion at group level (e.g. reputational risk).

Assessment of resilience

The ORSA system aims to assess the UMG Groupe VYV's ability to continually cover, for the length of the business plan, its overall solvency requirement by its own funds, by conducting separate assessments. It makes it possible to check, in spite of the occurrence of shocks:

- Capital requirements are continuously met, showing Groupe VYV's ability to maintain a coverage rate of its solvency capital requirement of over 100%, throughout the projection horizon of its business plan;
- Compliance with the risk appetite framework.

If necessary, the ORSA system identifies the corrective action to be taken.

ORSA report

Each year, the work relating to the group ORSA is presented in a report submitted to the Board of Directors of the group for approval.

The first ORSA report based on the data for the period to 31 December 2017 was drawn up in the second half of 2018. It was presented to the Board of Directors and approved by it on 18 December 2018.

B.3.1.4 Risk management policies

Risk management policies are drawn up by the UMG Groupe VYV for each risk category. These policies are defined by the group's components and aim to detail the composition of the risk management system.

These policies make it possible to ensure:

- The identification of responsibilities for risk management;
- The consistency of the risk management system with the strategic targets and the risk appetite framework determined by the Board of Directors;
- The existence of alert mechanisms;
- The continuity of risk management and its integration in all of the operational tasks and decision-making processes;
- The coherence of the risk management system of Groupe VYV's components.



At 31 December 2018 there were 17 risk management policies in force which are revised annually. The framework principles stated in the group's risk management policies are defined by the group's components in their own written policies, within a maximum time limit of six months, under the responsibility of the effective managers of the entities.

All of the group's risk management policies in force have been approved by the Board of Directors.

B.3.1.5 Appropriateness of Groupe VYV's risk management system

Groupe VYV's risk management system is part of an overall framework involving various players and authorities, in accordance with the requirements of the Solvency II Directive.

The General Executive Committee has a cross-functional view and receives regular reports on all of the group's businesses. The group's Board of Directors also has an overall view and ensures that the strategy defined is implemented in each component. Finally, Groupe VYV's key functions provide overall coordination of the work carried out in the other components, in particular by the dedicated committees.

The risk management policies are subject to the approval of the Board of Directors and are intended to define an efficient risk management system by defining a proportionate framework for monitoring ex-ante and ex-post risks. These policies include procedures for informing and reporting to the Risk Management key function so that it has the information needed to monitor the risk profile and risk exposure. The articulation of the responsibilities of the UMG Groupe VYV and the components is specified in each of the written policies.

B.4 Internal control system

B.4.1 The internal control system

Internal control is a component of the risk management system responsible for identifying, assessing, controlling and managing operational risks.

The guidelines for the organisation of Groupe VYV's internal control system are specified in the UMG Groupe VYV internal control policy, transposed by the group's components.

This policy is approved by the Board of Directors and revised each year.

B.4.1.1 Aims of internal control

Internal control is a component of the risk management system and contributes to control of the businesses by appropriately taking into account the related operational risks.



B.4.1.2 Internal control system and process

The internal control system introduced by Groupe VYV is based on the following elements:

Control environment

A favourable control environment exists thanks to the strong commitment of the managers of Groupe VYV and its components to deploy and regularly monitor and assess the internal control system and allocate the resources required.

The aim is to establish a control culture and introduce practices that make it possible to have greater control of the operations.

As such, the internal control environment is based on:

- An organisation and internal rules that determine the responsibilities and powers granted to the effective managers, the employees and the elected representatives, which are essential to exercise governance and to control the operations;
- Expressing in the internal procedures principles such as the separation of duties;
- An ethical approach in conducting operations, guiding both the behaviour and the actions of employees, effective managers and the Boards of Directors of Groupe VYV and its components;
- An information system suited to the objectives of the components, designed to meet the group's current and future challenges.

Identification and assessment of risks

Risk identification and assessment is based on various tools including risk mapping. These tools are interdependent and complementary, and are essential for managing the internal control system and more generally the risk management system, insofar as they provide the framework for permanent control of the businesses.

Permanent control mechanisms

The control mechanisms are defined as the set of procedures and actions put in place to control risks and increase operational efficiency.

They are based on several systems:

- Control plan;
- Incident management;
- Action (or optimising) plans;
- Framework procedures.

Circulation of information

The internal control system depends on adequate circulation of information. The information must be relevant for the recipients. The information resulting from the internal control system is also used to produce the reports required by the regulations.



Management of the internal control system

All internal control systems require permanent coordination, and regular reviews of their operation to check that they are effective and appropriate for the specified objectives. At this level, it involves assessing and reporting on the strengths and weaknesses observed to the stakeholders (in particular to the Boards of Directors and the effective managers of Groupe VYV and of its components).

B.4.1.3 Roles and responsibilities

Internal control and risk management are two interdependent systems: internal control helps to achieve the targets set for the UMG Groupe VYV risk management policy by covering the operational risks. The same is true at the level of the group's components: the internal control missions include in particular:

- Identifying and classifying the operational risks inherent in the processes in place;
- Assessing these risks according to their probability of occurrence and the associated impact;
- Assessing the corresponding level of control and deducing the level of net exposure to these risks;
- Determining corrective action and drawing up improvement plans to optimise risk control and prevent any major incidents;
- Defining relevant management indicators, as well as the related monitoring and reporting methods.

B.4.1.4 Businesses carried out during the last financial year

In 2018 work was carried out by the internal control teams in each component of the group and coordination by the UMG Groupe VYV Internal Control and Compliance Department was introduced, resulting in the launch of a project to deploy a common internal control tool for the group's components.

In addition to organising an invitation to tender to select a suitable technical solution, the work involved drawing up a common methodology, from guidelines (processes and operational risks), to methods of listing and assessing operational risks, and operational risk management.

B.4.2 The Compliance key function

The Compliance key function aims to provide reasonable assurance of compliance with the standards applicable to the businesses of the group and its components, as well as regarding the level of control of the associated risks.

Groupe VYV's compliance policy provides all of the guidelines for organising management of the risk of non-compliance by the group, in accordance with the Solvency II Directive.

This policy is revised at least once a year, validated by the Board of Directors and transposed by the components within a time limit of six months.

The holders of the Compliance key function of the group's components meet once a month, in the Compliance Key Function Holders Committee.



B.4.2.1 Aims of the Compliance key function

The role of the Compliance key function is to ensure compliance with legal, statutory and administrative provisions, to protect the company's reputation and image, to coordinate all of the Compliance key functions of the group's entities and ensure compliance with internal standards.

It provides legal watch, consulting (prevention of the risk of non-compliance) and prevention activities and impact analysis of any new regulations.

Each year the Compliance key function draws up a compliance plan which it submits for approval to the Board of Directors, in line with the compliance policy. This plan lists and schedules for the year those fields and businesses that will be subject to a compliance audit. The Compliance key function has the resources and means required to carry out the missions and actions specified in this programme and the full collaboration of the people responsible for the fields and businesses audited.

B.4.2.2 Compliance key function system and process

Depending on the field, the Compliance key function carries out its mission:

- By direct management: compliance is managed by the Groupe VYV Internal Control and Compliance department in association with its counterparts in the components. This concerns:
 - Customer protection (including conflicts of interests, information and advice, unclaimed policies, claims, compliance of products and services);
 - Combating money laundering and the financing of terrorism;
 - Combating corruption;
 - Combating internal fraud (employees and agents).
- By co-management: compliance is managed by the Groupe VYV Internal Control and Compliance department in association with its Compliance counterparts in the components jointly with other functions. This concerns in particular:
 - Protection of personal data (including medical data): articulation with the Data Protection Officer (DPO), defined by the General Data Protection Regulation;
 - Code of ethics (including fit and proper requirements): articulation with the Human Resources Department, the Risk Management key function and the General Secretariat Department;
 - The responsibility of the managers (including delegations of powers and signatures): articulation with the General Secretariat Department;
 - Intermediation: articulation with the Group Legal Department;
 - Financial code of ethics (including access to the financial markets): articulation with the Finance-Accounting Department and the Subsidiaries and Holdings Department.

For other fields, compliance lies within the remit and expertise of other functions in the following fields: insurance law, labour law, social law, corporate social responsibility, competition law, accounting standards, taxation, business continuity, subcontracting (including delegations) and financial communications.



The Groupe VYV Internal Control and Compliance Department is nevertheless asked for assistance and/or associated by these functions:

- In the event of changes in the legislative/regulatory framework, in the impact analyses and corresponding action plans;
- In order to draw up/update internal standards for compliance;
- As an expert, for issues where this is necessary.

B.4.2.3 Roles and responsibilities

Management of the risk of non-compliance is entrusted to the Compliance key functions put in place within the group and its components.

As such, the organisation defined provides for the appointment of a holder of the group's Compliance key function who manages the risk of non-compliance by coordinating the associated systems, taking responsibility for regulatory intelligence for the group and its components, and relying on his counterparts in the components who have most of the resources required to work as closely as possible to the business lines.

The group's Compliance key function relies in particular on the work of the group's Legal Department relating to company law and law watch on behalf of all of the components. It also relies on its counterparts appointed within the components and their teams.

B.5 Internal Audit key function

B.5.1 Presentation of the Internal Audit key function

Internal audit is an independent and objective activity which provides the Board of Directors and the Operational Manager assurance of the quality and effectiveness of the internal control and risk management system, and the system of governance, thereby helping to protect the group's interests and reputation.

By convention, the term "internal audit" refers to all of the participants in the Groupe VYV Internal Audit Department and the holders of the Internal Audit key function of the components who contribute to the functioning of Groupe VYV's overall internal audit system.



B.5.1.1 Organisation

The group's Internal Audit Department has the following organisation:



Figure 5 - Organisation of the Groupe VYV Internal Audit Department

Furthermore, each holder of the Internal Audit key function of the group's components has a functional link to the holder of the Groupe VYV Internal Audit key function. In particular, the Internal Audit key function has cross-functional managerial dynamics thanks to the Internal Audit Key Function Holders and Correspondents Committee, an operating committee held monthly made up of the holders of the Internal Audit key function of the group's components.

B.5.1.2 Perimeter and responsibilities

All of the businesses, processes, systems and components of the group and of its agents, subcontractors and strategic suppliers, lie within the scope of internal audit, without reservations or exceptions.

Internal audit is responsible for:

- Proposing to the Board of Directors the internal audit strategy and policy and its implementation in all of the group's components;
- Defining and applying a common audit methodology (including conducting engagements and monitoring the recommendations made);
- Drawing up audit plans;
- Carrying out audit plans: the audit plan for the UMG Groupe VYV and audit plans for each of its components;
- Monitoring the recommendations of internal and external audits (statutory auditors, French banking and insurance authority (ACPR), etc.);
- Allocating skills, training requirements, and coordinating the training plans of the audit teams;
- Implementing an audit standard quality programme;
- Reporting to the Chief Executive Officer, the audit committee and the Board of Directors.



B.5.2 Operational deployment of internal audit

B.5.2.1 Group internal audit policy and internal audit charter

The basic principles governing the Internal Audit key function are set out in the following two reference documents:

- The internal audit policy, resulting from close collaboration and consultation with the components, approved by the Board of Directors and revised annually. It may be modified during the year under the same conditions.
- The group internal audit charter, approved by the Board of Directors and revised annually.

These documents are intended in particular to indicate and identify the participants and contacts for the audit activities, and the practical and technical details of these activities.

B.5.2.2 Groupe VYV audit plan

Each Groupe VYV component draws up its audit plan according to the guidelines and principles decided on in the internal audit policy and the group internal audit charter and according to the methodology defined in the group quality manual listing all of the internal audit procedures and processes.

It is subject to the approval of the Chief Executive Officer and the audit committee before being approved by the Board of Directors of the component. It is then notified to the component's executive committee.

The group's audit plan is drawn up by the group's Internal Audit key function holder by consolidating the audit plan engagements of the group's various components and the audit plan of the UMG Groupe VYV.

It is subject to the approval of the Chief Executive Officer and the Groupe VYV audit committee before being approved by the Board of Directors of the group. It is then notified to the executive committee of each component.

The audit plan includes the titles of the missions and the projected schedules for implementing them. Missions that are not specified in the plan can be carried out by the group Internal Audit Department at the request of the group's Chief Executive Officer, in particular following specific incidents or on the proposal of the Groupe VYV audit committee.

B.5.2.3 Internal audit activities

Internal audit carries out the following activities:

- UMG Groupe VYV audit plan, approved by the group's Board of Directors;
- The missions included in the annual audit plan of each of the components, approved by their respective authorities: the components decide to outsource the implementation of their audit plan to the group;
- The financial audits specified in the articles of association and the affiliation agreement, in coordination with the group Risk Management Department if necessary.



B.5.3 Independence and objectivity of the Internal Audit key function

B.5.3.1 Independence of the Internal Audit key function

Group Internal Audit Director

The group Internal Audit Director reports hierarchically to the group General Secretariat Director who is a member of the executive committee of the group, and functionally to the Chairman of the group audit committee.

As holder of the group Internal Audit key function, he gives an account of his activities to the Chief Executive Officer (Operational Manager), the audit committee and the Board of Directors of Groupe VYV.

He does not carry out any other duties within the group and therefore carries out his work with complete independence.

Managers of the Internal Audit key function of the group's components

The managers of the Internal Audit key function of the components subject to the Solvency II Directive report hierarchically either to a member of the General Management, or to the Operational Manager of their entity, and functionally to the Chairman of the audit committee of their entity.

As managers of the Internal Audit key function, they give an account of their activities to the Chief Executive Officer, the audit committee and the Board of Directors of the entity that they belong to.

They do not carry out any duties within the group that are incompatible with their internal audit activity, and carry out all of their work independently.

B.5.3.2 Objectivity of the Internal Audit key function

The members of the group internal audit team show the highest level of professional objectivity when collecting, assessing and passing on information relating to the business or process audited. They assess all of the relevant elements fairly and do not allow their judgement to be influenced by their own interests or by others. To avoid any conflict of interest, they must not audit work units that they were involved in during the previous 12 months.

They must not take part in activities or establish relationships that may compromise or risk compromising the impartial nature of their judgement. They must not accept anything that might put them in a situation that is inappropriate for the exercise of their work.

They must reveal any physical facts that they are aware of and which, if they were not revealed, would falsify the report on the businesses audited.



B.6 Actuarial key function

B.6.1 Aims of the Actuarial key function

Groupe VYV Actuarial key function contributes to the second line of defence of the group risk management system. Its missions mainly focus on the following themes:

- Coordinating the calculation of technical provisions under prudential standards, and assessing the appropriateness of the methods and assumptions applied and whether the data used is appropriate, accurate and complete;
- Giving an opinion on underwriting, in particular concerning the assumptions and methods used for pricing, the sufficiency of the premiums to be earned, and the risk monitoring carried out;
- Giving an opinion on the reinsurance framework, in particular concerning the appropriateness of the reinsurance programme for the risk appetite framework, the choice of reinsurers, the credit quality of reinsurers, and the calculation of reinsurance recoverables;
- Contributing to the deployment and continuous improvement of the risk management system in association with the Risk Management and Compliance key functions.

Furthermore, the group Actuarial key function ensures that the analyses carried out in Groupe VYV's components are consistent.

All of the work carried out by the Actuarial key function and its conclusions are presented in an annual report to the effective managers and the Board of Directors, and made available to the French banking and insurance authority (ACPR).

B.6.2 Organisation and committee procedure of the Actuarial key function.

Organisation and reporting line

The group Actuarial key function carries out its work in the "Actuarial Key Function" division under the responsibility of the group Actuarial Director.

The group Actuarial Director reports hierarchically to the Finance and Risks Director, who is a member of the Groupe VYV general executive committee.



Committee procedure

The Actuarial Key Function has its own committee, the Actuarial Key Function Committee. This committee is organised at group level and is made up of the holder of the Actuarial key function of the group and the affiliates, his counterparts in the related and controlled insurance entities¹¹ and the technical departments of the affiliated components.

Its missions are:

- Leading the Actuarial key function within the group and its components;
- Ensuring compliance with the regulations;
- Sharing results with all of the technical departments of the components;
- Coordinating and aligning the methods of reserving within the group;
- Monitoring the main recommendations and the associated action plans;
- Discussing revisions to the reserving, underwriting, reinsurance and data quality policies.

It is also the role of the committee to define the group's guidelines and notify alerts to the effective managers concerning the reserving, underwriting, reinsurance and data quality policies.

The Actuarial key function also takes part in the following committees:

- The group key functions committee;
- The Finance and Risk executive committee;
- The group ORSA committee;
- The major accounts and collective bargaining committee.

B.6.3 Operational deployment of the Actuarial Function

The group Actuarial key function has defined a certain number of guidelines presented in the group reserving, underwriting, reinsurance and data quality policies. In addition, it ensures that the components' reserving, underwriting and reinsurance policies are in line with the guidelines defined in Groupe VYV's policies.

In the framework of the reserving, underwriting and reinsurance processes, the Actuarial key function makes sure that practices are standardised in particular by informing the components of the guidelines.

The review activities of the Groupe VYV Actuarial key function are based on the work carried out by the holders of the components' Actuarial key function. The coordination and compliance of the reviews with the reserving, underwriting and reinsurance practices are reinforced by the fact that the holder of the group Actuarial key function is also responsible for the Actuarial key function of the affiliated components.

¹¹ At the end of December 2018, the Group Actuarial key function and the Actuarial key functions of the affiliated entities were held by the same person.



B.7 Outsourcing

B.7.1 General framework

Groupe VYV outsourcing policy falls within Groupe VYV's general framework for risk management. It presents the guidelines for organising the outsourcing management system of Groupe VYV and its components, in order to cover all of the risks related to outsourcing to which the group and its components are exposed. It complies with the requirements of the Solvency II Directive.

Studies have been conducted by the UMG Groupe VYV and its components. They are co-managed by the group Legal Department and the group Internal Control and Compliance Department, and are intended to provide a shared review of the practices in place, and to identify and formalise the common principles (and if necessary their methods of application) for the legal framework and operational implementation of outsourcing within the group. The annual review of the outsourcing policy at the start of 2020 will include the conclusions of the studies carried out in 2019.

B.7.2 Outsourcing management system

The system for outsourcing businesses is presented in the outsourcing policy. This sets out in particular the rules regarding initialization of outsourcing, selecting the service provider, contractualisation, and reporting to the UMG Groupe VYV.

For important or critical activities, outsourcing is used in particular for the purposes of quality of service provided (business or technological skills), synergies and/or cost control. In this context, the businesses outsourced in 2018 mainly concerned:

- IT services (including use by the group of the specialised organisations of Harmonie Mutuelle and MGEN based in France);
- Asset management with the subcontractors concerned, including EGAMO, a subsidiary of Groupe VYV based in France.
- Management of contracts (covering all or part of the process concerned, depending on the case, from premiums to benefits), for the group's components (Groupe MGEN, MNT) or companies outside Groupe VYV which are mainly French.

B.8 Any other information

Groupe VYV does not have any other information to be notified to the reader.



C. Risk profile

At 31 December 2018, the specific risk profile of Groupe VYV includes:

- Risks taken into account in the Standard Formula¹², exposure to which is measured using the various solvency capital requirement (SCR) modules.
- The risks that are not assessed by the Standard Formula (strategic risks, reputational risk etc.), exposure to which is assessed by analyses carried out at the level of the group and its components.

Part C - Risk Profile, summarises Groupe VYV's risk profile in its introduction. Each section analyses a risk to which the group is exposed, and presents the system for controlling and monitoring the corresponding risk.

Summary of Groupe VYV's risk profile

Groupe VYV's insurance business exposes it to several different kinds of risk factors. The distribution of Groupe VYV's risks at 31 December 2018 according to the groups and quantifications specified by the Standard Formula (health underwriting risk, market risk etc.) is shown below:

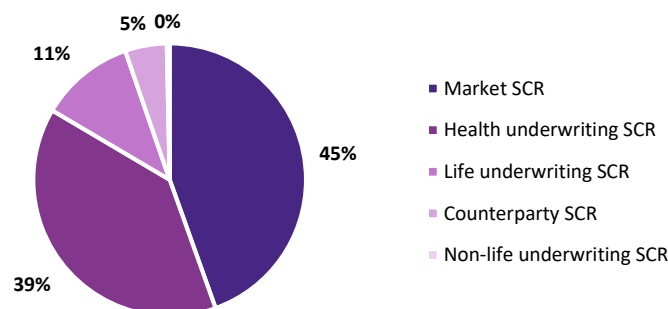


Figure 6 - Breakdown of the basic solvency capital requirement per risk module before diversification of Groupe VYV at 31 December 2018

The Market SCR and Health Underwriting SCR represent over almost 84% of the basic solvency capital requirement (BSCR) before the diversification effect:

- The market SCR represents the risk relating to investments made representing obligations to insured persons or the own funds of the components of Groupe VYV and the UMG Groupe VYV;
- The Health Underwriting SCR is characteristic of the group's business based on coverage of individual and collective health and protection risks.

¹² The Standard Formula specifies the methods, assumptions and parameters provided for by the Solvency II Directive to calculate the capital requirements. The Standard Formula applies by default to all insurance organisations.



C.1 Underwriting risk

The underwriting risk is defined by the regulations as the risk of loss or an adverse change in the value of the insurance obligations due to inadequate pricing and reserving assumptions. At the level of the UMG Groupe VYV, the underwriting risk is defined as the risk incurred by a risk bearer insuring policies for legal entities or natural persons.

C.1.1 Exposure to underwriting risk

C.1.1.1 Business and nature of the underwriting risks

Groupe VYV offers various types of coverage for different business sectors via the positioning of its components. Earned premiums had the following breakdown at 31 December 2018¹³:

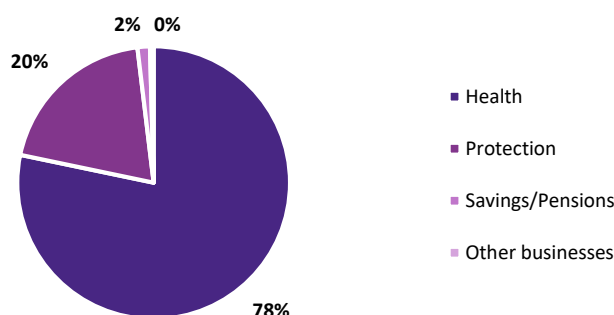


Figure 7 - Breakdown of Groupe VYV earned premiums (gross of reinsurance) by business at 31 December 2018

All of these premiums and the assessment of the risks insured lead to a risk of financial loss both for the valuation of reserving and for the valuation of premiums.

On this account, the “100% Santé” (comprehensive health insurance) reform was introduced in 2019 and is progressively being deployed, with a range of offerings increasingly higher reimbursement levels, up to full reimbursement (i.e. without co-payment) by 2021 for eyewear, dental costs and hearing aids.

These three items currently represent almost half of the premiums from supplementary insurance policies for collective health contracts. This reform will therefore:

- Have significant impacts on the balance of the health portfolios;
- Lead to backfitting costs, in particular for upgrades to the information systems;
- Lead to the standardization of health offerings, together with a potentially unfavourable impact on subscriptions.

¹³ It should be noted that Chorum and SMACL Assurances joined the UMG Groupe VYV from 1 January 2019: the arrival of SMACL Assurances therefore introduced the PCI business into Groupe VYV from that date.



An estimate of the potential impact of the “100% Santé” reform was carried out by each of the components. Different possibilities are under study to find levers for limiting its impact.

C.1.1.2 Pricing risk

Description of the risk

The pricing risk corresponds to the risk that the current price proves inappropriate, resulting in a technical imbalance due to underpricing (premiums collected insufficient to cover the claims, expenses and extreme events). It may also be caused by regulatory changes.

Risk management system

All Groupe VYV’s components have an annual price review process. This systematic process makes it possible to identify any imbalances and reduce them by offering new rates or by limiting coverage the following year. It therefore makes it possible to adapt the prices to the number of claims in the portfolio, while taking competitors’ prices into account in order to remain competitive.

The Actuarial key function contributes:

- To risk control (ex-ante management): by ensuring good pricing practice for the coverage marketed. Furthermore, any significant changes in underwriting must first be approved by the Actuarial key function, if necessary with the support of the Risk Management key function.
- To risk monitoring (ex-post management): by coordinating at group level the components’ pricing and underwriting risk control and monitoring systems. These systems make it possible to monitor the portfolios in order to identify any deviance and adapt the models accordingly.

Management of the pricing risk is governed by a dedicated risk management policy i.e. the underwriting policy.

C.1.1.3 Reserving risk

Description of the risk

Reserving risk is the risk of loss or an unfavourable variation in the value of the insurance or reinsurance obligations, resulting from inadequate reserving assumptions. It may correspond to a poor estimate of the final charge (e.g. increase in the risk to long-term risks such as disability) but also to a poor estimate of the provision run-off for claims that have arisen within a period in line with the risk maturity.

Risk management system

In the framework of the reserving system, as far as possible given the nature of the risks, Groupe VYV ensures that the methods to be used within its components are standardised, by giving its components guidelines on reserving.

The Actuarial key function ensures that the methods and assumptions applied are appropriate, and that the data used are appropriate, accurate and complete. The group’s reserving policy defines in particular the methods of informing and obtaining the approval of changes in method from the Actuarial key function in connection with ex-ante reserving risk management.



Furthermore, in connection with ex-post reserving risk management, the Actuarial key function analyses the variations in provisioning from year to year and conducts a review of the reserving methods and assumptions applied.

C.1.1.4 Risk of an increase in the number of claims

Description of the risk

The risk of an increase in the number of claims is linked to changes in the behaviour and/or characteristics of the insured population that are unfavourable to the insurance company. This risk leads to a technical imbalance if there is no change in price, in particular if pricing is based on age at the time of underwriting.

For Groupe VYV, the risk linked to an increase in the number of claims concerns long-term risks, i.e. retirement, disability and dependency. This risk results in an increase in incidence (of disability and dependency) and/or an increase in longevity.

Risk management system

Appropriate monitoring of the risk linked to an increase in the number of claims is carried out in the components: it was therefore possible to detect increases in the number of claims in the past. The components have several levers to control or mitigate this risk, i.e.:

- The possibility for most of Groupe VYV's components to include price review clauses in the policies making it possible to increase the prices in the event of a high number of claims;
- The existence of equalisation provisions that make it possible to spread the impact on the technical result.

The risk of an increase in the number of claims is monitored by the group's components via the underwriting and reserving risk management system. It is also monitored by regular analysis of the margins achieved and the change in the claims/premiums ratios for each product, as well as by statistical surveys, for example of the impact or ageing of portfolios.

C.1.2 Underwriting risk mitigation mechanisms

The UMG Groupe VYV's underwriting risk is mitigated by means of techniques implemented by each of its components. In particular:

- The implementation of processes for monitoring underwriting, pricing and reserving risks described in the underwriting and reserving policies;
- The signing of reinsurance treaties for its components, to help to mitigate the group's exposure to underwriting risk.

At 31 December 2018, the impact of the group's reinsurance system can be assessed via indicators, i.e. the earned premiums and best estimates (corresponding to the assessment under the Solvency II Directive of future cash flows linked to insurance obligations):

- Groupe VYV cedes about 7% of its business and therefore retains a large proportion of its risk;
- The implementation of reinsurance treaties makes it possible to reduce the best estimate by 12%.



C.1.3 Concentration associated with underwriting risk

The core business of Groupe VYV is health, representing 78% of earned premiums in 2018. The group therefore presents a risk of concentration in that business, which is nevertheless reduced by the diversity of the insured populations (interprofessional, civil servant, individual, collective) and comprehensive coverage throughout France.

As regards the best estimate, at 31 December 2018 the breakdown of the underwriting risk between Groupe VYV's different types of business was as follows:

	<i>In €m</i>	Best Estimate net of reinsurance	Proportion
Health		602.8	7%
Protection		4,058.5	47%
Savings/Pensions		4,023.4	46%
Other businesses		9.4	0%
Total		8,694.1	100%

Table 5 - Breakdown of Groupe VYV's Best Estimate net of reinsurance by type of business at 31 December 2018

The proportion of the Health business is markedly lower for the best estimate (7%) than for the earned premiums (78%). This is due to the fact that Health is a short-term risk (the premiums cover the claims to be paid for the year) unlike the Protection (in particular for permanent coverage) and Savings/Pensions businesses.

C.1.4 Results and sensitivity analyses

Sensitivity analyses are carried out for the underwriting risk, in view of the group's businesses and its importance in the risk profile. For example, in 2018 the underwriting risk was concerned by a specific case in connection with the conducting of the ORSA. This case study forecast an increase in the number of claims (increase of up to 5% in the claims/premiums ratio) during the first three years of the study.

Groupe VYV's business is inherently sensitive, with regard to its income and solvency ratio, to the number of claims that it faces. However, its level of own funds remains satisfactory even after a shock, and enables it to meet its regulatory requirements without difficulty.



C.2 Market risk

Market risk is defined as the risk of loss or an unfavourable change in the financial situation, resulting directly or indirectly from fluctuations in the level and volatility of the realisable value of assets, liabilities and financial instruments.

C.2.1 Total exposure and nature of the risks

In view of its business, the group's asset portfolio is made up of:

- Bonds, including both sovereign bonds and corporate bonds;
- Investment funds of various legal forms (UCITS, real estate investment funds (OPCI) etc.) and types (money market funds, diversified funds etc.);
- Company equities (listed and unlisted);
- Property, plant and equipment (mainly for own use);
- Structured notes;
- Collateralised securities
- Loans, mortgage loans and loans on policies;
- Deposits and cash.

At 31 December 2018 Groupe VYV's investment portfolio after macro-look through of the investment funds had the following breakdown¹⁴:

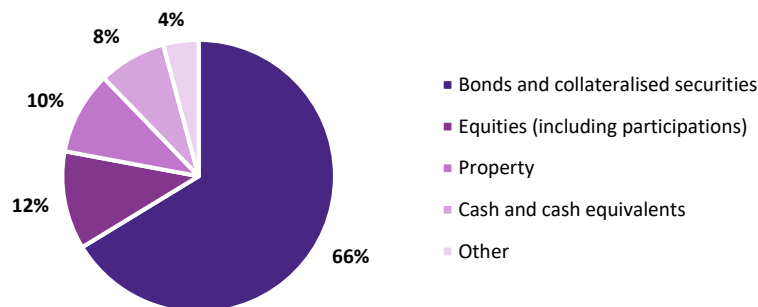


Figure 8 - Breakdown of Groupe VYV's asset portfolio after macro-look through approach at 31 December 2018 according to the realisable value of the investments

At the end of December 2018, interest rate products (bonds and bond funds) represented 66% of Groupe VYV's portfolio, diversified securities (equities, property and other investment vehicles) represented 26%, and cash represented 8%.

¹⁴ The category "Other" in Figure 8 includes diversified funds not subject to look-through, alternative investment funds, infrastructure funds and structured financial products.



Due to the nature of these investments and the business of the group’s components, market risk mainly concerns equity risk, spread risk and property risk, the three of which together account for almost 93% of the Market SCR as shown below:

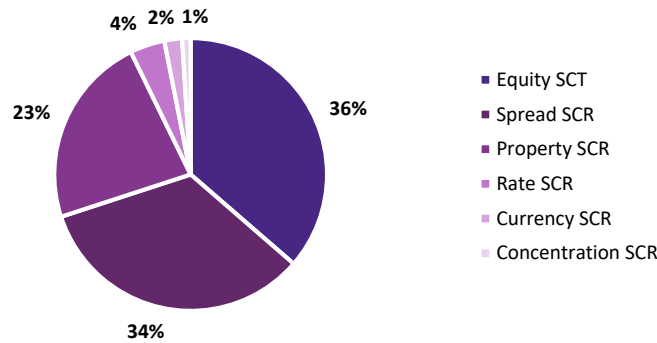


Figure 9 - Composition of the Market SCR (before absorption by the technical provisions) before diversification at 31 December 2018

C.2.2 Market risk control and monitoring system

Groupe VYV endeavours to monitor and control market risk by implementing an investment risk management system. This system is described in the investment and ALM risk management policy, indicates the general principles and minimum levels required regarding financial risk management and where appropriate the information thresholds.

This policy is specified by the UMG Groupe VYV and then defined by the group’s components.

The investment risk management system ensures compliance with the prudent person principle pursuant to the Solvency II Directive and meets the following aims:

- Ensure the security of the capital structure of the components and of the UMG Groupe VYV;
- Ensure the profitability of the assets;
- Ensure the liquidity of the asset portfolios of Groupe VYV and its components;
- Assess the quality of the investments in view of the components’ obligations;
- Create a portfolio that can withstand the volatility of the different asset classes;
- Meet the risk appetite constraints of each component and of the UMG Groupe VYV as defined in the risk management policy.



To monitor the market risk, the UMG Groupe VYV draws up weekly reports on the group's consolidated investments. Furthermore, the investment and ALM risk management policy establishes guidelines for:

- Defining management indicators to be used in the UMG Groupe VYV's quarterly reports to the risk committee and the finance committee;
- Deploying information thresholds in the components for informing the UMG Groupe VYV. These thresholds differ depending on the aim: ex-ante thresholds in order to manage the investment rules for choosing new securities in terms of credit quality, concentration, liquidity etc., or ex-post thresholds to ensure risk control and monitoring of the current portfolio.

Groupe VYV's components currently delegate the management of some of their assets to numerous agents, the most significant of which are EGAMO and OFI AM.

C.2.3 Equity risk

C.2.3.1 Description of the risk and exposure

Equity risk is due to the sensitivity of the value of the assets, liabilities and financial instruments to changes in the level or volatility of the realisable value of the equities. It results in a decline in the return on assets and capital losses in the event of sale. These assets may generate higher returns, but lead to a higher risk of volatility than other asset classes.

Groupe VYV's exposure to equity risk (equities held directly, equity-based UCITS, participations etc.) is mainly incurred via investment funds: only 24% of equities are held directly.

C.2.3.2 Risk control elements

The selection and management of market risks are the operational responsibility of the group's components as well as, if applicable, the management companies that provide permanent control on a day-to-day basis, within the limits defined by the management mandates. In particular, they adjust their gross exposure according to market conditions and must ensure that the portfolio is diversified.

Moreover, the creation of VYV Invest on 13 November 2018 has made it possible to pool the subsidiaries and holdings, to provide strategic management of them at group level.

C.2.3.3 Risk monitoring elements

Market risks are monitored via weekly reports drawn up at group level which make it possible in particular to monitor the impact of variations in the equity market on the realisable value of Groupe VYV's investments. Special attention is given to the top five securities that have outperformed and underperformed in order to determine the size of the extreme variations.

In addition, the update to the investment and ALM risk management policy in 2018 helps to reinforce risk control by introducing thresholds for the components to inform the UMG Groupe VYV in particular for the share of listed equities and the share of unlisted equities.



These information thresholds must enable Groupe VYV to remain within the limits of its risk appetite by controlling the volatility and liquidity risks that these securities represent.

Quantitative assessments of this type of risk are conducted by carrying out stress tests and assessment of the Equity SCR.

C.2.4 Property risk

C.2.4.1 Description of the risk and exposure

Property risk results in a drop in the realisable value of property-type assets, leading to a decline in the return on assets and capital losses in the event of sale.

Investment property accounts for 77% of Groupe VYV's exposure to property risk, while own use property account for 23%. This asset class offers good visibility over future revenues, enables a diversification effect since it is not correlated to other asset classes and is less volatile.

C.2.4.2 Risk control elements

The group's investment and ALM risk management policy makes it possible to monitor the property risk by making it necessary to inform the UMG Groupe VYV before a component buys any real property whose value (including work) exceeds a concentration threshold set by the group. Similarly, any investment in property outside France must be declared to the group beforehand.

C.2.4.3 Risk monitoring elements

Several indicators make it possible to monitor property risk at group level, and in particular:

- Property SCR;
- Variation in the appraised value of the property (special attention is given in the event of a significant loss in value);
- Conducting stress and sensitivity tests while carrying out the ORSA.



C.2.5 Interest rate risk

C.2.5.1 Description of the risk and exposure

Interest rate risk is the risk of a change in the value of the portfolio following a rise or fall in interest rates. This risk is inherent in all players in the insurance world given the high proportion of bond assets held.

The risk of a fall in rates mainly concerns the risk that the rate of return of the insurance company's future investments will be lower than the rate of return of the assets in the portfolio, leading progressively to a decline in the financial result.

The risk of a rise in the rates corresponds to the risk of a drop in the realisable value of bond investments. This risk occurs when the decrease in the assets following a rise in rates is bigger than the decrease in liabilities, and therefore when the asset maturity is longer, which is generally the case when liabilities are short-term.

Depending on the nature of the commitments made, the interest rate risk may have more specific characteristics:

- For Savings, the risk of a rise in rates may be combined with a liquidity risk, i.e. the risk of having to sell assets at a loss to cover the cost of surrenders, in particular its insured persons wish to benefit from new and more favourable market conditions;
- For Protection, a decline in the rates leads to an increase in the level of provisions with an adverse impact on earnings in view of the methods of calculating the regulatory technical rate.

The bond portfolio, made up of bonds held directly and the bond component resulting from look through of funds, represents 66% of the asset portfolio in terms of realisable value, and as such Groupe VYV is mainly exposed to increases in rates. Matching of assets and liabilities, in particular for components of the group that represent a long-term risk, makes it possible to keep the interest rate risk at a low level compared with the other market risks.

C.2.5.2 Risk control elements

At group level, the investment and ALM risk management policy defines an information threshold for differences in duration between assets and liabilities for components with long-term liabilities where matching issues have the biggest impact.

C.2.5.3 Risk monitoring elements

Control and monitoring of the interest rate risk are, like all market risks, the responsibility of the group's components.

At group level, several indicators make it possible to monitor interest rate risk, and in particular:

- Rate SCR;
- Analysis of the number of bonds held directly (breakdown by residual par value and duration);
- Impact of the variation in interest rates on bonds thanks to weekly reporting on investments;
- Sensitivities identified in the course of the ORSA in the level of the risk-free interest rate term structure.



C.2.6 Currency risk

C.2.6.1 Description of the risk and exposure

Currency risk is linked to fluctuations in the level or volatility of exchange rates between the currencies of the assets and liabilities.

No direct investments are made in assets that are not denominated in euros. Groupe VYV is only exposed to currency risk via investment funds, within the limit of the management mandates: currency risk is therefore immaterial at group level.

C.2.6.2 Risk control elements

The investment and ALM risk management policy at group level governs the exposure to currency risk and specifies that the group must be informed before any direct exposure to currency risk.

C.2.6.3 Risk monitoring elements

Foreign exchange risk is monitored at group level by several indicators, including in particular:

- Foreign exchange rates;
- Proportion of foreign-currency denominated assets.

C.2.7 Concentration risk

C.2.7.1 Description of the risk and exposure

Concentration risk results either from a lack of diversification of the asset portfolio, or from significant exposure to the risk of default by a single issuer of securities or a group of related issuers (for example due to similar businesses).

At 31 December 2018, Groupe VYV listed a concentration risk for a single issuer. The concentration risk remains moderate compared to the other market risks.

C.2.7.2 Risk control elements

Concentration risk is monitored by analysing the dispersion of the asset portfolio, giving special attention to the concentration of the biggest issuers.



C.2.7.3 Risk monitoring elements

Concentration risk is monitored quarterly at group level and is presented at the investments committee. The following elements are analysed in particular:

- Breakdown by asset category;
- Breakdown of investments by asset class;
- Breakdown by business sector;
- Monitoring of the six biggest sources of exposure per business sector;
- Exposure to the main euro-zone sovereign bonds in the portfolio.

C.2.8 Results and sensitivity analysis

The various reports drawn up enable Groupe VYV to regularly monitor changes in the various components of the market risk. Furthermore, and in view of the importance of market risk in the group's risk profile, two specific scenarios were studied in the course of the 2018 ORSA:

- An initial scenario where the context of low rates persists over time, resulting in a low return on investments regardless of their maturity;
- A second scenario in which a sudden increase in spreads of sovereign bonds and corporate bonds is combined with a sudden drop in equity and property markets.

In both of these scenarios, Groupe VYV continues to meet its regulatory requirements and retains a satisfactory level of own funds throughout the planning horizon of its business. Market risk is nevertheless one of the major risks that the group may face.

C.3 Credit risk

Credit risk is defined by the regulations as the risk of loss or an adverse change in the financial situation, resulting from fluctuations affecting the credit quality of issuers of securities, counterparties or any debtors, that represent a counterparty risk to the insurance and reinsurance companies.

This risk is linked to the solvency of the issuer of securities, as well as the perception of this solvency by the financial markets. Credit risk has two components:

- The risk of widening of spreads which leads to a drop in the realisable value of bonds (following impairment or illiquidity). Unlike interest rate risk, the risk of a widening of spreads does not necessarily lead to a general fall in value of the bond portfolio, but only of certain bonds according to the quality of the issuer. Spread risk concerns both private sector and sovereign bond issues;
- Counterparty risk results in default by an issuer.



C.3.1 Risk of widening of spreads

C.3.1.1 Risk exposure

The group's exposure to the risk of widening of spreads is significant given the high proportion of interest rate products in the asset portfolio, the large share of corporate bonds in the bond portfolio, and the economic context of low rates.

The following graphs show the main characteristics of the bond assets held directly by Groupe VYV:

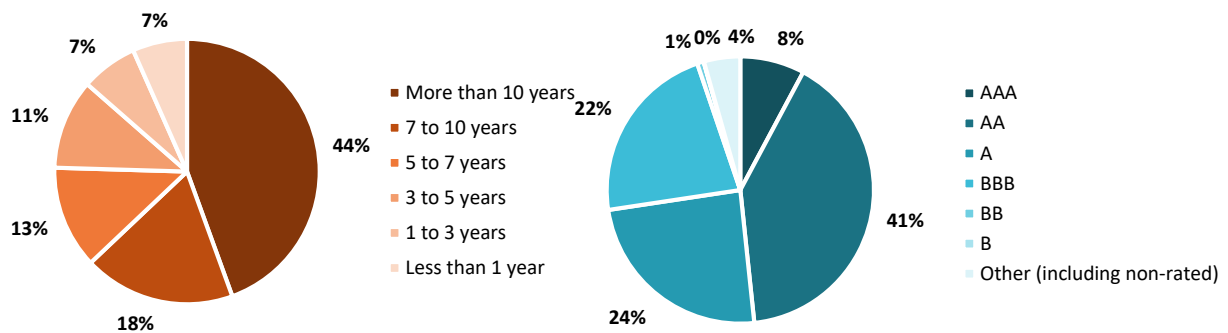


Figure 10 - Breakdown of the bonds held directly by Groupe VYV by rating and maturity, in realisable value at 31 December 2018

It should be noted that although the Standard Formula does provide for a capital requirement linked to exposure to sovereign bonds in the European Union, the spread risk on sovereign bonds is regulated in the Groupe VYV investment and ALM risk management policy and regularly monitored.

C.3.1.2 Risk control elements

Control data enable each of the group's components to reduce or manage credit risk.

At group level, the group investment risk management policy enables monitoring by introducing information thresholds (expressed as a percentage of the realisable value and/or of the duration) of the speculative bond assets. Any holding or investment above these thresholds must be notified to the UMG's Finance and Risk Department and a possible risk reduction plan must be discussed. Thresholds are also specified for the unrated debt, structured and collateralised investments and complex debt securities issued by banks.

C.3.1.3 Risk monitoring elements

Spread risk is monitored quarterly by the Investments Committee, in particular by monitoring the ratings of the portfolio holdings via the dashboards. The Spread SCR is also assessed when calculating Groupe VYV's capital requirements.

Furthermore, the spread risk is forecast via stress tests for the widening of spreads for corporate bonds and sovereign bonds to assess the group's resilience to such crises.



C.3.2 Counterparty default risk

C.3.2.1 Exposure to counterparty default risk

Counterparty default risk corresponds to all forms of exposure involving a potential loss sufficiently large to threaten the group's solvency or financial condition. They are divided into:

- So-called "type 1" exposure linked to reinsurance cessions and cash at banks;
- So-called "type 2" exposure linked to receivables from policy holders, deposits with cedant companies, and all credit risks not covered by spread risk and that are not type 1.

Type 2 exposure represents almost 82% of the counterparty default risk as quantified by the Standard Formula and mainly corresponds to receivables from intermediaries due for more than three months.

C.3.2.2 Counterparty default risk control elements

The implementation of reinsurance treaties with the components is managed by the UMG Groupe VYV which recommends monitoring the system, in particular regarding:

- Choice of the type of reinsurance;
- Selection and choice of reinsurers;
- Clauses of the reinsurance treaties (or agreement).

Groupe VYV presents its counterparty default risk mitigation measures in its reinsurance policy, which is defined for each of the group's components. In particular, it specifies use of systems to reduce exposure to counterparty default risk, such as collateral or deposits representing the obligations ceded.

C.3.2.3 Counterparty default risk monitoring elements

The implementation of reinsurance programmes is indissociable from a system for controlling and monitoring counterparty default risk within each of the group's components, which includes in particular:

- Monitoring of reinsurers' ratings and the exposure of the reinsurance obligations by each reinsurer in connection with external reinsurance;
- Sufficient level of cover of the treaties and their pertinence (except commercial reinsurance);
- Introduction of dashboards;
- Monitoring of the amounts of collateral/deposits.

At the same time, Groupe VYV makes sure that the existing systems are standardised and reinforced within its components, by disseminating reinsurance guidelines.

C.3.3 Results and sensitivity analysis

In order to quantify the impact of an increase in the likelihood of default by the reinsurers and depositaries of the group's components, Groupe VYV has assessed the impact of a one-level increase in the likelihood of default on its solvency capital requirement.



Such an increase has a very moderate impact (less than 1%) on Groupe VYV's solvency capital requirement at 31 December 2017.

C.4 Liquidity risk

C.4.1 Description of the risk and exposure

For the components, liquidity risk is the risk that they will be unable to realise their investments and other assets in order to meet their financial obligations when they fall due.

Exposure to liquidity risk depends greatly on the type of liabilities and associated insurance businesses:

- **Savings:** Savings appears to be the business that is the most exposed to liquidity risk. This is due to the surrender option offered by most savings products in euro funds that allows early surrender by insured persons, regardless of the reason.
- **Pensions:** these are contracts held on a long-term basis that are mostly not redeemable. Furthermore, since the duration of the liabilities is generally longer than that of the assets, these businesses are more exposed to a reinvestment risk than a liquidity risk.
- **Health:** the duration of the liabilities for Health is shorter than that of the assets, and therefore this business is more exposed to a liquidity risk than to a reinvestment risk. On the other hand, premiums constitute recurrent cash flows.
- **Protection and other businesses:** the corresponding products are mainly made up of contracts without a surrender value.

The following table provides a summary of the exposure to liquidity risk:

	Savings	Pensions	Health	Protection and other businesses
Exposure to liquidity risk	+++	+	+	+

Tableau 6 - Summary of Groupe VYV's exposure to liquidity risk by business

C.4.2 Risk control elements

The method of liquidity risk management is given special attention in the group's components: in particular, this risk is one of the criteria for selecting investments.

At group level, the information thresholds introduced in the investment and ALM risk management policy take into account the liquidity level of the different types of investments.



Furthermore, at 31 December 2018 Groupe VYV had:

- Cash;
- Transferable deposits: these are deposits that can be exchanged for cash on request and used directly to make payments without penalties or restrictions. They are therefore as liquid as cash.

Furthermore, apart from real property and holdings, Groupe VYV's investments are liquid on the whole. Indeed, an analysis was carried out at the level of Groupe VYV of the bonds held directly, to check the liquidity of these securities by means of various indicators: the use of discounts provided by the European Central Bank and analysis of "high quality liquid assets"¹⁵ in the portfolio.

C.4.3 Risk monitoring elements

Liquidity risk is monitored by the group's components via:

- Monitoring of cash inflows and outflows;
- Assessment of short and medium-term liquidity requirements;
- Monitoring of the amount of liquid assets.

C.4.4 Expected Profits Included in Future Premiums

At 31 December 2018, the total amount of expected profits included in future premiums, calculated pursuant to Article 260 paragraph 2 of the Delegated Regulation, was €218m. The main methods and assumptions are presented in Section D.2 of this report.

C.5 Operational risk

Operational risk is defined by the regulations as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

As such, operational risk also includes the risk of non-compliance: this risk is defined as the risk of judicial or administrative penalties, significant financial loss or harm to reputation due to failure by the insurance company to comply with legal, statutory or contractual provisions, as well as professional or ethical standards and instructions or guidelines from the company.

Operational risks are assessed by the UMG Groupe VYV quantitatively using the Standard Formula. As such, the UMG Groupe VYV's Operational SCR amounted to 9% of the BSCR at 31 December 2018.

They are also assessed qualitatively and included in the mapping of major risks for those likely to have a significant impact on the group's business.

¹⁵ High Quality Liquid Assets (HQLA) are defined by the Basel III banking regulations and help to quantify a bank's short-term resistance to liquidity risk.



The following main operational risks were identified:

- Risks linked to security;
- Risks linked to business continuity;
- Risks linked to the control of outsourced businesses;
- Risks linked to distribution.

The risk management system introduced for operational risks is described in the internal control, operational risk management and compliance policies of the UMG Groupe VYV.

In particular, this system aims to identify, assess and control all of the risks to which Groupe VYV and its components are exposed. In this regard, Groupe VYV aims to define the methodological framework (quantitative and qualitative approaches) applied by its components, in order to guarantee the coherence of the listings and assessments carried out within the group.

Furthermore, the internal control, compliance and internal audit systems help to control the operational risks.

C.5.1 Risks linked to information systems security

Insurance companies, like other companies, are forced to adapt to changes linked to new technologies and their operational implications (digitalisation, dematerialisation of processes etc.). However, these changes lead to risks, such as cybercrime.

For instance, a cyber-attack on one of the UMG Groupe VYV's information systems could result in:

- Disclosure of sensitive and personal data regarding the insured persons (e.g. bank details, medical data);
- Damage to the image of the group and its components due to the contagion effect;
- Loss of confidence by the insured persons, resulting in a decline in revenue and income;
- Possible judicial, administrative and/or disciplinary sanctions (French banking and insurance authority (ACPR), French Data Protection Authority - CNIL).

Processes and ad hoc studies are carried out regarding information systems security within the group's components, the purpose being to ensure the overall coherence of the system in place and coordinate, if necessary, any action plans.



C.5.2 Risks linked to business continuity

The Business Continuity Plan (BCP) is defined (by the decree CRBF 2004-02) as “all of the measures aimed at ensuring, in various crisis scenarios, including during extreme shocks, maintenance, if necessary temporarily in fail-safe mode, of services that are essential for the company, and then the planned business recovery”.

It covers the total or partial unavailability of:

- The information system required to carry out critical activities;
- The premises housing the services responsible for the critical activities;
- The staff carrying out the critical activities.

In connection with its organisation of operational risk management within the group, the UMG Groupe VYV provides for a shared review of the systems in place, and coordination of the resulting action plans.

C.5.3 Risks linked to outsourced businesses

Special attention is given to outsourced businesses since any mismanagement could have operational and financial as well as reputational impacts if it leads to a deterioration in the services for subscribers. Consequently, outsourcing of critical businesses may expose the UMG Groupe VYV to:

- Loss of knowledge and skills in-house, and ultimately loss of mastery of the outsourced businesses;
- Dependence on external subcontractors, in particular if they have a dominant position;
- Deterioration in the quality of service or service less suited to changes in subscribers’ requirements;
- Lack of operational risk control by the subcontractor;
- Risk of non-compliance with the laws and regulations in force.

In response to these risks, the group has drawn up and disseminated a dedicated policy setting out guidelines for organising the subcontracting management systems of the UMG Groupe VYV and its components, to cover all of the resulting risks that the group may be exposed to.

This policy deals in particular with the initialization of outsourcing, the methods of selecting the service provider, the methods of contractualisation and monitoring of the outsourced service. Each component is responsible for its outsourced businesses and ensures that it does not compromise the quality of the company’s system of governance or harm the continuous provision of a satisfactory level of service for subscribers.

It is the aim of the UMG Groupe VYV to ensure the coherence of the systems in place with regard to the policy in force and the quality of the monitoring, by its components, of the businesses they have decided to outsource.

C.5.4 Risks linked to the distribution of insurance products

This risk inherent in the insurance product design and/or marketing businesses mainly comprises a risk of non-compliance, which has become more acute since the autumn of 2018 with the entry into force of the Insurance Distribution Directive. This concerns in particular:

- The existence of a suitable product governance process (new offerings or significant changes to existing offerings);
- The competence and good repute of the people involved in distributing the products proposed;



- The information provided prior to concluding the contract;
- The relevance of the advice provided regarding a given product (or contract), as well as the methods of monitoring throughout the business relationship;
- Prevention of conflicts of interests due both to the design and marketing of the commercial offerings (including the methods of payment of the people concerned).

The UMG Groupe VYV identifies and if necessary coordinates the compliance measures required within its components.

In this regard, customer protection is identified as a major area for study for the group's Compliance function, coordinated by the Group Internal Control and Compliance Department (under the responsibility of its Key Function holder). This department acts in close collaboration with the other departments concerned, the most important of which is the Group Legal Department.

C.6 Other material risks

Other material risks of Groupe VYV were identified and centralised in the mapping of major risks.

This mapping was carried out at the level of the UMG Groupe VYV. It does not replace the mapping of major risks of the group's components, but supplements it, in particular by identifying risks of concentration and contagion at group level. The mapping of major risks is updated every year in the course of the ORSA and presented to the Board of Directors.

These major risks were obtained from Groupe VYV's managers using a top-down approach, and were identified as those that may limit or prevent the group from achieving its strategic targets. They are divided into different types of risks:

- Strategic risks, for example risk linked to the failure of a major partnership;
- Environmental risks, including the risk of inappropriateness to new technologies;
- Risks linked to the other businesses of Groupe VYV*, such as the risk relating to the economic model for healthcare and related services offerings.

A risk owner is designated for each of the major risks, to list the risk control measures and if necessary to organise risk control. Changes in the risk and monitoring of the associated plans are carried out by the Risk Management key function.

C.7 Any other information

Groupe VYV does not have any other information to be notified to the reader.

* Groupe VYV in the widest sense, i.e. the combination perimeter which includes: the prudential perimeter (i.e. the Insurance business), the Healthcare and related services business and the other businesses



D. Valuation for Solvency Purposes

For year-end closing at 31 December 2018, Groupe VYV is subject to two regulations:

- French accounting standards, as established by the French accounting standards authority (ANC), used to draw up financial statements;
- Prudential standards, defined by the Solvency II Directive, that help to assess the group's solvency.

Part D - Business and Performance, presents the methods of valuation of the various items that make up the Solvency II balance sheet and indicate the main differences in method between the French standards and prudential standards.

At 31 December 2018, Groupe VYV uses the data, assumptions and valuations of its components for the financial year to 31 December 2018 to draw up its combined prudential balance sheet¹⁶.

The items presented below show the items reported in QRT S.02.01.01, the non-consolidated financial statements corresponding here to the sum of the individual balance sheets of the entities in the prudential perimeter after eliminating intra-group adjustments and before combination adjustments.

D.1 Assets

D.1.1 Main items

At 31 December 2018, the total assets of Groupe VYV amounted to €19,309m under prudential standards, and to €17,574m under French standards. The difference between the two valuations is mainly due to:

- The recognition of investments at realisable value;
- The inclusion of the economic value of the obligations ceded, the deferred taxes and the reclassification of earned but unwritten premiums in the best estimates on the balance sheet;
- The reclassification of some assets (in particular accrued interest).

At the end of 2018, investments represented almost 79% of the total assets of Groupe VYV under prudential standards (i.e. €15,248m). They mainly concerned bonds amounting to €8,785m, and investment funds (UCITS and units in property investment partnerships - SCI) for a total of €5,697m.

¹⁶ For the affiliated mutual insurance company Mutuelle Mare-Gaillard, the data, assumptions and valuations used are those of the financial year to 31 December 2017. This methodological choice by the UMG Groupe VYV had no material impact on the group's prudential balance sheet (Mutuelle Mare-Gaillard's total Solvency II balance sheet assets were less than 0.2% of Groupe VYV's total Solvency II balance sheet assets at 31 December 2017).



D.1.2 Breakdown of the main items

D.1.2.1 Intangible assets

At 31 December 2018, Groupe VYV recognised intangible assets amounting to €1m in its prudential balance sheet.

This amount shows a difference of €38m compared with the valuation under French standards:

	In €m	Solvency II	French standards	Difference (amount)	Difference (%)
Intangible assets		1.0	39.0	-38.0	-97.5%

Table 7 - Intangible assets of Groupe VYV at 31 December 2018

The intangible assets of Groupe VYV mainly comprise software packages. They also include leasehold rights, advertising films, rights of way etc.

These fixed assets are recognised in the accounts under French standards at their acquisition or production cost and amortised or written down according to the specific method for each asset.

The Solvency II Directive requires intangible assets to be valued at zero unless it can be proved that a valuation exists for that asset or a similar asset carried out in accordance with a regulatory valuation method. If there is no active market, the value of the software packages and other intangible assets is deemed to be nil under prudential standards. Only the leasehold rights were retained in the prudential balance sheet, for the same amount as that valued under French standards.

D.1.2.2 Deferred tax assets

At 31 December 2018, Groupe VYV had deferred tax assets of €176m in its prudential balance sheet:

	In €m	Solvency II	French standards	Difference (amount)	Difference (%)
Deferred tax assets		175.7	0.0	175.7	-

Table 8 - Deferred tax assets of Groupe VYV at 31 December 2018

Deferred tax assets are amounts of income tax that are recoverable in future periods relating to deductible or taxable temporary differences as well as carry-forwards of unused tax credits.

Two main types of deferred taxes were recognised:

- Deferred taxes corresponding to the difference between the tax value and the prudential balance sheet value of investments, technical provisions and intangible assets;
- Deferred taxes corresponding to temporary tax differences on “subscribers” provisions and retirement benefits.

At 31 December 2018 Groupe VYV used a deferred tax rate equal to 25%: this rate corresponds to the longest recoverability period and therefore makes the calculation prudent. Since most of the deferred tax assets (over 80%) were linked to the prudent value of the technical provisions valued according to prudential standards, the group has not carried out studies of the recoverability of these taxes. Any deferred tax assets linked to loss carry forwards (€20.4m) will be recovered within 5 years.



D.1.2.3 Property, plant & equipment held for own use

At the end of 2018, the amount of property, plant and equipment held by Groupe VYV according to prudential standards amounted to €371m:

	<i>In €m</i>	Solvency II	French standards	Difference (amount)	Difference (%)
Property, plant and equipment held for own use		371.1	252.8	118.3	46.8%

Table 9 - Property, plant and equipment held for own use of Groupe VYV at 31 December 2018

The property, plant and equipment of Groupe VYV mainly comprise buildings and land.

Under prudential standards, the valuation of the property investments is based on a property appraisal carried out by an independent expert, and therefore Groupe VYV's land and buildings were valued by an expert approved by the French banking and insurance authority (ACPR).

Under French standards, property, plant and equipment held for own use are recognised at their acquisition cost. The acquisition cost, increased by the cost of improvement work, is then depreciated over a fixed period based on the nature of the components, the expected rate of renewal and the technical service life.

D.1.2.4 Investments

At the end of December 2018, Groupe VYV had investments worth €15,248m under prudential standards, compared with €13,463m under French standards:

	<i>In €m</i>	Solvency II	French standards	Difference (amount)	Difference (%)
Property (other than held for own use)		41.9	12.0	29.9	248.4%
Holdings in related undertakings, including participations		438.5	392.6	46.0	11.7%
Equities		142.0	106.8	35.2	33.0%
Bonds		8,784.7	7,742.1	1,042.6	13.5%
Collective investment undertakings		5,696.9	5,065.2	631.7	12.5%
Derivatives		0.0	0.0	0.0	-
Deposits other than cash equivalents		143.6	143.8	-0.3	-0.2%
Other investments		0.0	0.0	0.0	-
Total investments		15,247.6	13,462.5	1,785.1	13.3%

Tableau 10 - Investments of Groupe VYV at 31 December 2018

At 31 December 2018, the difference between the two standards for each item was due to the following elements:

Property

Property comprises investments in land and buildings and is valued under prudential standards at its economic value based on appraised property values. At the end of 2018, property had a higher value under prudential standards than that recorded in the non-consolidated financial statements, at €42m.



Participations

The value of the participations was €393m under French standards compared with €439m under prudential standards.

Under French standards, the value of participations corresponds to the net book value, i.e. the cost price less any provisions.

Under prudential standards, the method of valuing participations depends on whether there is a listing on an active market, and on the business of the underlying company:

- By default, participations are valued using a listed price on an active market;
- Participations in unlisted insurance companies are valued at the share of Solvency II own funds held in the company;
- Participations in non-insurance companies that are not listed on an active market are valued based on the share of the prudent value of the surplus of assets over liabilities and after eliminating the goodwill and intangible assets.

It should be specified that the valuation of VYV Invest was carried out using the look-through approach which involves valuing at zero the goodwill linked to intra-group transfers of assets.

Equities

Groupe VYV's investments in equities amounted to €142m under prudential standards compared with €107m under French standards. "Equities" comprise:

- Shares in companies in which it directly holds less than 10% of the capital;
- Property investment partnership (SCI) securities.

In spite of a decline in 2018 in the equity markets, the realisable value (under prudential standards) of investments in equities is still higher than the book value (under French standards) which generated unrealised capital gains at 31 December 2018.

Bonds

Under French standards, bonds are valued at their net book value for a total of €7,742m.

Under prudential standards, the value of the bonds i.e. €8,785m corresponds to the realisable value indicated by management companies and Bloomberg. The realisable values used include interest accrued but not due.

They represent more than half of Groupe VYV's investment portfolio (58% in realisable value).

Investment funds

Investment funds correspond to UCITS, private equity funds¹⁷ and units in real estate investment trusts (SCPI).

At 31 December 2018, Groupe VYV recognised €5,697m in respect of investment funds in its prudential balance sheet, and €5,065m in its non-consolidated balance sheet. They represent 37% of Groupe VYV's investment portfolio in realisable value.

¹⁷ Investment funds that invest in unlisted companies



Under French standards, the investment funds are valued at their net book value.

The prudential value applied for investment funds corresponds to the realisable value on the closing date.

D.1.2.5 Technical provisions ceded

At the end of 2018, the technical provisions ceded by Groupe VYV amounted in the prudential balance sheet to €1,190m compared with €1,495m in its balance sheet under French standards:

	<i>In €m</i>	Solvency II	French standards	Difference (amount)	Difference (%)
Technical provisions ceded		1,190.1	1,494.9	-304.8	-20.4%

Table 11 - Technical provisions ceded by Groupe VYV at 31 December 2018

The technical provisions ceded by Groupe VYV are calculated at the level of its components and consolidated by Solvency II line of business at group level. For each standard, they correspond to the sum of the technical provisions ceded by the components, adjusted for internal reinsurance transactions (intra-group transactions).

D.1.2.6 Loans and receivables

At 31 December 2018, Groupe VYV had loans and receivables totalling €2,064m in its prudential balance sheet:

	<i>In €m</i>	Solvency II	French standards	Difference (amount)	Difference (%)
Assets held for index-linked and unit-linked contracts		34.7	34.7	0.0	0.0%
Loans and mortgages		43.4	43.3	0.1	0.2%
Deposits to cedants		605.5	605.5	0.0	0.0%
Insurance and intermediaries' receivables		826.0	826.0	0.0	0.0%
Reinsurance receivables		19.3	19.4	-0.1	-0.5%
Receivables (trade, not insurance)		534.8	534.6	0.2	0.0%
Total loans and receivables		2,063.8	2,063.6	0.2	0.0%

Table 12 - Loans and receivables of Groupe VYV at 31 December 2018

Under prudential standards, the realisable value of loans is calculated using a discounted cash flow method.

The economic value of the receivables, applied under prudential standards, is very similar to the value entered in the non-consolidated financial statements for the following reasons:

- Reinsurance receivables mainly concern the Health business (short-term risk);
- There is no discount effect;
- Insurance and non-insurance receivables already include provisions calculated based on age.



D.1.2.7 Other assets

Other assets totalling €260m at the end of December 2018 under prudential standards, mainly comprise Groupe VYV's cash:

	<i>In €m</i>	Solvency II	French standards	Difference (amount)	Difference (%)
Other assets		259.8	261.6	-1.8	-0.7%

Table 13 - Other assets of Groupe VYV at 31 December 2018

D.2 Technical provisions

D.2.1 Value of technical provisions

Technical provisions are reserves made by Groupe VYV to meet its insurance obligations made to its insured persons in connection with the cover underwritten.

Under prudential standards, the total amount of technical provisions booked by Groupe VYV corresponds to the sum of two amounts:

- A better estimate of the technical provisions, more commonly known as the “Best Estimate”;
- A technical provision risk margin, referred to below as the “Risk margin”.

Under French standards, the level of technical provisions calculated includes a prudential margin.



At 31 December 2018, Groupe VYV's technical provisions amounted to €10,639m under prudential standards compared with €10,422m under French standards:

	In €m	Solvency II	French standards	Difference (amount)	Difference (%)
Technical provisions — non-life		2,591.9	2,496.6	95.3	3.8%
Technical provisions – non-life (excluding health)		15.4	13.0	2.4	18,1%
Best Estimate	12.7				
Risk margin	2.6				
Technical provisions - health (similar to non-life)		2,576.6	2,483.6	93.0	3,7%
Best Estimate	2,141.2				
Risk margin	435.4				
Technical provisions — life (excluding index-linked and unit-linked)		8,010.9	7,889.9	120.9	1.5%
Technical provisions - health (similar to life)		2,915.8	2,939.5	-23.7	-0,8%
Best Estimate	2,786.5				
Risk margin	129.4				
Technical provisions – life (excluding health and index-linked and unit-linked)		5,095.0	4,950.4	144.6	2,9%
Best Estimate	4,908.4				
Risk margin	186.6				
Technical provisions — index-linked and unit-linked		36.6	35.5	1.1	3.2%
Best Estimate	35.5				
Risk margin	1.1				
Total technical provisions (gross of reinsurance)		10,639.4	10,422.0	217.4	2.1%

Table 14 - Technical provisions (gross of reinsurance) of Groupe VYV at 31 December 2018

The technical provisions of €10,639m under prudential standards include recoverables under the various reinsurance contracts in force totalling €1,190m (which represents 11% of the technical provisions under prudential standards).

D.2.2 Valuation methods applied

D.2.2.1 Best Estimate

Best estimates of the technical provisions are the probable current value of future cash flows linked to insurance obligations on the inventory date.

The best estimates gross of reinsurance of Groupe VYV are calculated for each Homogeneous Risk Group at the level of the components and then consolidated at group level by line of business. Each one corresponds to the sum of the best estimates gross of reinsurance of the components for which all of the internal (intra-group) reinsurance transactions are restated.

Groupe VYV's best estimates net of reinsurance are consolidated by Solvency II line of business at group level and correspond, for each Solvency II line of business, to the sum of the components' best estimates net of reinsurance.



Methodology

The best estimate valuation methods and assumptions applied by each of Groupe VYV's components are described in their own Solvency II reports. They are however based on the following common principles:

- The data used for the best estimate calculations are based on contracts that are binding on the insurance company on the valuation date;
- The projected cash flows take into account all cash inflows and outflows required to meet the insurance and reinsurance obligations for the duration of these obligations;
- The cash flows are projected until the end of the obligations and are discounted at the risk-free rate, based on the term structure indicated by EIOPA¹⁸;
- Some of Groupe VYV's components have used an adjustment and/or a transitional measure to calculate the best estimate, in accordance with the methods specified in the Solvency II Directive.

For the Solvency lines of business linked to Health similar to life or to Non-Life, the calculations are made separately for the best estimate of claims (linked to losses that have already occurred, regardless of whether they have been declared) and the best estimate of premiums (linked to future claims covered by the insurance obligations falling within the limits of the contracts).

Best estimates of premiums are calculated based on a forecast of claims, expenses and future premiums taking into account the limits of the contract. Best estimates of claims are calculated using statistical methods aimed at extrapolating the run-off of claims in progress. For Health similar to life, the estimates are made using case-by-case modelling, based on the probability that the condition will remain the same, and where appropriate, change to another condition.

For Life obligations, the best estimates are calculated based on mortality tables or the average current value of the weighted cash flow according to the likelihood of various economic and financial scenarios.

For all of the businesses, the reinsurance technical provisions ceded are calculated taking into account in the cash flow to be recovered an adjustment intended to cover any default by the reinsurer.

Review of the methods by the group

In connection with the performance of his mandate, the Actuarial key function holder makes sure that the methodologies applied by the Group's components to calculate their best estimates are suited to the risks, comply with regulatory requirements and are in line with the guidelines presented in Groupe VYV's reserving policy.

Measures relating to long-term guarantees and transitional measures

At 31 December 2018, Mutex was the only component of the group to use a measure relating to long-term guarantees and/or a transitional measure to calculate its technical provisions:

- The volatility adjustment specified in Article 77d of the Solvency II Directive;
- For the perimeter including Savings, the transitional deduction from the technical provisions specified in Article 308d of the Delegated Regulation.

¹⁸ The European Insurance and Occupational Pensions Authority (EIOPA) is a European supervisory authority created to ensure the stability and efficiency of the financial system, particularly in the insurance sector.



Application of these transitional measures has an impact at group level, on its technical provisions, its solvency capital requirement (SCR), its basic own funds and its eligible own funds to cover the SCR. The following table summarises all of these impacts:

	<i>In €m</i>	Without volatility adjustment	Without transitional deduction
Technical provisions		96.5	474.7
Basic own funds		(71.6)	(352.1)
Eligible own funds to cover the SCR		(71.6)	(352.1)
SCR		42.2	0.0

Table 15 - Impact of the measures relating to long-term guarantees and transitional measures used by Groupe VYV at 31 December 2018

D.2.2.2 Risk margin

The risk margin ensures that the value of the technical provisions is equivalent to the amount that the insurance and reinsurance undertakings would be expected to require in order to take over and meet the insurance and reinsurance obligations.

In accordance with prudential standards and in line with the consolidation method applied by the group, Groupe VYV's risk margin is calculated by adding up the components' risk margins for each Solvency II business line (Life/Health similar to life/Health similar to non-life/Non-life).

The simplification methods authorised by the regulations and used to assess the risk margin differ between the group's components, in particular according to their distinctive features and their ability to demonstrate the criteria to be met for the use of the different methods. Each component explains the methods it has chosen in its own Solvency II report.

D.2.3 Valuation differences between French standards and prudential standards

The following table presents the amounts of Groupe VYV's technical provisions net of reinsurance at 31 December 2018, for each Solvency II line of business and according to the different standards:

<i>In €m</i>	Prudential standards			French standards
	Best estimate	Risk margin	Solvency II total	
Technical provisions — non-life	10.4	2.6	13.0	8.3
Technical provisions — health (similar to non-life)	1,697.1	435.4	2,132.4	1,998.9
Technical provisions — health (similar to life)	2,198.7	129.4	2,328.1	2,113.4
Technical provisions – life (excluding health and index-linked and unit-linked)	4,752.5	186.6	4,939.1	4,771.0
Technical provisions – index-linked and unit-linked	35.5	1.1	36.6	35.5
Total technical provisions (net of reinsurance)	8,694.1	755.2	9,449.3	8,927.1

Table 16 - Technical provisions (net of reinsurance) by line of business of Groupe VYV at 31 December 2018



The differences between the amounts of the technical provisions under French standards and prudential standards, summarised in the following table, are due to:

- Elimination of the prudential margin included in the technical provisions under French standards combined with the discounting of future cash flows (forbidden under French standards except for mathematical provisions) at the risk-free rate (impact of -€233m);
- Addition of the risk margin, an additional prudential margin specified by the Solvency II Directive (impact of +€755m).

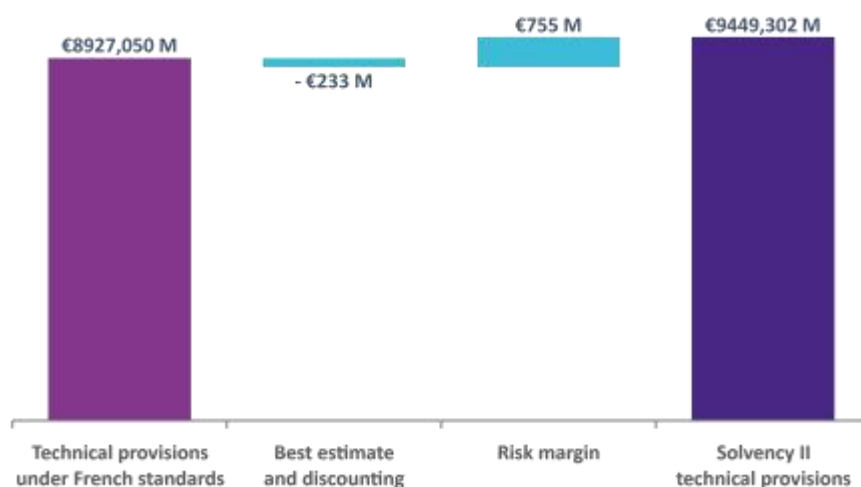


Figure 11 - Analysis of change in technical provisions (net of reinsurance) of Groupe VYV at 31 December 2018

D.2.4 Level of uncertainty linked to the amount of the technical provisions

Apart from the uncertainties inherent in estimating the technical provisions and in the underlying methodologies, other factors of uncertainty are mainly linked to changes in case law that may lead to an increase in the cost and/or frequency of claims.

D.3 Other liabilities

D.3.1 Deferred tax liabilities

Unlike French standards, the prudential standards require deferred tax liabilities to be recognised. At 31 December 2018 Groupe VYV's deferred tax liabilities amounted to €384m as shown below:

	In €m	Solvency II	French standards	Difference (amount)	Difference (%)
Deferred tax liabilities		384.5	0.0	384.5	-

Table 17 - Deferred tax liabilities of Groupe VYV at 31 December 2018



Deferred tax liabilities correspond to future taxes for which the group will be liable when it realises the unrealised capital gains recognised in the balance sheet. They are mainly due to:

- The difference between the tax value of the investments and their value in the prudential balance sheet;
- The difference between the tax value of the technical provisions and their value in the prudential balance sheet.

At 31 December 2018 Groupe VYV used a deferred tax rate equal to 25%: this rate corresponds to the longest recoverability period and therefore makes the calculation prudent. Most of the deferred tax liabilities are due to investments for which the realisable value is higher than the tax value.

The deferred tax liabilities are reduced by the deferred tax assets on the prudential balance sheet.

D.3.2 Other liabilities

The following table shows the value of the other liabilities of Groupe VYV at 31 December 2018:

	<i>In €m</i>	Solvency II	French standards	Difference (amount)	Difference (%)
Other liabilities		2,385.2	2,454.2	-69.0	-2.8%

Table 18 - Other liabilities of Groupe VYV at 31 December 2018

Other liabilities mainly comprise:

- Miscellaneous debts for a total of €1,518m including €984m not linked to the insurance business;
- Deposits received from reinsurers totalling €735m;
- Pension obligations totalling €63m.

D.4 Alternative methods for valuation

The alternative valuation methods do not apply to Groupe VYV.

D.5 Any other information

Groupe VYV does not have any other information to be notified to the reader.



E. Capital management

Groupe VYV's capital is managed in a way that ensures that it always meets the solvency requirements of Groupe VYV and of each of its components.

Furthermore, Groupe VYV reinforced the solidarity links between its affiliated members on 1 January 2018. This change had a direct impact on its solvency ratio. At the end of 2017 the solvency ratio amounted to 110%. At 31 December 2018, with eligible own funds therefore of €3,920m (of which over 99% are classified as Tier 1), for a capital requirement of €2,447m, the solvency ratio now amounts to 160%.

In accordance with the Solvency II Directive, only own funds that can be mobilised under the solidarity mechanism for affiliates are deemed to be eligible to cover the capital requirement for the purpose of the solvency ratio. However, Groupe VYV has greater financial strength. For instance, taking into account all of the group's own funds, i.e. €5,520m, Groupe VYV has more than twice its capital requirement and had a ratio, called the "aggregated ratio" of 226% at 31 December 2018.

Finally, on 28 January 2019 the rating agency Fitch awarded the rating "A+ Outlook Stable" to Groupe VYV's main operating entities (Harmonie Mutuelle, MGEFI, MGEN, MNT and Mutex), thereby confirming the Group's financial strength.

Part E - Capital management presents in detail Groupe VYV's own funds and capital requirement, as well as other compulsory regulatory elements.

At 31 December 2018, Groupe VYV uses the data, assumptions and valuations for the financial year to 31 December 2018 of its components to calculate its solvency capital requirement and its own funds¹⁹.

E.1 Own funds

E.1.1 Own funds' management

The main aims and procedures for managing own funds are stipulated in the capital management policy implemented by Groupe VYV and approved by its Board of Directors.

Since Groupe VYV is a mutual insurer, it has no shareholders to pay. As such, the profits generated directly increase its own funds and contribute to the development of its business, for the benefit of its subscribers.

¹⁹ For the affiliated mutual insurance company Mutuelle Mare-Gaillard, the data, assumptions and valuations used are those of the financial year to 31 December 2017. This methodological choice by the UMG Groupe VYV had no material impact on the group's solvency ratio (Mutuelle Mare-Gaillard's SCR was less than 0.2% of Groupe VYV's SCR at 31 December 2017).



E.1.1.1 Governance

Groupe VYV's capital management system includes several authorities and committees, listed below:

- Groupe VYV's Board of Directors determines the strategic orientations and organises a favourable environment for effective risk management. It therefore has ultimate responsibility for the implementation and effectiveness of the capital management system.
- The Groupe VYV risk committee examines at least once a year the long-term requirements for own funds and their quality for Groupe VYV and all of the insurance organisations that make it up.
- The general executive committee of Groupe VYV implements the strategy and coordinates the group's functions, both regarding Groupe VYV's exercise of a dominant, strategic and prudential influence, and for the management of the group structure itself.

The capital management policy is reviewed annually and approved by the Board of Directors of the UMG Groupe VYV. It is also presented to the Boards of Directors of the components so that they can define it for their own entity.

E.1.1.2 Management of requirements for own funds

Management of Groupe VYV's own funds is based on the following principles:

- The capital management system must meet the targets for the solvency capital requirement coverage ratio defined by the components and Groupe VYV, in line with the risk appetite, the risk management policy and the ORSA policy;
- The own funds eligible to cover the SCR of the components are determined in accordance with the categories defined by the regulations and the associated quantitative limits;
- The own funds eligible to cover Groupe VYV's SCR are determined taking into account the availability of own funds of the entities and the financial solidarity mechanism;
- The estimate of the requirements for own funds must be carried out in line with the forecasts made in the course of the ORSA.

Furthermore, Groupe VYV's aim is to promote strong and lasting financial relations between the different entities. In particular it makes it possible to introduce a financial solidarity mechanism that will be triggered if an affiliate has an SCR coverage ratio of less than 110%.

In its capital management policy, Groupe VYV specifies that where appropriate priority should be given to the use of financial mechanisms that do not require the transfer of own funds (use of reinsurance, introduction of transfers of portfolios etc.).



E.1.2 Assessment of eligible own funds at group level

The eligible own funds to cover the SCR of Groupe VYV are determined using the following process:

- Consolidation of the own funds of components and calculation of the contributory SCRs;
- Application of fungibility and transferability constraints to each category of own funds, in connection with the financial solidarity mechanism;
- Restatement of minority interests using the method indicated in Guideline 14 of EIOPA²⁰ on calculating group solvency;
- Application, for each level of own funds, of the regulatory quantitative limits for eligibility of own funds.

E.1.3 Composition of own funds

The amount of regulatory own funds, i.e. the own funds eligible to cover the solvency capital requirement, amounted to €3,920m at 31 December 2018.

This amount can be broken down by distinguishing:

- Firstly, the valuation differences between French standards and prudential standards for the items of Groupe VYV's own funds;
- Secondly, application of the process described above for identifying the eligible own funds at group level to cover the solvency capital requirement.

The following table shows the composition of Groupe VYV's own funds at 31 December 2018 and compares them with the same items at 31 December 2017:

<i>In €m</i>		31 December 2018	31 December 2017
Own funds under French standards		4,698.2	4,589.5
<i>Differences between French and prudential standards</i>	Revaluation of financial investments	1,903.5	2,339.9
	Revaluation of technical provisions	(520.5)	(436.0)
	Cancellation of intangible assets and goodwill	(38.0)	(34.1)
	Impact of deferred tax	(208.8)	(303.6)
	Other impacts due to differences in the standards	65.5	(49.1)
Net assets of the Group under Solvency II standards		5,900.0	6,106.7
<i>Assessment of eligible own funds at group level</i>	Non-fungible and non-transferable items	(1,610.7)	(3,086.7)
	Restatement of non-available minority interests	(369.4)	(390.0)
	Own funds not eligible due to application of the quantitative limits	0.0	0.0
Eligible own funds of Groupe VYV under Solvency II standards		3,919.9	2,630.0

Table 19 - Difference between own funds under French standards and prudential standards

²⁰ The guidelines published by EIOPA are intended to define and standardise requirements for various themes. Guideline 14 (EIOPA-BoS-14/181 FR) concerns group solvency.



At 31 December 2018, the difference between the own funds under French standards and prudential standards is mainly due to differences in valuation, in particular regarding technical provisions, financial assets and the related tax impacts. Application of the process used to determine the eligible own funds at group level results in subtracting non-fungible items, as well as items that cannot be transferred to the group (such as deferred taxes) under the affiliation agreement between the affiliated mutual insurance companies and the UMG Groupe VYV.

It should be noted that with effect from 1 January 2018 Groupe VYV strengthened the financial solidarity links between its affiliates. This results in an increase in the level of contributions by its various affiliates that can be mobilised for the solidarity mechanism defined by the affiliation agreement, thereby favouring the security of its subscribers.

Almost all of the own funds eligible to cover Groupe VYV's solvency capital requirement are classified as Tier 1 unrestricted, which is the highest quality own funds according to the Solvency II Directive as shown in the following table:

In €m	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Eligible own funds to cover the solvency capital requirement	3,919.9	3,918.5	0.0	0.0	1.4
Eligible own funds to cover the minimum solvency capital requirement of the group on a consolidated basis	3,918.5	3,918.5	0.0	0.0	

Table 20 - Composition of the Solvency II own funds at 31 December 2018

E.1.4 Clauses and conditions attached to the own funds

No specific clauses are attached to Groupe VYV's own funds. In addition, none of the items of Groupe VYV's own funds are subject to a transitional measure.

E.2 Regulatory capital requirements

E.2.1 Methods of calculating regulatory requirements

Groupe VYV's solvency capital requirement (SCR) comprises:

- The diversified SCR (SCR_{div}), corresponding to the solvency capital requirement calculated based on consolidated data;
- The Non-Controlled Participations SCR (SCR_{NCP}) corresponding to the proportional share of the solvency capital requirement of all of the insurance or reinsurance entities combined according to the equity method.

Parnasse Garanties SA, in which MGEN has a 20% share, is the only component of the group in the situation mentioned above as all of the other components of the group are fully consolidated and contribute to the diversified SCR.



At 31 December 2018, Groupe VYV assessed its diversified solvency capital requirement (SCR_{div}):

- Using the Standard Formula without applying its specific parameters;
- Applying the first method decreed by the Solvency II Directive, known as the consolidation-based method, for the SCR.
- Not including the FP_{future} in the calculation of the Premiums and reserves SCR^{21} of the two Solvency II sectors, Health similar to non-life and Non-life. The impact of including the FP_{future} was however assessed at group level and results in:
 - An increase in the Premiums and reserves SCR of €2m for the Non-life businesses and of €136m for the Health similar to non-life businesses;
 - A total increase in the SCR of €111m;
 - A drop in the group's solvency ratio of almost 2 points from 160% to 158%.

E.2.2 Summary of the capital requirements

At 31 December 2018 Groupe VYV's solvency capital requirement amounted to €2,447m with the following breakdown:

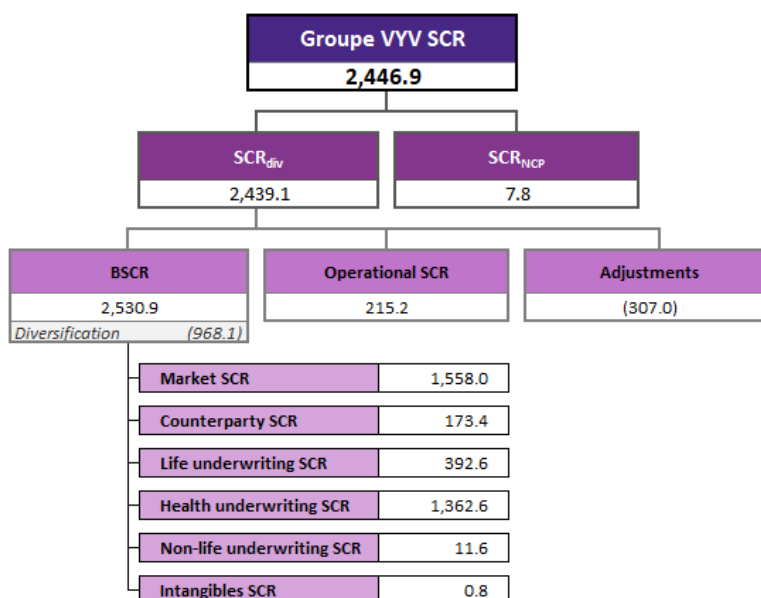


Figure 12 - Composition of Groupe VYV's consolidated SCR at 31 December 2018

Furthermore, the minimum consolidated group solvency capital requirement of Groupe VYV at 31 December 2018 was equal to €876m.

²¹ Articles 116 and 147 of the Delegated Regulation provide the definition of the FP_{future} for the respective calculations of the Premiums and reserves SCR in Non-life and Premiums and reserves SCR in Health similar to non-life.



The breakdown of the SCR of each component of Groupe VYV is shown below:

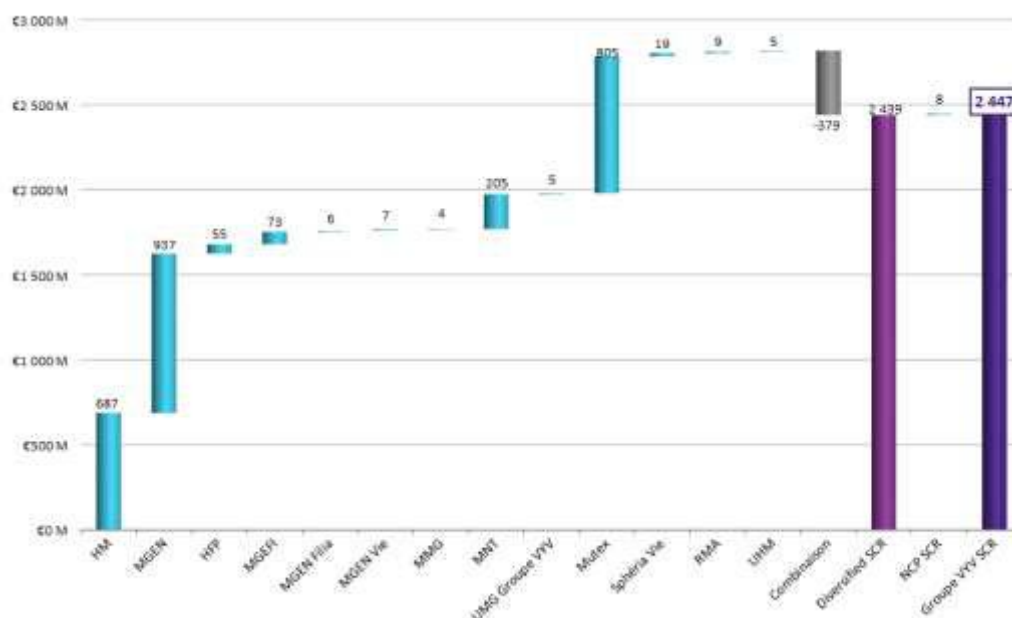


Figure 13 - Composition of Groupe VYV's SCR at 31 December 2018

The difference at 31 December 2018 between the sum of the SCRs of each of the group's components and Groupe VYV's SCR amounted to €379m. The pooling of different types of businesses (Health, Protection and Savings/Pensions) and the elimination of intra-group transactions (in particular reinsurance) are the main sources of diversification effects for Groupe VYV.

Groupe VYV assesses its solvency via two indicators:

- The solvency ratio calculated in accordance with the Solvency II Directive based on the own funds eligible to cover the SCR;
- The "aggregated ratio", calculated by comparing the SCR with Groupe VYV's "aggregated own funds" which corresponds to all of its own funds.

The following table shows Groupe VYV's coverage ratios at 31 December 2018:

	In €m	31 December 2018
Groupe VYV SCR		2,446.9
Solvency II own funds		3,919.9
Solvency ratio		160.2%
Groupe VYV's "aggregated own funds"		5,519.6
"Aggregated ratio"		225.6%

Table 21 - Presentation of the solvency and aggregated ratios of Groupe VYV at 31 December 2018



E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

Groupe VYV does not use the “duration-based equity risk” sub-module to calculate its solvency capital requirement.

E.4 Differences between the Standard Formula and any internal model used

Groupe VYV does not use an internal model to calculate its solvency capital requirement.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

Groupe VYV did not note any failure to comply with capital requirements during the reference period.

E.6 Any other information

Groupe VYV does not have any other information to be notified to the reader.

Appendices

QRT S.02.01.02 – Balance sheet

In €k	Solvency II value
Assets	
Intangible assets	990
Deferred tax assets	175 726
Pension benefit surplus	0
Property, plant & equipment held for own use	371 127
Investments (other than assets held for index-linked and unit-linked contracts)	15 247 563
Property (other than for own use)	41 876
Holdings in related undertakings, including participations	438 522
Equities	142 009
Equities - listed	67 725
Equities - unlisted	74 284
Bonds	8 784 717
Government Bonds	3 535 673
Corporate Bonds	5 100 130
Structured notes	134 353
Collateralised securities	14 561
Collective Investments Undertakings	5 696 886
Derivatives	0
Deposits other than cash equivalents	143 553
Other investments	0
Assets held for index-linked and unit-linked contracts	34 692
Loans and mortgages	43 425
Loans on policies	1 053
Loans and mortgages to individuals	1 568
Other loans and mortgages	40 805
Reinsurance recoverables from:	1 190 104
Non-life and health similar to non-life	446 444
Non-life excluding health	2 313
Health similar to non-life	444 131
Life and health similar to life, excluding health and index-linked and unit-linked	743 660
Health similar to life	587 769
Life excluding health and index-linked and unit-linked	155 892
Life index-linked and unit-linked	0
Deposits to cedants	605 524
Insurance and intermediaries receivables	826 049
Reinsurance receivables	19 317
Receivables (trade, not insurance)	534 810
Own shares (held directly)	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
Cash and cash equivalents	208 536
Any other assets, not elsewhere shown	51 260
TOTAL ASSETS	19 309 122

In €k	Solvency II value
Liabilities	
Technical provisions – non-life	2 591 921
Technical provisions – non-life (excluding health)	15 355
TP calculated as a whole	0
Best Estimate	12 736
Risk margin	2 618
Technical provisions - health (similar to non-life)	2 576 567
TP calculated as a whole	0
Best Estimate	2 141 191
Risk margin	435 375
Technical provisions - life (excluding index-linked and unit-linked)	8 010 857
Technical provisions - health (similar to life)	2 915 832
TP calculated as a whole	0
Best Estimate	2 786 457
Risk margin	129 375
Technical provisions – life (excluding health and index-linked and unit-linked)	5 095 025
TP calculated as a whole	0
Best Estimate	4 908 375
Risk margin	186 650
Technical provisions – index-linked and unit-linked	36 628
TP calculated as a whole	0
Best Estimate	35 487
Risk margin	1 141
Contingent liabilities	42 664
Provisions other than technical provisions	15 735
Pension benefit obligations	63 112
Deposits from reinsurers	734 603
Deferred tax liabilities	384 491
Derivatives	0
Debts owed to credit institutions	23 546
Financial liabilities other than debts owed to credit institutions	23
Insurance & intermediaries payables	257 493
Reinsurance payables	276 761
Payables (trade, not insurance)	960 222
Subordinated liabilities	8 904
Subordinated liabilities not in BOF	104
Subordinated liabilities in BOF	8 800
Any other liabilities, not elsewhere shown	2 176
TOTAL LIABILITIES	13 409 136
EXCESS OF ASSETS OVER LIABILITIES	5 899 986



QRT S.05.01.02 – Premiums, claims and expenses by line of business (page 1 of 2)

In €k	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				TOTAL
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
Premiums written																	
Gross - Direct Business	5 220 389	733 297	0	0	0	0	0	0	1 217	0	25 421	2 943					5 983 266
Gross - Proportional reinsurance accepted	199 994	1 114	0	0	0	0	0	0	0	0	4 270	0					205 378
Gross - Non-proportional reinsurance accepted													0	0	0	0	0
Reinsurers' share	183 297	180 620	0	0	0	0	0	0	1 154	0	521	0	0	0	0	0	365 593
Net	5 237 086	553 790	0	0	0	0	0	0	63	0	29 170	2 943	0	0	0	0	5 823 051
Premiums earned																	
Gross - Direct Business	5 227 041	732 891	0	0	0	0	0	0	627	0	25 421	2 943					5 988 922
Gross - Proportional reinsurance accepted	199 986	1 114	0	0	0	0	0	0	0	0	3 875	0					204 975
Gross - Non-proportional reinsurance accepted													0	0	0	0	0
Reinsurers' share	183 288	180 720	0	0	0	0	0	0	690	0	521	0	0	0	0	0	365 220
Net	5 243 739	553 285	0	0	0	0	0	0	-63	0	28 775	2 943	0	0	0	0	5 828 678
Claims incurred																	
Gross - Direct Business	4 186 934	414 744	0	0	0	0	0	0	-1 242	0	12 347	3 111					4 615 894
Gross - Proportional reinsurance accepted	173 441	-2 082	0	0	0	0	0	0	0	0	2 041	0					173 400
Gross - Non-proportional reinsurance accepted													0	0	0	0	0
Reinsurers' share	155 694	121 876	0	0	0	0	0	0	-670	0	110	0	0	0	0	0	277 010
Net	4 204 680	290 786	0	0	0	0	0	0	-572	0	14 278	3 111	0	0	0	0	4 512 284
Changes in other technical provisions																	
Gross - Direct Business	7 610	22 706	0	0	0	0	0	0	0	0	87	2					30 405
Gross - Proportional reinsurance accepted	-2 180	243	0	0	0	0	0	0	0	0	0	0					-1 937
Gross - Non- proportional reinsurance accepted													0	0	0	0	0
Reinsurers' share	-1 480	12 426	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10 946
Net	6 910	10 523	0	0	0	0	0	0	0	0	87	2	0	0	0	0	17 522
Expenses incurred	975 090	115 458	0	0	0	0	0	0	23 495	0	11 393	477	0	0	0	0	1 125 913
Other expenses																	8 808
TOTAL EXPENSES																	1 134 721



QRT S.05.01.02 – Premiums, claims and expenses by line of business (page 2 of 2)

In €k	Line of Business for: life insurance obligations						Life reinsurance obligations		TOTAL
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
Premiums written									
Gross	101 125	111 897	2 344	391 171	77 423	0	6 431	55 079	745 471
Reinsurers' share	52 314	1 652	0	54 890	3 983	0	0	235	113 074
Net	48 812	110 246	2 344	336 280	73 440	0	6 431	54 844	632 396
Premiums earned									
Gross	94 793	111 908	2 344	391 185	77 423	0	6 431	55 079	739 163
Reinsurers' share	48 109	1 652	0	54 970	3 983	0	0	235	108 949
Net	46 684	110 256	2 344	336 215	73 440	0	6 431	54 844	630 214
Claims incurred									
Gross	44 952	223 214	896	355 734	244 204	0	3 823	22 782	895 605
Reinsurers' share	29 639	2 716	0	68 023	-11 185	0	0	93	89 285
Net	15 313	220 498	896	287 712	255 389	0	3 823	22 688	806 320
Changes in other technical provisions									
Gross	24 206	-36 587	3 114	-20 183	47 655	0	5 766	33 496	57 466
Reinsurers' share	12 643	-696	0	-6 214	31 777	0	0	0	37 510
Net	11 563	-35 891	3 114	-13 970	15 878	0	5 766	33 496	19 956
Expenses incurred	20 404	36 169	962	78 203	32 894	0	244	12 018	180 894
Other expenses									-13 168
TOTAL EXPENSES									167 726



QRT S.22.01.22 - Impact of long term guarantees and transitional measures

<u>In €k</u>	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	10 639 406	474 698	0	96 500	0
Basic own funds	3 919 894	-352 084	0	-71 574	0
Eligible own funds to meet Solvency Capital Requirement	3 919 894	-352 084	0	-71 574	0
Solvency Capital Requirement	2 446 915	0	0	42 168	0



QRT S.23.01.22 – Own funds (page 1 of 3)

<u>In €k</u>	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector					
Ordinary share capital (gross of own shares)	85 766	85 766	X	0	X
Non-available called but not paid in ordinary share capital at group level	0	0	X	0	X
Share premium account related to ordinary share capital	269 437	269 437	X	0	X
Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings	1 566 231	1 566 231	X	0	X
Subordinated mutual member accounts	0	X	0	0	0
Non-available subordinated mutual member accounts at group level	0	X	0	0	0
Surplus funds	0	0	X	X	X
Non-available surplus funds at group level	0	0	X	X	X
Preference shares	0	X	0	0	0
Non-available preference shares at group level	0	X	0	0	0
Share premium account related to preference shares	0	X	0	0	0
Non-available share premium account related to preference shares at group level	0	X	0	0	0
Reconciliation reserve	3 239 555	3 239 555	X	X	X
Subordinated liabilities	8 800	X	1 300	7 500	0
Non-available subordinated liabilities at group level	8 800	X	1 300	7 500	0
An amount equal to the value of net deferred tax assets	1 495	X	0	0	1 495
The amount equal to the value of net deferred tax assets not available at the group level	72	X	X	X	X
Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
Non available own funds related to other own funds items approved by supervisory authority	1 599 409	1 599 409	0	0	0
Minority interests (if not reported as part of a specific own fund item)	726 521	726 521	0	0	0
Non-available minority interests at group level	369 359	369 359	0	0	0
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	270	X	X	X	X
Deductions					
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	0	0	0	0	X
whereof deducted according to Article 228 of the Directive 2009/138/EC	0	0	0	0	X
Deductions for participations where there is non-availability of information (Article 229)	0	0	0	0	0
Deduction for participations included by using D&A when a combination of methods is used	0	0	0	0	0
Total of non-available own fund items	1 977 640	1 968 768	1 300	7 500	72
TOTAL DEDUCTIONS	1 977 640	1 968 768	1 300	7 500	72
TOTAL BASIC OWN FUNDS AFTER DEDUCTIONS	3 919 894	3 918 471	0	0	1 423



QRT S.23.01.22 – Own funds (page 2 of 3)

<u>In €k</u>	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Ancillary own funds					
Unpaid and uncalled ordinary share capital callable on demand	0			0	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0			0	
Unpaid and uncalled preference shares callable on demand	0			0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			0	0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			0	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			0	0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	0
Non available ancillary own funds at group level	0			0	0
Other ancillary own funds	0			0	0
TOTAL ANCILLARY OWN FUNDS	0			0	0
Own funds of other financial sectors					
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	0	0	0	0	
Institutions for occupational retirement provision	0	0	0	0	0
Non regulated entities carrying out financial activities	0	0	0	0	
TOTAL OWN FUNDS OF OTHER FINANCIAL SECTORS	0	0	0	0	0
Own funds when using the D&A, exclusively or in combination of method 1					
Own funds aggregated when using the D&A and combination of method	0	0	0	0	0
Own funds aggregated when using the D&A and combination of method net of IGT	0	0	0	0	0
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	3 919 894	3 918 471	0	0	1 423
Total available own funds to meet the minimum consolidated group SCR	3 919 894	3 918 471	0	0	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	3 919 894	3 918 471	0	0	1 423
Total eligible own funds to meet the minimum consolidated group SCR	3 918 471	3 918 471	0	0	
MINIMUM CONSOLIDATED GROUP SCR	875 943				
RATIO OF ELIGIBLE OWN FUNDS TO MINIMUM CONSOLIDATED GROUP SCR	447%				
TOTAL ELIGIBLE OWN FUNDS TO MEET THE GROUP SCR (INCLUDING OWN FUNDS FROM OTHER FINANCIAL SECTOR AND FROM THE UNDERTAKINGS INCLUDED VIA D&A)	3 919 894	3 918 471	0	0	1 423
GROUP SCR	2 446 915				
RATIO OF ELIGIBLE OWN FUNDS TO GROUP SCR INCLUDING OTHER FINANCIAL SECTORS AND THE UNDERTAKINGS INCLUDED VIA D&A	160%				



QRT S.23.01.22 – Own funds (page 3 of 3)

<u>In €k</u>	TOTAL
Reconciliation reserve	
Excess of assets over liabilities	5 899 986
Own shares (held directly and indirectly)	0
Foreseeable dividends, distributions and charges	0
Other basic own fund items	2 649 450
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
Other non available own funds	10 982
RECONCILIATION RESERVE BEFORE DEDUCTION FOR PARTICIPATIONS IN OTHER FINANCIAL SECTOR	3 239 555
Expected profits	
Expected profits included in future premiums (EPIFP) - Life business	86 246
Expected profits included in future premiums (EPIFP) - Non-life business	132 118
TOTAL EXPECTED PROFITS INCLUDED IN FUTURE PREMIUMS (EPIFP)	218 365



QRT S.25.01.22 – Solvency Capital Requirement - for groups on Standard Formula

In €k	Gross solvency capital requirement	Undertaking Specific Parameters (USP)	Simplifications
Market risk	1 557 958		
Counterparty default risk	173 427		
Life underwriting risk	392 635	Aucun	Risque de catastrophe en vie
Health underwriting risk	1 362 573	Aucun	
Non-life underwriting risk	11 578	Aucun	
Diversification	-968 092		
Intangible asset risk	792		
BASIC SOLVENCY CAPITAL REQUIREMENT	2 530 872		
Calculation of Solvency Capital Requirement			
Operational risk	215 233		
Loss-absorbing capacity of technical provisions	-230 577		
Loss-absorbing capacity of deferred taxes	-76 446		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0		
SOLVENCY CAPITAL REQUIREMENT EXCLUDING CAPITAL ADD-ON	2 439 082		
Capital add-ons already set	0		
SOLVENCY CAPITAL REQUIREMENT FOR UNDERTAKINGS UNDER CONSOLIDATED METHOD	2 446 915		
Other information on SCR			
Capital requirement for duration-based equity risk sub-module	0		
Total amount of Notional Solvency Capital Requirements for remaining part	0		
Total amount of Notional Solvency Capital Requirements for ring fenced funds	0		
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0		
Diversification effects due to RFF nSCR aggregation for article 304	0		
Minimum consolidated group solvency capital requirement	875 943		
Information on other entities			
Capital requirement for other financial sectors (Non-insurance capital requirements)	0		
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	0		
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	0		
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities	0		
Capital requirement for non-controlled participation requirements	7 833		
Capital requirement for residual undertakings	0		
Overall SCR			
SCR for undertakings included via D and A	0		
SOLVENCY CAPITAL REQUIREMENT	2 446 915		



QRT S.32.01.22 – Undertakings in the scope of the group

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of the undertaking	Legal form	Category (mutual/non-mutual)	Supervisory Authority	Criteria of influence					Inclusion in the score of group supervision		Group solvency calculation	
								% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if Article 214 is applied	Method used and under method 1, treatment of the undertaking
FR	LEI/969500E016R1LLI4UF62	LEI	GROUPE VYV	5	Union mutualiste de groupe	1		0.00%	0.00%	0.00%		0	0%	1		1
FR	LEI/969500J9QJY8E7PWL613	LEI	HARMONIE FONCTION PUBLIQUE	4	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/969500JLU5ZH89G4TD57	LEI	HARMONIE MUTUELLE	4	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/969500AZ8RJ9Z9ZECI74	LEI	MUTUELLE DE MARE-GAILLARD	4	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/969500ATSJ612RTKX773	LEI	MUTUELLE GENERALE DE L'ECONOMIE DES FINANCES ET DE L INDUSTRIE	2	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/9695002XFDDIA8FNI325	LEI	MUTUELLE GENERALE EDUCATION NATIONALE	4	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/969500A0NI2YWPT60318	LEI	MGEN FILIA	2	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/9695001R3ZTUMODNR615	LEI	MGEN VIE	1	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/9695000Q8HEMSMEPF29	LEI	MUTUELLE NATIONALE TERRITORIALE MNT	4	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/969500QPFP5Q2NP5N926	LEI	MUTEX	4	société anonyme	2	ACPR	51.00%	100.00%	51.00%		1	100%	1		1
FR	LEI/969500ZL3FBE4ESBW198	LEI	PARNASSE GARANTIES	2	société anonyme	2	ACPR	20.00%	20.00%	0.00%		2	20%	1		3
FR	LEI/969500Y286NRB0ATRB28	LEI	RESSOURCES MUTUELLES ASSISTANCE	2	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1
FR	LEI/969500KVIUNT6PYRK37	LEI	SPHERIA VIE	4	société anonyme	2	ACPR	100.00%	100.00%	100.00%		1	100%	1		1
FR	LEI/9695001R7U5JF9T7XE28	LEI	UNION HARMONIE MUTUALITE	2	mutuelle régie par le code la mutualité	1	ACPR	0.00%	100.00%	0.00%		1	100%	1		1



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