Activity Report

/

June 30, 2023

Table of Contents

IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS AND THE USE OF NON-GAAP AND ALTERNATIVE PERFORMANCE MEASURES

Certain statements contained herein may be forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans, expectations, or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause AXA's actual results to differ materially from those expressed or implied in such forward looking statements. Please refer to Part 5 - "Risk Factors and Risk Management" of AXA's Universal Registration Document for the year ended December 31, 2022 (the "2022 Universal Registration Document") for a description of certain important factors, risks and uncertainties that may affect AXA's business and/or results of operations.

AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events, or circumstances or otherwise, except as required by applicable laws and regulations.

In addition, this report refers to certain non-GAAP financial measures, or alternative performance measures ("**APMs**"), used by Management in analysing AXA's operating trends, financial performance and financial position and providing investors with additional information that Management believes to be useful and relevant regarding AXA's results. These non-GAAP financial measures generally have no standardized meaning and therefore may not be comparable to similarly labelled measures used by other companies. As a result, none of these non-GAAP financial measures should be considered in isolation from, or as a substitute for, the Group's Consolidated Financial Statements and related notes prepared in accordance with IFRS. Underlying Earnings, Underlying Earnings per Share, Underlying Return on Equity, Combined Ratio and Debt Gearing are APMs as defined in ESMA's guidelines and the AMF's related position statement issued in 2015. A reconciliation from APMs Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal, or total in the Consolidated Financial Statements of the corresponding period is provided on pages 17 and 18 of this report. APMs Underlying Return on Equity and Underlying Earnings per Share are reconciled to the Consolidated Financial Statements in the tables set forth on page 33 of this report. The calculation methodology of the Debt Gearing is set out on page 20 of this report. For further information on the above-mentioned and other non-GAAP financial measures used in this report, see the Glossary set forth on pages 35 to 40 of this report.

Operating Highlights

GOVERNANCE

AXA announced evolutions within its leadership team to prepare the launch of its next strategic plan

On June 6, 2023, the AXA Group announced evolutions within its Management Committee for the launch of its next strategic plan, which will be presented during the first quarter of 2024.

Changes in key geographies of the Group

- Patrick Cohen, member of AXA's Management Committee and CEO of AXA France was appointed CEO European Markets and Health. In addition to supervising AXA's European entities, he was tasked with the creation and development of a new business unit which will gather and accelerate the Group's key international Health operations. He keeps reporting to Thomas Buberl.
- Guillaume Borie, Deputy CEO of AXA France was appointed CEO of AXA France and joined the Management Committee reporting to Thomas Buberl.
- Hassan El-Shabrawishi, CEO of AXA Africa was appointed CEO International Markets, and now oversees AXA's operations in Latin America, Africa, the Middle East, Turkey, India, and South-East Asia. Hassan El-Shabrawishi joined AXA's Management Committee reporting to Thomas Buberl.
- AXA Japan and AXA Greater China (Hong Kong and China) report directly to George Stansfield, Group Deputy CEO and General Secretary. Gordon Watson was appointed non-executive Chairman for Asia.

New members of the Management Committee in central functions

- Nancy Bewlay, CEO of AXA XL Reinsurance, was appointed Chief Underwriting Officer for the Group and joined the Management Committee. She reports to Frédéric de Courtois, Group Deputy CEO in charge of Finance, Operations, Strategy, Risk, Underwriting.
- Françoise Gilles, Chief Strategic Development Officer for AXA Asia, was appointed Chief Risk Officer for the Group and joined the Management Committee, reporting to Frédéric de Courtois.
- Anu Venkataraman was appointed Chief Strategy Officer for the Group in addition to her current role as Group Head of Investor Relations. She joined the Management Committee reporting to Frédéric de Courtois and Alban de Mailly Nesle, Group Chief Financial Officer and member of the Management Committee.

The new Management Committee around Thomas Buberl started working together as of July 1 and is now composed of :

- Frédéric de Courtois, Group Deputy CEO, Finance, Operations, Strategy, Risk, Underwriting
- George Stansfield, Group Deputy CEO, General Secretary, oversight of AXA Japan, AXA Greater China (China and Hong Kong)
- Nancy Bewlay, Group Chief Underwriting Officer
- Guillaume Borie, CEO AXA France

- Helen Browne, Group General Counsel
- Patrick Cohen, CEO European Markets & Health
- Ulrike Decoene, Group Chief Communication, Brand & Sustainability Officer
- Hassan El-Shabrawishi, CEO International Markets[1]
- Françoise Gilles, Group Chief Risk Officer
- Scott Gunter, CEO AXA XL
- Alban de Mailly Nesle, Group Chief Financial Officer
- Marco Morelli, Executive Chairman AXA Investment Managers
- Karima Silvent, Group Chief Human Resources Officer
- Anu Venkataraman, Group Chief Strategy Officer, Head of Investor Relations
- Alexander Vollert, Group Chief Operating Officer, CEO AXA Group Operations

Renaud Guidée was appointed CEO AXA XL Reinsurance

Renaud Guidée, who has held the role of Group Chief Risk Officer since 2019 was appointed CEO of AXA XL Reinsurance, succeeding to Nancy Bewlay. He reports to Scott Gunter, CEO of AXA XL, and member of AXA's Management Committee.

SIGNIFICANT TRANSACTIONS

AXA SA successfully completed the sale of shares in Banca Monte dei Paschi di Siena S.p.A.

On February 28, 2023, AXA SA ("AXA") announced the successful sale of 100,000,000 shares in Banca Monte dei Paschi di Siena S.p.A. (the "Bank"), representing ca.7.94% of the Bank's share capital, at a price of €2.33 per share (i.e., a total amount of €233 million) in an accelerated book built offering (the "Offering") reserved to institutional investors.

Following the settlement and delivery of the Offering, which occurred on March 2, 2023, AXA retained (directly or indirectly) 0.0007% of the Bank's share capital.

The Bank's shares are listed on the regulated market of Euronext Milan (ISIN IT0005508921).

CAPITAL / DEBT OPERATIONS

AXA announced the successful placement of €750 million senior notes due 2033

On January 4, 2023, AXA announced the successful placement of €750 million of Reg S senior unsecured notes due 2033 with institutional investors. The notes will be used for general corporate purposes, including the refinancing of part of the Group's outstanding debt.

The notes have a fixed annual coupon of 3.625%. Investor demand was strong with a book subscribed close to 3 times.

The notes are rated A+/Stable by Standard & Poor's and A1/Stable by Moody's.

The settlement of the notes took place on January 10, 2023.

(1) Including Africa, Turkey, Middle East, Latin America, Thailand, Indonesia, Philippines, India Life.

Execution of a share repurchase agreement in relation to AXA's share buy-back program of up to €1.1 billion as announced on February 23, 2023

On February 24, 2023, AXA executed a share repurchase agreement with an investment services provider, whereby AXA bought back its own shares for an amount of €1.1 billion[(1)], as communicated on February 23, 2023. The share repurchase agreement was executed in accordance with the terms of the applicable Shareholders' Annual General Meeting authorization[(2)].

Under the share repurchase agreement[(3)] announced on February 23,2023, shares were bought back commencing on February 27, 2023, and ending on April 4, 2023. On each day during the purchase period, the price per share paid by AXA[(4)] was determined on the basis of the volume-weighted average share price.

AXA intends to cancel all shares repurchased pursuant to this share buy-back program.

Information regarding share buyback programs is disclosed on the AXA Group[(5)] website.

AXA announced the successful placement of €1 billion dated subordinated notes due 2043

On April 5, 2023, AXA announced the successful placement of €1 billion of Reg S subordinated notes due 2043 with institutional investors.

The initial fixed rate was set at 5.50% *per annum* until the end of the six-month call window period (July 11, 2033), when the interest rate will become a floating rate based on three-month EURIBOR plus a margin including a 100 basis points step up. Investor demand was strong with a book subscribed close to 5 times.

The notes are rated A-/Stable by Standard & Poor's and A2 (hyb)/Stable by Moody's. The notes are treated as capital from a regulatory and rating agencies' perspective within applicable limits. The transaction has been structured for the notes to be eligible as Tier 2 capital under Solvency II.

The settlement of the notes took place on April 11, 2023.

This issuance is part of AXA Group's funding plan for 2023 and the proceeds are used for general corporate purposes, including the refinancing of part of the AXA Group's outstanding debt. In particular, it followed the completion of a cash tender offer[(6)] on AXA XL subordinated notes[(7)], resulting in the buy-back of US $248 million debt.

(1) AXA bought back its own shares for an exact amount of €1,099,999,998.

(2) The Shareholders' Annual General Meeting authorization granted on April 28, 2022, or the authorization granted by the Shareholders' Annual General Meeting on April 27, 2023, as applicable.

(3) The up to €1.1 billion share buy-back program was executed in addition to any other potential share buy-back transactions that may be launched by AXA, including the previously announced share buy-back to be executed following the closing of the sale of the closed Life & Pensions portfolio by AXA Germany.

(4) The purchase price did not exceed the maximum purchase price approved at the applicable Shareholders' Annual General Meeting.

(5) ***https://www.axa.com/en/investor/share-buyback-programs#tab=share-buy-back-program-total***

(6) Completed on March 14, 2023. Details of the terms of the cash tender offer available at ***XL Group Ltd - Tender Offer Results Announcement | AXA XL****.*

(7) AXA XL US $500 million 5.500% subordinated notes due 2045. As of December 31, 2022, these notes no longer contribute to the Group Eligible Own Funds under Solvency II.

AXA announced a cash tender offer for one series of subordinated notes

On April 19, 2023, AXA announced an any-and-all cash tender offer for its GB £750,000,000 5.625% Subordinated Tier 2 Notes due January 16, 2054.

The tender offer expired at 5:00 p.m., Central European time, on April 26, 2023.

The transaction is part of AXA Group's active management of its debt structure and allows AXA to further optimize its capital base.

PARTNERSHIPS AND INNOVATION

AXA renewed the mandate of the AXA Research Fund for five years

On January 12, 2023, AXA announced that it renewed for five years the mandate of the AXA Research Fund, one of the largest scientific philanthropy initiatives in the private sector. The objectives of the AXA Research Fund are to reinforce the transdisciplinary exploration of emerging risks, to consolidate the links between academic experts, industry and the public sector.

With a total budget of €250 million since its launch in 2007, the AXA Research Fund has forged partnerships with more than 334 academic institutions in 38 countries and has supported 708 projects led by researchers of 60 nationalities, 42% of whom are women. 279 projects funded by the AXA Research Fund focus on health issues, such as data driven diabetes treatment (University of Edinburgh), 242 centers on climate and environmental subjects like the protection of biodiversity for coastal resilience (University of California, Santa Cruz) while 187 programs explore socio-economic questions such as the effects of the energy transition (Paris School of Economics).

OTHER

AXA published the third edition of its Mind Health Report

On February 28, 2023, AXA released the third edition of its Mind Health Report, a study aimed at identifying mental health and wellness issues in society in order to build solutions to mitigate them. The study was conducted in collaboration with IPSOS involving surveys of 30,000 people aged 18 to 74 from sixteen European, Asian, and American countries and territories.

Over the past year, the rate of participants with poor mental health has decreased by 3 points (13% compared to 16%), despite the difficult geopolitical and economic context.

One in two respondents felt happy and confident about the future. The happiest people are in Mexico (64%), the Philippines (62%) and Thailand (61%). On the contrary, this feeling is lowest in Italy (36%), Hong Kong (38%) and Turkey (42%). In France, the feeling of happiness has increased by 5% compared to last year (44% against 39%).

This year's survey showed three main trends:

- 24% fewer women than men feel fulfilled. 40% feel that their skills have been questioned simply because of their gender.
- More than one in three 18-24 year olds believe that addiction to technology and social networking has a negative impact on well-being.
- Employees are three times more likely to thrive if they work in a company that offers mental health support.

AXA published 1H22 and FY22 financial information under IFRS 17 and IFRS 9 accounting standards and provided 2023 Group Underlying Earnings Target[(1)(2)]

On May 15, 2023, AXA published its financial supplement for both half-year 2022 and full-year 2022, restated under the IFRS 17 and IFRS 9 accounting standards that became effective on January 1, 2023. To enable analysts and investors to better assess the Group's Underlying Earnings trajectory in 2023 following the implementation of IFRS 17 and IFRS 9, AXA exceptionally provided a 2023 Group Underlying Earnings Target, including a breakdown by main lines of business.

- AXA reaffirmed that Group Underlying Earnings' power is unaffected by the new accounting standards.
- Group Underlying Earnings target was set above €7.5 billion in 2023, including ca. €-0.1 billion impact from unfavorable foreign exchange movements.
- Cash and regulatory capital were unaffected by accounting changes, with €5.5 billion of net cash remittance and Solvency II ratio[(3)] of 215% at year-end 2022 (217% as of 1Q23).
- The key financial targets of 'Driving Progress 2023' were reaffirmed, with the Underlying Earnings per Share (UEPS) CAGR[(4)] expected to exceed +7% over the three-year period 2020[(5)]-2023 and cumulative cash remittance to exceed €14 billion over the period 2021-2023.

(1) IFRS 17 and IFRS 9 financial figures and information published on May 15, 2023, were not audited.

(2) All information in the May 15,2023 publication was expressly qualified by the disclaimer on forward-looking statements set out therein, and such information, as it may be updated by this report, remains subject to the disclaimer on forward-looking statements herein. The 2023 Group Underlying Earnings Target (the "2023 Target") set out management's then-current expectations of certain performance metrics following the implementation of IFRS 17 and IFRS 9 accounting standards, which became effective on January 1, 2023. The 2023 Target's assumptions are expressly updated as set out in the section titled "Outlook" on page 34 of this report. The 2023 Target's assumptions may prove to be incorrect or need to be updated, and actual results, performance, or events may differ from those expressed in the 2023 Target due to known and unknown risks and uncertainties. Because the 2023 Target was provided exceptionally to enable analysts and investors to better assess the Group's Underlying Earnings trajectory in 2023 in connection with the implementation of IFRS 17 and IFRS 9, it is not expected or intended that similar guidance will be issued in future periods beyond 2023, nor that such guidance will be updated, except as set forth in this report and as otherwise required by law.

*(3) The Solvency II ratio included in the May 15, 2023 publication was estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. It included a theoretical amount for dividends accrued for the first three months of 2023, based on the full-year dividend of €1.70 per share paid in 2023 for FY22. Dividends were proposed by the Board, at its discretion, based on a variety of factors described in AXA's 2022 Universal Registration Document, and were then submitted to AXA's shareholders for approval. This estimate should not be considered in any way to be an indication of the actual dividend amount, if any, for the 2023 financial year. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (**www.axa.com**). For updated Solvency II information as of June 30, 2023, please see the press release "Half Year Earnings 2023" published on August 3, 2023, and available on AXA's website.*

(4) Compounded annual growth rate.

(5) Rebased. FY20 Underlying Earnings rebased included actual Underlying Earnings restating for "Covid-19 claims" and natural catastrophes in excess of normalized. AXA Group normalized level of Natural Catastrophe charges expected for 2020 at ca. 3% of Gross Earned Premiums. Natural Catastrophe charges include natural catastrophe losses regardless of event size. "Covid-19 claims" included P&C, L&S and Health net claims related to Covid-19, as well as the impacts from solidarity measures and from lower volumes net of expenses, linked to Covid-19. "Covid-19 claims" did not include any financial market impacts (including impacts on investment margin, unit-linked and asset management fees, etc.) related to the Covid-19 crisis.

AXA announced new decarbonization targets and published its 2023 Climate & Biodiversity report

On June 29, 2023, AXA published its 2023 Climate & Biodiversity report and announced new decarbonization targets for both its insurance and investment portfolios[1].

Insurance Portfolio

For the first time, AXA published targets to drive the decarbonization of various of its Property & Casualty insurance portfolios and to develop its insurance activities dedicated to the transition.

Specifically, AXA has set targets to:

- Increase its business in the field of renewable energies, and more broadly across sectors transitioning to low carbon business models, as well as developing environmentally sustainable claims management for its motor business by 2026.
- Reduce the carbon intensity of the most material personal motor portfolios in the Group by 20% by 2030 compared with the 2019 baseline.
- Reduce the absolute carbon emissions of the Group's largest commercial insurance clients by 30% and the carbon intensity of other corporate clients by 20% by 2030 compared with a 2021 baseline.
- Strengthen dialogue with its customers, particularly its corporate customers, but also with its external stakeholders and partners to better support them in the transition.

These targets were based on new calculation methodologies developed and promoted by the sector. AXA expects these methodologies to evolve as data availability improves, but they are a first step to better steer the carbon impact of AXA's insurance portfolios.

Investment Portfolio

AXA also announced that it is continuing its efforts to reduce the carbon footprint of its investment activities. After setting a target of reducing the carbon footprint of AXA's general account assets by 20% between 2019 and 2025, AXA set a new target of a 50% reduction between 2019 and 2030. AXA also intends to strengthen its engagement activities and its efforts to finance the transition.

Climate & Biodiversity Report 2023

AXA published the 8th edition of its Climate & Biodiversity Report. This report responds to legal obligations for extra-financial reporting, as well as to the voluntary recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD), to which AXA has been a long-standing contributor.

In this report, AXA highlighted the different dimensions of its action on climate and biodiversity: governance, strategy, risk management and quantified indicators of the impact of its actions. One of the main indicators of the report, "the Group portfolio's implied temperature rise", measures the impact of the corporate bonds and equities held in the Group's general account portfolios on global warming by 2050. It stood at 2.5°C in 2022, down 0.1°C on last year using the same methodology and remains below the market (2.7°C).

(1) For further information on these targets, the methodologies used to set and report on them, as well as key assumptions, risks and variables that may impact AXA's ability to meet the targets, please refer to AXA Net Zero strategy for investment & underwriting

RISK FACTORS

The principal risks and uncertainties faced by the Group are described in detail in Section 5.1 “Risk Factors” and Section 7.3 “General Information” of the 2022 Universal Registration Document (on pages 230 to 254 and pages 457 to 473, respectively). The 2022 Universal Registration Document was filed with the Autorité des marchés financiers (the “AMF”) on March 21, 2023, and is available on the AMF’s website (**www.amf-france.org**) as well as on AXA's website (**www.axa.com**). The descriptions contained in these sections of the 2022 Universal Registration Document remain valid in all material respects at the date of the publication of this report regarding the evaluation of the major risks and uncertainties affecting the Group as of June 30, 2023, or which Management expects could affect the Group during the remainder of 2023.

RELATED-PARTY TRANSACTIONS

During the first half of 2023, there were (i) no modifications to the related-party transactions described in Note 28 “Related-party transactions” to the audited Consolidated Financial Statements for the fiscal year ended December 31, 2022, included in the 2022 Universal Registration Document (pages 433 and 434) filed with the AMF and available on its website (**www.amf-france.org**) as well as on the Company's website (**www.axa.com**), which significantly influenced the financial position or the results of the Company during the first six months of the fiscal year 2023, and (ii) no new transactions concluded between AXA SA and related parties that significantly influenced the financial position or the results of the Company during the first six months of 2023.

Events subsequent to June 30, 2023

AXA completed the acquisition of Groupe Assurances du Crédit Mutuel España

On July 12, 2023, AXA announced that it has completed the acquisition of Groupe Assurances du Crédit Mutuel España ("GACM España").

Under the terms of the transaction, AXA has acquired GACM España for a total cash consideration of €310 million, in line with the announcement made upon signing of the agreement.

AXA accelerated the development of its Health strategy in Europe with the acquisition of Laya

On August 3rd, AXA announced that it has entered into an agreement to acquire Laya Healthcare Limited ("Laya") from Corebridge Financial Inc., a subsidiary of AIG.

Laya has a leading position in the Irish health market with ca. 28% market share, serving close to 700,000 policyholders and generating ca. €800 million premiums[(1)] *per annum*.

It operates as a Managing General Agent with a highly digitalized platform and a strong direct distribution network, which makes Laya the sole point of contact for its customers through their healthcare journey.

With this transaction, AXA affirms its ambition to grow its European franchise, by expanding its operations in a buoyant, fast-growing Health insurance market. AXA is already present in Ireland where it benefits from a number 1 position in the P&C market.

Under the terms of the agreement, AXA acquired Laya for a consideration of €650 million, representing an expected price-to-earnings multiple of ca. 11x, taking into account the planned re-capturing of underwriting margin currently earned by third parties. The completion of the transaction is expected to result in an impact of -3 points on AXA Group's Solvency II ratio[(2)].

(1) As of FY22. Premiums currently underwritten by a third-party insurer.
(2) Impact effective on AXA Group's Solvency II ratio at the time of closing of the transaction.

Market Environment

Financial Market Conditions

STOCK MARKETS

(main indexes, in pts)	June 30, 2023	June 30, 2023 / December 31, 2022	June 30, 2022	June 30, 2022 / December 31, 2021
CAC 40	7,400	14%	5,923	-17%
Eurostoxx 50	4,399	16%	3,455	-20%
FTSE 100	7,532	1%	7,169	-3%
Nikkei	33,189	27%	26,393	-8%
S&P 500	4,450	16%	3,785	-21%
MSCI World	2,967	14%	2,546	-21%
MSCI Emerging	989	3%	1,001	-19%

Source: Bloomberg.

Following a very challenging year in 2022, equity markets broadly recovered during the first half of 2023. The S&P 500 recorded a positive performance of +16%, despite the ongoing concerns of economic slowdown. These gains were echoed across the Eurozone economies in Italy (+19% on IT 40), Spain (+17% on IBEX 35), Germany (+16% on DAX) and France (+14% on CAC 40). In the United Kingdom, equity indices underperformed in the first half of 2023, with the FTSE 100 rising by just 1% while the FTSE 250 was 2.3% lower. This reflects the fact that the FTSE 100 was one of the few indices to avoid sharp losses in 2022.

BOND MARKETS

(Government bonds in % or basis points (bps))	June 30, 2023	June 30, 2023 / December 31, 2022	June 30, 2022	June 30, 2022 / December 31, 2021
10Y French bond	2.93%	- 19 bps	1.92%	+172 bps
10Y German bond	2.39%	-18 bps	1.34%	+151 bps
10Y Swiss bond	0.96%	-66 bps	1.07%	+120 bps
10Y Italian bond	4.07%	- 64 bps	3.26%	+209 bps
10Y UK bond	4.39%	+72 bps	2.23%	+126 bps
10Y Japanese bond	0.40%	-2 bps	0.23%	+16 bps
10Y US bond	3.84%	-4bps	3.01%	+150 bps

Source: Bloomberg.

Bond markets suffered during 2022 from a continuous tightening of Central Banks' monetary policies. In 2023, most sovereign fixed income bonds saw yields stabilize while some markets witnessed even tighter monetary policies. US Treasury yields remain far below October's highs, but yields were barely changed from 2022 year-end, with 10-year yields 4bps lower to 3.84% at the end of June 2023. Across the Eurozone, despite the ECB raising both policy rates and the outlook, government rates decreased at end of June 2023, by 19 bps and 18 bps respectively for the French 10-year OAT and the 10-year

German bonds and 10-year yields in Italy closed at 4.07%, 64bps lower than their end-December level, helped in part by the ECB's ongoing flexibility in its Pandemic Emergency Purchase Programme. In Japan, the 10-year JGB yields were broadly unchanged at end of June 2023 at 0.40% from the end of December level, although the markets had considered the prospect of some shift in Bank of Japan policy. United Kingdom's gilts underperformed with yields rising by 72bps from December 2022 to 4.39% in June 2023, which reflects the continued concerns about persistent UK inflation and subsequent tightening by the Bank of England.

Credit markets had a solid first half of 2023, despite the difficulties faced by the banking sector in March. Spreads are broadly tighter, more so in high yield (HY) than investment grade (IG). Spreads in large cap bank benchmarks are flat to wider year to date, flat in USD (at 139bps) and wider in EUR (+8bps to 174bps). Global IG is tighter by 8bps to 140bps (with USD IG tighter by 8bps to 130bps and EUR IG tighter by 6bps to 161bps) while Global HY is tighter by 65bps to 450bps (with USD HY tighter by 76bps to 405bps and EUR HY tighter by 52bps to 446bps).

EXCHANGE RATES

	End of Period Exchange rate		Average Exchange rate	
(for €1)	**June 30, 2023**	**June 30, 2022**	**June 30, 2023**	**June 30, 2022**
US Dollar	1.09	1.05	1.08	1.09
British Pound Sterling	0.86	0.86	0.88	0.84
Swiss Franc	0.98	1.00	0.99	1.03
Japanese Yen	158	142	146	134

Source : WM/Refinitiv

The first half of 2023 has seen a relative exchange rate stability, except for the Japanese Yen. Against a basket of currencies, the US Dollar remained broadly stable in the first half of 2023 (-2% vs. Euro and -2.2% vs. Swiss Franc). The higher Bank of England rate expectations and the diminishing fiscal concerns have led the Sterling to make gains in the first half of 2023 (+3% vs. Euro and +5% vs. US dollar). Dwindling expectations of rate adjustments from the Bank of Japan, led to the Yen's depreciation of -12% against the Euro and -10 % against the US dollar.

Activity and Earnings Indicators

ACTIVITY INDICATORS

(in Euro million, except percentages)	**June 30, 2023**	**June 30, 2022**	**June 30, 2023 / June 30, 2022** [(a)]
Gross Written Premiums & Other Revenues [(b)]	**55,740**	**54,867**	**2.4%**
Property & Casualty	30,400	28,713	7.2%
Life & Health	24,528	25,287	-2.8%
o/w Life	16,297	16,553	-1.0%
o/w Health	8,231	8,734	-6.2%
Asset Management	749	788	-4.5%
Banking	62	80	-21.8%
New Business Value (NBV) (1)	**1,179**	**1,300**	**-7.3%**
Present Value of Expected Premiums (PVEP) (2)	**23,260**	**25,936**	**-9.2%**
NBV Margin (1)/(2)	**5.1%**	**5.0%**	**0.1 pt**
Average Assets under Management [(c)]	**736**	**771**	**-4.4%**

[(a)] Changes are on comparable basis.
[(b)] Net of Intercompany eliminations.
[(c)] in Euro billion.

(in Euro million, except percentages)	**June 30, 2023**	**June 30, 2022**	**June 30, 2023 / June 30, 2022** [(a)]
Gross Written Premiums & Other Revenues [(b)]	**55,740**	**54,867**	**2.4%**
France	13,859	14,507	-6.1%
Europe	20,996	20,251	2.8%
AXA XL	10,534	10,252	5.7%
Asia, Africa & EME-LATAM	8,610	8,152	13.2%
AXA IM	749	788	-4.5%
Transversal & Other	993	917	4.4%

[(a)] Changes are on comparable basis.
[(b)] Net of Intercompany eliminations.

Consolidated Gross Written Premiums and Other Revenues amounted to €55,740 million as of June 30, 2023, up 1.6% on a reported basis and up 2.4% on a comparable basis compared to June 30, 2022.

The comparable basis (€-0.4 billion or +0.8 point) mainly neutralizes the foreign exchange rate movements due to the appreciation of average Euro exchange rate mainly against Turkish Lyra, Japanese Yen and British Pound Sterling.

GROSS WRITTEN PREMIUMS & OTHER REVENUES

Property & Casualty gross written premiums were up 7% (or €+2,077 million) on a comparable basis to €30,400 million:

- **Commercial lines Insurance** grew by 9% (or €+1,661 million) primarily driven by **(i)** AXA XL Insurance (+8%) mainly from strong price increases across all lines except North America Professional, along with volume growth mostly driven by Property lines, **(ii)** Asia, Africa & EME-LATAM (+36%) mainly driven by Turkey mostly from higher average premiums in Property and Motor in a hyperinflationary context, along with favorable volume and price effects most notably in Colombia, **(iii)** Europe (+8%) from price increases in all lines of business, notably Property, combined with a positive volume effect, **(iv)** France (+7%) reflecting price increases, notably in Commercial Property and **(v)** AXA Assistance (+5%) mainly from the continued rebound of the Travel business;
- **Personal lines** grew by 5% (or €+471 million) driven by **(i)** Motor (+7%) in Europe (+5%) in the United Kingdom mainly stemming from strong price increases and Italy mainly from new business growth through a continued partnership with a car manufacturer, in Asia, Africa & EME-LATAM (+17%) notably in Turkey driven by higher average premiums in a hyperinflationary context and in France (+6%) from strong price increases combined with new business growth through brokers. Gross written premiums also grew in **(ii)** Non-Motor (+2%) primarily in Europe (+4%) mostly in Germany and Belgium & Luxembourg from price increases partly offset by the United Kingdom mainly due to the run-off of the Travel portfolio and in France (+2%) stemming from price increases. This was partly offset by Asia, Africa & EME-LATAM (-9%) mostly driven by Colombia from lower volumes driven by selective underwriting, partly compensated by Turkey from higher average premiums in Household in a hyperinflationary context;
- **AXA XL Reinsurance** decreased by 3% (or €-55 million) primarily due to the reduction of the Property Cat exposure in line with the Group's strategy, partly offset by price increases across all lines of business.

Life & Health gross written premiums were down 3% (or €-718 million) on a comparable basis to €24,528 million.

Life gross written premiums were down 1% (or €-169 million) on a comparable basis to €16,297 million:

- **Unit-Linked** decreased by 16% (or €-673 million) driven by challenging market conditions in **(i)** Europe (-22%) mainly in Italy and Spain, in **(ii)** France (-10%) as well as in **(iii)** Asia, Africa & EME-LATAM (-27%) mainly in Hong Kong;
- **General Account Savings** increased by 5% (or €+212 million) mainly driven by **(i)** France (+10%) reflecting the continued growth in Eurocroissance partly offset by lower sales in traditional G/A, and **(ii)** Asia, Africa & EME-LATAM (+12%) from the success of a new product launched in 2023 in Hong Kong, partly offset by the decrease of sales of the capital-light Single Premium Whole Life product from unfavorable foreign exchange conditions in Japan, partly offset by **(iii)** Europe (-4%) mainly in Italy, Germany and Belgium & Luxembourg from challenging market conditions in a higher interest rate environment.
- **Protection** grew by 4% (or €+293 million) mainly from **(i)** Protection with Unit-Linked (+19%) in Asia, Africa & EME-LATAM (+24%) driven by the continued growth in Japan, **(ii)** Protection with

General Account Savings (+4%) in Asia, Africa & EME-LATAM (+5%) driven by Hong Kong due to the re-opening of the border with mainland China partly offset by Japan, combined with Europe (+3%) driven by Switzerland from new business growth in both Individual and Group Life. This was partly offset by **(iii)** Pure Protection (-2%) due to the run-off of a portfolio in France.

Health gross written premiums were down 6% (or €-550 million) on a comparable basis to €8,231 million. Excluding the impact of the non-renewal of two large legacy International Group contracts, Health gross written premiums increased by 7% (or €+546 million):

- **Group business** increased by 8% (or €+289 million) notably in Europe (+23%) from higher volumes in Large Corporate in the United Kingdom & Ireland and in Asia, Africa & EME-LATAM (+17%) mostly driven by price increases in Mexico and Turkey;
- **Individual business** grew by 6% (or €+258 million) driven by Europe (+4%) notably due to higher volumes in the United Kingdom & Ireland and Switzerland, and price increases in Germany, and by Asia, Africa & EME-LATAM (+9%) primarily from price increases in Mexico and Turkey.

Asset Management revenues were down 5% (or €-36 million) on a comparable basis to €749 million mainly driven by both lower management fees (€-30 million) from a lower Average Assets under Management.

Average Assets under Management decreased by 4% (or €-34 billion) on a comparable basis to €736 billion mainly driven by unfavorable market effect following the rise in interest rates and downward equity markets during the second half of 2022, partly offset by business growth in *AXA IM Alts* mostly from third-party business.

Banking revenues decreased by 22% (or €-17 million) on a comparable basis to €62 million from AXA Banque France mainly due to pressure on margins in the context of higher interest rates.

NEW BUSINESS PERFORMANCE

Present Value of Expected Premiums ("PVEP")

PVEP decreased by 10% on a reported basis and 9% on a comparable basis to €23,260 million driven by the impact of increases in interest rates experienced in 2022 on the discount, partly offset by favorable actuarial assumptions in France and higher volumes, notably in Hong Kong.

New Business Value Margin ("NBV margin")

NBV margin grew by 0.1 point on both reported and comparable basis to 5.1% driven by higher margins in General Account Savings (+0.9 point) reflecting a favorable new business mix in France towards Eurocroissance, as well as in Health from the non-renewal of two large legacy International group contracts partly offset by Protection (-0.5 point) from higher interest rates impacting the present value of future margins.

UNDERLYING EARNINGS AND NET INCOME GROUP SHARE

JUNE 30, 2023

(in Euro million)	**June 30, 2023**	**Property & Casualty**	**Life & Health**	**Asset Management**	**Holdings** [(a)]
Short-term Business					
Revenues	32,396	25,254	7,142		
Combined Ratio		90.9%	98.9%		
Technical Margin	2,368	2,288	80		
Long-term Business					
CSM Release	1,474		1,474		
Technical Experience	-41		-41		
Financial Results & Other					
Financial Results	1,804	1,193	431	15	166
Other Revenues	1,397			909	489
Other Expenses	-1,449			-682	-766
Debt Financing Charges	-461				-461
Underlying Earnings Before Tax	**5,092**	**3,480**	**1,944**	**241**	**-574**
Income tax	-1,072	-761	-381	-66	136
Minority interests, Income from Affiliates & Other	92	-2	81	13	0
UNDERLYING EARNINGS GROUP SHARE	**4,111**	**2,717**	**1,643**	**188**	**-437**
Contractual Service Margin	**34,132**	**212**	**33,920**		

[(a)] Holdings segment includes banking and holding activities.

(in Euro million, except percentages)	**June 30, 2023**	**France**	**Europe**	**AXA XL**	**Asia, Africa & EME-LATAM**	**AXA IM**	**Transversal & Central Holdings**
Short-term Business							
Revenues	32,396	8,432	10,685	8,670	3,602		1,008
Combined Ratio							
Technical Margin	2,368	516	823	953	77		-2
Long-term Business							
CSM Release	1,474	433	487	1	553		0
Technical Experience	-41	-39	5	0	-6		0
Financial Results & Other							
Financial Results	1,804	357	738	239	266	15	190
Other Revenues	1,397	58	1	0	0	909	429
Other Expenses	-1,449	-83	19	0	-9	-682	-693
Debt Financing Charges	-461	0	-1	-18	-8	0	-434
Underlying Earnings Before Tax	**5,092**	**1,241**	**2,071**	**1,175**	**873**	**241**	**-511**
Income tax	-1,072	-222	-470	-237	-190	-66	113
Minority interests, Income from Affiliates & Other	92	6	-56	0	129	13	0
UNDERLYING EARNINGS GROUP SHARE	**4,111**	**1,025**	**1,545**	**938**	**813**	**188**	**-398**
Net Realized Capital Gains & Losses	-30						
Fair Value of Funds & Derivatives	-74						
Amortization of Intangibles	-93						
Restructuring Costs	-82						
Exceptional Items	1						
NET INCOME GROUP SHARE	**3,833**						
Property & Casualty Combined Ratio	90.9%	90.7%	90.1%	89.0%	97.9%		100.4%
Life & Health Short-Term Combined Ratio	98.9%	96.8%	106.1%		97.8%		98.9%

JUNE 30,2022

(in Euro million)	June 30, 2022	Property & Casualty	Life & Health	Asset Management	Holdings [a]
Short-term Business					
Revenues	32,261	24,614	7,647		
Combined Ratio		96.2%	96.9%		
Technical Margin	1,184	944	241		
Long-term Business					
CSM Release	1,454		1,454		
Technical Experience	-66		-66		
Financial Results & Other					
Financial Results	1,992	1,288	626	2	77
Other Revenues	1,447			947	500
Other Expenses	-1,424			-682	-741
Debt Financing Charges	-363				-363
Underlying Earnings Before Tax	**4,225**	**2,231**	**2,255**	**267**	**-528**
Income tax	-818	-455	-437	-71	146
Minority interests, Income from Affiliates & Other	61	-26	80	7	0
UNDERLYING EARNINGS GROUP SHARE	**3,467**	**1,750**	**1,897**	**203**	**-383**
Contractual Service Margin	**33,112**	**223**	**32,889**		

[a] Holdings segment includes banking and holding activities.

(in Euro million, except percentages)	June 30, 2022	France	Europe	AXA XL	Asia, Africa & EME-LATAM	AXA IM	Transversal & Central Holdings
Short-term Business							
Revenues	32,261	8,980	10,053	8,930	3,359		940
Combined Ratio							
Technical Margin	1,184	234	330	648	29		-57
Long-term Business							
CSM Release	1,454	423	475	3	554		0
Technical Experience	-66	-50	21	-2	-34		0
Financial Results & Other							
Financial Results	1,992	458	866	265	311	2	90
Other Revenues	1,447	80	0	0	0	947	420
Other Expenses	-1,424	-85	6	0	-9	-682	-653
Debt Financing Charges	-363	0	0	-42	-6	0	-315
Underlying Earnings Before Tax	**4,225**	**1,060**	**1,697**	**871**	**845**	**267**	**-515**
Income tax	-818	-206	-352	-174	-175	-71	161
Minority interests, Income from Affiliates & Other	61	1	-47	-1	100	7	0
UNDERLYING EARNINGS GROUP SHARE	**3,467**	**855**	**1,298**	**696**	**770**	**203**	**-355**
Net Realized Capital Gains & Losses	-80						
Fair Value of Funds & Derivatives	797						
Amortization of Intangibles	-201						
Restructuring Costs	-143						
Exceptional Items	11						
Net Income Group share	**3,852**						
Property & Casualty Combined Ratio	96.2%	98.5%	96.9%	92.7%	98.6%		107.4%
Life & Health Short-Term Combined Ratio	96.9%	96.6%	95.3%		100.4%		97.8%

Alternative Performance Measures

Underlying Earnings, Underlying Earnings per Share, Combined Ratio, Underlying Return on Equity and Debt Gearing are Alternative Performance Measures ("APMs") as defined in ESMA's guidelines and the AMF's related position statement issued in 2015. A reconciliation from Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal, or total in the Consolidated Financial Statements of the corresponding period is provided in the above tables. Underlying Return on Equity and Underlying Earnings per Share are reconciled to the Consolidated Financial Statements in the table set forth on page 33 of this report, and the calculation methodology of the Debt Gearing is set out on page 20 of this report. For further information on any of the above-mentioned APMs, please see the definitions and the Glossary on pages 35 to 40 of this report.

IFRS 17 and IFRS 9 became effective on, and have been implemented by the Group since, January 1, 2023. The new accounting standards have impacted certain components of the APMs published by AXA. For definitions of relevant accounting components under IFRS 17 and IFRS 9, please refer to Note 1 to AXA's 2023 Half-Year Consolidated Financial Statements (the "Consolidated Financial Statements").

Underlying Earnings

Underlying Earnings represent the Net Income Group share as disclosed in the table set forth on pages 17 and 18 of this report, before the impact of the following items net of absorption from technical liabilities, taxes, and minority interests:

- realized gains and losses as well as the change in impairment valuation on assets held directly and accounted through other comprehensive income with recycling or at the amortized cost;
- profit or loss on financial assets accounted at fair value through profit & loss, foreign exchange impacts on assets and liabilities as well as derivatives hedging assets and liabilities;
- impairments of goodwill, impairments, and amortization of other intangibles;
- integration costs related to newly acquired companies as well as restructuring costs related to productivity improvement plans; and
- exceptional operations (primarily changes in scope and discontinued operations).

Underlying Earnings per Share

Underlying Earnings per Share (" **Basic UEPS**") represent AXA's consolidated Underlying Earnings (net of financial charges related to undated and deeply subordinated debts recorded through shareholders' equity as disclosed in Note 6 "Shareholders' equity and minority interests" of Consolidated Financial Statements) divided by the weighted average number of outstanding ordinary shares over the period. Shares held by AXA and its subsidiaries (i.e. treasury shares) are deducted for the calculation of outstanding shares.

Fully Diluted Underlying Earnings per Share ("**Fully Diluted UEPS**") represent AXA's consolidated Underlying Earnings (net of financial charges related to undated and deeply subordinated debts recorded through shareholders' equity as disclosed in Note 6 "Shareholders' equity and minority interests" of the Consolidated Financial Statements) divided by the weighted average number of outstanding ordinary shares over the period, on a diluted basis (i.e. including the potential impact of all outstanding dilutive stock options being exercised, performance shares, and conversion of existing convertible debt into shares, provided that their impact is not anti-dilutive). Shares held by AXA and its subsidiaries (i.e. treasury shares) are deducted for the calculation of outstanding shares.

Combined Ratio (Applicable to Short-Term Business)

The Combined Ratio is the sum of the current accident year loss ratio net of reinsurance plus the prior accident year loss ratio net of reinsurance plus the expense ratio.

Current accident year loss ratio net of reinsurance is the ratio of:

- discounted current year claims charge gross of reinsurance + discounted current accident year claims handling costs + discounted current accident year result of reinsurance ceded + change in loss component; to
- current year revenues gross of reinsurance.

Prior accident year loss ratio net of reinsurance is the ratio of:

- discounted prior accident year claims charge gross of reinsurance + discounted prior accident year claims handling costs + discounted prior accident year result of reinsurance ceded + variation of risk adjustment; to
- all year revenues gross of reinsurance.

Expense ratio is the ratio of:

- expenses (including attributable, non-attributable and non-insurance expenses), excluding commissions from assumed reinsurance business; to
- all year revenues gross of reinsurance.

Underlying Return on Equity

Underlying Return on Equity ("Underlying ROE") is calculated as the ratio of :

- Underlying Earnings net of interest charges related to undated and deeply subordinated debts (recorded through shareholders' equity as disclosed in Note 6 "Shareholders' Equity and Minority Interests" of the Consolidated Financial Statements); to
- the average of opening and closing shareholders' equity excluding other comprehensive income related to invested assets (as disclosed in Note 6 "Shareholders' equity and minority interests" of the Consolidated Financial Statements) insurance and reinsurance contracts, as well as excluding undated and deeply subordinated debt (recorded through shareholders' equity, as disclosed in Note 6 "Shareholders' equity and minority interests" of the Consolidated Financial Statements).

Debt Gearing

Debt Gearing refers to the level of a company's debt related to its long-term capital, usually expressed as a percentage. Debt Gearing is used by Management to measure the financial leverage of the Group and the extent to which its operations are funded by creditors as opposed to shareholders. AXA's Debt Gearing is calculated by dividing gross debt (financing debt, as disclosed in Note 8 "Financing debt" of the Consolidated Financial Statements, and undated and deeply subordinated debts, as disclosed in Note 6 "Shareholders' equity and minority interests" of the Consolidated Financial Statements) by total capital employed (shareholders' equity excluding undated and deeply subordinated debts), gross debt and Contractual Service Margin (net of tax), as it represents the unearned profit to be recognized as services are provided to policyholders.

Commentary on Group Earnings

Since January 1, 2023, the Group has implemented the IFRS 17 – Insurance Contracts and IFRS 9 – Financial Instruments accounting standards. Please refer to Note 1 to the Consolidated Financial Statements for further details on the application of IFRS 17 and IFRS 9 accounting standards in such Consolidated Financial Statements.

Restated 2022 comparative information has been prepared under the new standards. All tables in this report present the prior-year comparative financial figures as restated in accordance with IFRS 17 and IFRS 9.

As of June 30, 2022, Underlying Earnings under IFRS 17 and IFRS 9 amounted to €3,467 million, down €451 million (-12%) versus the published half-year 2022 Underlying Earnings under IFRS 4 and IAS 39, mainly driven by Property & Casualty down €-625 million, primarily from lower prior year's reserve developments partly offset by higher discounting impact of claims reserves, while Life & Health Underlying Earnings were higher by €170 million mainly reflecting an acceleration in the pattern of earnings recognition induced by the CSM release mechanism under IFRS 17. Underlying Earnings for Asset Management, Banking and Holdings remained at the same level as previously reported under IFRS 4 and IAS 39 for half-year 2022.

The sum of items reconciling Underlying Earnings to Net Income under IFRS 17 and IFRS 9 amounted to €385 million, up €194 million versus the Net Income for half-year 2022 published under IFRS 4 and IAS 39, mainly from a more favorable change in the fair value of assets and derivatives, partly offset by lower realized capital gains from equity securities that are accounted for as other comprehensive income without recycling under IFRS 9. As a result, Net Income under IFRS 17 and IFRS 9 amounted to €3,852 million, down €257 million (-6%) versus half-year 2022 under IFRS 4 and IAS 39.

UNDERLYING EARNINGS

On a reported basis, Underlying Earnings amounted to €4,111 million under IFRS 17 and IFRS 9, up €193 million (+5%) versus half-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and up €644 million (+19%) versus half-year 2022 Underlying Earnings as restated under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Underlying Earnings under IFRS 17 and IFRS 9 increased by €181 million (+5%) versus Underlying Earnings under IFRS 4 and IAS 39.

On a constant exchange rate basis, Underlying Earnings increased by €632 million (+18%) under IFRS 17 and IFRS 9.

Property & Casualty

(in Euro million, except percentages)	**June 30, 2023**	**Commercial lines**	**Personal lines**	**AXA XL Reinsurance**	**Intercompany eliminations**
Short-term Business					
Revenues	25,254	17,117	8,470	1,121	-1,455
Combined Ratio	90.9%	90.9%	93.6%	80.8%	
Technical Margin	2,288	1,556	544	215	-28
Financial Result & Other	**1,193**	**891**	**228**	**81**	**-7**
Underlying Earnings Before Tax	**3,480**	**2,447**	**772**	**297**	**-35**
Income tax	**-761**				
Minority interests, Income from Affiliates & Other	**-2**				
UNDERLYING EARNINGS GROUP SHARE	**2,717**				
Contractual Service Margin	**212**				

(in Euro million, except percentages)	**June 30, 2022**	**Commercial lines**	**Personal lines**	**AXA XL Reinsurance**	**Intercompany eliminations**
Short-term Business					
Revenues	24,614	16,188	8,255	1,447	-1,276
Combined Ratio	96.2%	95.8%	97.2%	94.8%	
Technical Margin	944	682	234	75	-47
Financial Result & Other	**1,288**	**925**	**309**	**75**	**-22**
Underlying Earnings Before Tax	**2,231**	**1,607**	**543**	**151**	**-69**
Income tax	-455				
Minority interests, Income from Affiliates & Other	-26				
UNDERLYING EARNINGS GROUP SHARE	**1,750**				
Contractual Service Margin	**223**				

(in Euro million, except percentages)	June 30, 2023	France	Europe	AXA XL	*o/w AXA XL Insurance*	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business							
Revenues	25,254	4,046	9,244	8,670	7,549	2,417	878
Combined Ratio	90.9%	90.7%	90.1%	89.0%	90.2%	97.9%	100.4%
Technical Margin	2,288	377	911	953	737	52	-4
Financial Result & Other	**1,193**	**258**	**484**	**232**	**151**	**172**	**46**
Underlying Earnings Before Tax	**3,480**	**635**	**1,395**	**1,185**	**888**	**224**	**42**
Income tax	-761	-126	-329	-236	-180	-61	-10
Minority interests, Income from Affiliates & Other	-2	-1	-24	0	0	23	0
UNDERLYING EARNINGS GROUP SHARE	**2,717**	**508**	**1,042**	**949**	**708**	**186**	**32**

(in Euro million, except percentages)	June 30, 2022	France	Europe	AXA XL	*o/w AXA XL Insurance*	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business							
Revenues	24,614	3,784	8,718	8,930	7,482	2,371	811
Combined Ratio	96.2%	98.5%	96.9%	92.7%	92.3%	98.6%	107.4%
Technical Margin	944	55	267	648	573	33	-60
Financial Result & Other	**1,288**	**251**	**554**	**254**	**178**	**202**	**28**
Underlying Earnings Before Tax	**2,231**	**306**	**820**	**902**	**751**	**235**	**-32**
Income tax	-455	-71	-170	-172	-146	-53	12
Minority interests, Income from Affiliates & Other	-26	0	-24	-1	-1	-1	0
UNDERLYING EARNINGS GROUP SHARE	**1,750**	**234**	**627**	**729**	**604**	**180**	**-21**

On a reported basis, Property & Casualty Underlying Earnings amounted to €2,717 million, up €343 million (+14%) versus half-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and up €968 million (+55%) versus half-year 2022 Underlying Earnings under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Underlying Earnings under IFRS 17 and IFRS 9 increased by €316 million (+13%) versus Underlying Earnings under IFRS 4 and IAS 39.

On a constant exchange rate basis, Property & Casualty Underlying Earnings increased by €940 million (+54%) under IFRS 17 and IFRS 9, fueled by a strong growth in gross written premiums across the lines, and mainly driven by **(i)** favorable prior years' reserve developments (-1.6 points to -0.6% of combined ratio) as HY22 results were impacted by non-recognition of release of reserves in excess of best estimates, **(ii)** the increase in current year discount (+2.5 points to 4.2%) driven by the rise in interest rates across geographies, **(iii)** lower Natural Catastrophe charges (-1.0 point to 3.0%) in Europe (-2.0 points to 2.1%), France (-2.5 points to 2.4%) and AXA XL Reinsurance (-3.9 points to 10.6%) from the lower frequency of storms, **(iv)** slightly more favorable current year loss ratio excluding Natural Catastrophe charges (-0.4 point) mainly from the non-repeat of the impact of the war in Ukraine at AXA XL, as well as strong pricing actions to mitigate inflation, offset by the impact of elevated level of large loss activity experienced in France and Europe, including French riots, and higher attritional claims due to higher frequency in Motor notably in United Kingdom & Ireland and Germany, partly offset by **(v)** higher expenses (+0.4 point) due to the increase in commission expenses (+0.5 point) driven by a business mix effect in Europe, at AXA XL and in China, offset by the improvements of non-commission ratio (-0.1 point) resulting from disciplined expense management in the context of high inflation, **(vi)** lower financial results (€-71 million) as a consequence of the increase in the unwind of the discount of claims reserves (€-99 million) resulting from the increase in interest rates experienced in 2022, partly offset by a higher investment income (€+27 million) driven by higher reinvestment yields in the context of rising interest rates and **(vii)** higher income taxes by €304 million due to higher pre–tax Underlying Earnings.

Life & Health

(in Euro million, except percentages)	**June 30, 2023**	**Life**	**Health**
Short-term Business			
Revenues	**7,142**	1,970	5,172
Combined Ratio	**98.9%**	93.8%	100.8%
Technical Margin	**80**	122	-43
Long-term Business			
CSM Release	**1,474**	1,202	272
Technical Experience	**-41**	-52	11
Financial Result & Other			
Financial Result	**431**	350	81
Underlying Earnings Before Tax	**1,944**	**1,622**	**322**
Income tax	**-381**	-305	-76
Minority interests, Income from Affiliates & Other	**81**	81	0
UNDERLYING EARNINGS GROUP SHARE	**1,643**	**1,398**	**245**
Contractual Service Margin	**33,920**	**26,443**	**7,476**

(in Euro million, except percentages)	**June 30, 2022**	**Life**	**Health**
Short-term Business			
Revenues	7,647	1,979	5,668
Combined Ratio	96.9%	93.3%	98.1%
Technical Margin	241	132	109
Long-term Business			
CSM Release	1,454	1,177	277
Technical Experience	-66	-50	-16
Financial Result & Other			
Financial Result	626	511	115
Underlying Earnings Before Tax	**2,255**	**1,771**	**484**
Income tax	-437	-326	-112
Minority interests, Income from Affiliates & Other	80	76	4
UNDERLYING EARNINGS GROUP SHARE	**1,897**	**1,521**	**376**
Contractual Service Margin	**32,889**	**25,366**	**7,523**

(in Euro million, except percentages)	**June 30, 2023**	**France**	**Europe**	**AXA XL**	**Asia, Africa & EME-LATAM**	**Transversal & Central Holdings**
Short-term Business						
Revenues	7,142	4,386	1,441	0	1,185	130
Combined Ratio	98.9%	96.8%	106.1%	0.0%	97.8%	98.9%
Technical Margin	80	140	-87	0	26	1
Long-term Business						
CSM Release	1,474	433	487	1	553	0
Technical Experience	-41	-39	5	0	-6	0
Financial Result & Other						
Financial Result	431	98	226	7	101	0
Underlying Earnings Before Tax	**1,944**	**631**	**630**	**8**	**673**	**1**
Income tax	-381	-100	-148	-2	-131	0
Minority interests, Income from Affiliates & Other	81	7	-32	0	106	0
UNDERLYING EARNINGS GROUP SHARE	**1,643**	**538**	**449**	**6**	**648**	**1**

(in Euro million, except percentages)	**June 30, 2022**	**France**	**Europe**	**AXA XL**	**Asia, Africa & EME-LATAM**	**Transversal & Central Holdings**
Short-term Business						
Revenues	7,647	5,195	1,335	0	988	129
Combined Ratio	96.9%	96.6%	95.3%	0.0%	100.4%	97.8%
Technical Margin	241	179	63	0	-4	3
Long-term Business						
CSM Release	1,454	423	475	3	554	0
Technical Experience	-66	-50	21	-2	-34	0
Financial Result & Other						
Financial Result	626	208	285	11	122	0
Underlying Earnings Before Tax	**2,255**	**759**	**844**	**11**	**637**	**3**
Income tax	-437	-135	-174	-2	-125	-1
Minority interests, Income from Affiliates & Other	80	1	-23	0	101	0
UNDERLYING EARNINGS GROUP SHARE	**1,897**	**626**	**647**	**9**	**613**	**2**

Life

(in Euro million, except percentages)	June 30, 2023	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	1,970	1,787	50	0	132	0
Combined Ratio	93.8%	94.3%	93.9%	0.0%	86.9%	0.0%
Technical Margin	122	102	3	0	17	0
Long-term Business						
CSM Release	1,202	433	413	1	354	0
Technical Experience	-52	-39	12	0	-25	0
Financial Result & Other						
Financial Result	350	82	201	7	61	0
Underlying Earnings Before Tax	**1,622**	**577**	**629**	**8**	**408**	**0**
Income tax	-305	-92	-141	-2	-70	0
Minority interests, Income from Affiliates & Other	81	7	-32	0	106	0
UNDERLYING EARNINGS GROUP SHARE	**1,398**	**492**	**456**	**6**	**444**	**0**

(in Euro million, except percentages)	June 30, 2022	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	1,979	1,839	47	0	92	0
Combined Ratio	93.3%	92.7%	92.0%	0.0%	106.1%	0.0%
Technical Margin	132	134	4	0	-6	0
Long-term Business						
CSM Release	1,177	423	415	3	336	0
Technical Experience	-50	-50	20	-2	-18	0
Financial Result & Other						
Financial Result	511	169	250	11	81	0
Underlying Earnings Before Tax	**1,771**	**676**	**690**	**11**	**394**	**0**
Income tax	-326	-120	-135	-2	-68	0
Minority interests, Income from Affiliates & Other	76	1	-23	0	98	0
UNDERLYING EARNINGS GROUP SHARE	**1,521**	**557**	**531**	**9**	**423**	**0**

On a reported basis, Life Underlying Earnings amounted to €1,398 million, up €73 million (+6%) versus half-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and down €122 million (-8%) versus half-year 2022 Underlying Earnings under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Underlying Earnings under IFRS 17 and IFRS 9 increased by €77 million (+6%) versus Underlying Earnings under IFRS 4 and IAS 39.

On a constant exchange rate basis, Life Underlying Earnings decreased by €119 million (-8%) under IFRS 17 and IFRS 9 from **(i)** lower financial result (€-167 million) mainly from lower operating investment income (€-132 million) driven by Europe, mainly in Belgium & Luxembourg from lower alternative investment funds distribution, France notably from lower return from inflation bonds combined with the increase in the unwind of discount on reserves (€-35 million) from higher interest rates, as well as **(ii)** lower short-term business technical margin (€-10 million) reflecting a 0.5 point increase in combined ratio mainly driven by France from an update in actuarial assumptions in Group Protection annuities business as well as the run-off of a Protection portfolio, partly offset by Asia, Africa & EME-LATAM an improved claims experience in Group Life in Mexico, partly offset by **(iii)** a higher CSM release (€+32 million) reflecting the underlying CSM growth (4% annualized) as well as **(iv)** a lower income tax (€+19 million) driven by lower pre-tax Underlying Earnings.

Health

(in Euro million, except percentages)	June 30, 2023	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	5,172	2,599	1,391	0	1,053	130
Combined Ratio	100.8%	98.5%	106.5%	0.0%	99.2%	98.9%
Technical Margin	-43	38	-90	0	9	1
Long-term Business						
CSM Release	272	0	73	0	199	0
Technical Experience	11	0	-7	0	19	0
Financial Result & Other						
Financial Result	81	16	25	0	40	0
Underlying Earnings Before Tax	**322**	**54**	**0**	**0**	**266**	**1**
Income tax	-76	-8	-7	0	-61	0
Minority interests, Income from Affiliates & Other	0	0	0	0	0	0
UNDERLYING EARNINGS GROUP SHARE	**245**	**46**	**-7**	**0**	**205**	**1**

(in Euro million, except percentages)	June 30, 2022	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	5,668	3,356	1,288	0	896	129
Combined Ratio	98.1%	98.7%	95.4%	0.0%	99.8%	97.8%
Technical Margin	109	45	60	0	1	3
Long-term Business						
CSM Release	277	0	59	0	217	0
Technical Experience	-16	0	0	0	-16	0
Financial Result & Other						
Financial Result	115	39	36	0	40	0
Underlying Earnings Before Tax	**484**	**84**	**155**	**0**	**243**	**3**
Income tax	-112	-15	-39	0	-57	-1
Minority interests, Income from Affiliates & Other	4	0	0	0	4	0
UNDERLYING EARNINGS GROUP SHARE	**376**	**69**	**116**	**0**	**190**	**2**

On a reported basis, Health Underlying Earnings amounted to €245 million, down €157 million (-39%) versus half-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and down €131 million (-35%) versus half-year 2022 Underlying Earnings under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Underlying Earnings under IFRS 17 and IFRS 9 decreased by € 148 million (-37%) versus Underlying Earnings under IFRS 4 and IAS 39.

On a constant exchange rate basis, Health Underlying Earnings decreased by €122 million (-33%) under IFRS 17 and IFRS 9 mainly driven by **(i)** a lower short-term business technical margin (€-156 million) reflecting a 2.8 points increase in the combined ratio, in Europe (€-154 million) due to higher claims frequency in the United Kingdom, and **(ii)** a lower financial result (€-33 million) driven by France (€-22 million) from the increase in the unwind of discount on reserves reflecting the rise in interest rates, and Europe (€-10 million) from non-repeat of elevated dividends distribution in Spain, partly offset by **(iii)** a higher Technical Experience (€+30 million) driven by Asia, Africa & EME-LATAM (€+37 million) mainly from the non-repeat of elevated level of COVID-19 claims in Japan, and **(iv)** a higher CSM Release (€+9 million) notably in Europe (€+14 million) from Germany and Switzerland, as well as **(v)** a lower income taxes (€+32 million) driven by lower pre-tax Underlying Earnings.

Asset Management

Asset Management Underlying Earnings decreased by €14 million (-7%) to €188 million driven by **(i)** lower revenues (€-33 million), **(ii)** higher expenses (€-5 million) from higher staff expenses to support business compensated by cost containment measures, partly offset by **(iii)** higher investment income (€+13 million) from higher interest rates, **(iv)** higher income from affiliates and associates (€+6 million) following the consolidation of Capza, and **(v)** lower taxes (€+5 million) from lower pre-tax Underlying Earnings.

Holdings

Holdings Underlying Earnings decreased by €53 million (-14%) to €-437 million mainly driven by **(i)** AXA SA Holding (€-92 million) from higher financial charges driven by debt issuance, the non-repeat of the positive impact of a tax litigation settlement last year, partly offset by higher investment income, partly offset by **(ii)** UK Holdings (€+25 million) mainly from favorable tax one-offs, as well as **(iii)** AXA XL Holding (€+24 million) from lower financing debt expenses due to early debt redemption in July 2022.

NET INCOME

On a reported basis, Net Income amounted to €3,833 million, down €275 million (-7%) versus half-year 2022 Net Income under IFRS 4 and IAS 39, and down €18 million (-0%) versus half-year 2022 Net Income under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Net Income decreased by € 269 million (-7%) versus Net Income under IFRS 4 and IAS 39.

On a constant exchange rate basis, Net Income decreased by €12 million (-0%) under IFRS 17 and IFRS 9 driven by:

- **higher Underlying Earnings,** up €632 million (+18%) to €4,111 million;
- **a negative change in the fair value of assets and derivatives**, down €866 million to €-74 million which can be analyzed as follows:
  - **€-67 million** primarily from **(i)** an unfavorable change in the fair value of equity hedging derivatives (€-169 million) in France and AXA XL reflecting the strong market performance over the first half of the year, partly offset by **(ii)** the favorable impact from interest rates hedging derivatives (€+57 million) in both Hong Kong and France,
  - **€-6 million** from an unfavorable change in the fair value of foreign exchange derivatives notably from US Dollar denominated options in France as a result of US Dollar depreciation against Euro;
- **less unfavorable net realized capital losses,** up €56 million to €-30 million;
- **a lower negative impact of goodwill and other related intangibles,** down €117 million (-58%) to €-93 million, mainly from the non-repeat of the full impairment of the goodwill of Reso Garantia;
- **lower restructuring costs,** down €61 million (-42%) to €-82 million; and
- **exceptional items** at €1 million.

Shareholders' equity Group share

As of June 30, 2023, Shareholders' equity Group share totaled €45.9 billion. The movements in Shareholders' equity Group share since December 31, 2022, are presented in the table below:

(in Euro million)	Shareholders' equity Group share
At December 31, 2022	**46,071**
Paid-in Capital	-1,362
Treasury Shares	150
Other Comprehensive Income Arising from Defined Benefit Plans	565
Fair Value Recorded in Shareholders' Equity	1,273
Other Comprehensive Income Related to Invested Assets	5,506
Other Comprehensive Income Related to (re) Insurance Contracts	-4,233
Impact of Currency Fluctuations	-772
Undated Subordinated Debt (including interest charges)	-87
Realized Gains on Equity through Retained Earnings	23
Dividends	-3,787
Net Income for the Period	3,833
Other	5
At June 30, 2023	**45,912**

Solvency information[1]

As of June 30, 2023, the Group's Eligible Own Funds ("EOF") amounted to €62.3 billion and the Solvency II ratio to 235%, compared to €58.5 billion and 215% as of December 31, 2022.

(1) *Solvency-related information included in this section, including the Solvency II ratio and the Eligible Own Funds ("EOF"), is not subject to the review of the Half Year 2023 Consolidated Financial Statements included in the Half Year 2023 Financial Report, nor the verification of the information otherwise included in such Half Year 2023 Financial Report, performed by the Group's statutory auditors.*

Shareholder value

EARNINGS PER SHARE ("EPS")

Underlying Earnings Per Share on a fully diluted basis amounted to €1.79, up 8% versus half-year 2022 under IFRS 4 and IAS 39, and up 23% versus half-year 2022 under IFRS 17 and IFRS 9.

	June 30, 2023		June 30, 2022		June 30, 2023 / June 30, 2022	
(in Euro, except ordinary shares in million)	Basic	Fully diluted	Basic	Fully diluted	Basic	Fully diluted
Weighted average number of shares	**2,241**	**2,247**	**2,311**	**2,317**	**-3%**	**-3%**
Net income (Euro per ordinary share)	1.67	1.67	1.63	1.62	3%	3%
Underlying earnings (Euro per ordinary share)	1.79	1.79	1.46	1.46	23%	23%

RETURN ON EQUITY ("ROE")

(in Euro billion)	June 30, 2023	June 30, 2022	June 30, 2023 / June 30, 2022
Net Income ROE	**15.5%**	**15.2%**	**0.2 pt**
Net Income [a]	3.7	3.8	
Average Adjusted Shareholders' Equity [b]	48.4	49.3	
Underlying ROE	**16.6%**	**13.7%**	**2.9 pts**
Underlying Earnings [a]	4.0	3.4	
Average Adjusted Shareholders' Equity [b]	48.4	49.3	

[a] Including adjustments to reflect net financial charges related to undated and deeply subordinated debt (recorded through shareholders' equity).

[b] Excluding reserves related to the change in fair value of invested assets and derivatives, reserves related to insurance contracts as well as undated and deeply subordinated debt (recorded through shareholders' equity).

Outlook

AXA delivered strong operational performance in the first half of 2023. The Group remains focused on growing its cash generative, technical and fee-based business lines, reducing sensitivity to financial markets, and delivering sustainable and attractive margins.

In Property & Casualty, the pricing environment remains favorable. In this context, Management is confident in the Group's ability to sustain its strong underwriting margins across Commercial and Personal lines, supported by pricing actions and cost discipline. The below-average Nat Cat charges in 1H23 and the continued high interest rate environment have provided some tailwinds on current year margins. The Group is maintaining its prudent stance on reserving and is committed to delivering sustainable and attractive P&C results over the cycle.

Life results are expected to be driven by a predictable CSM release, underpinned by steady underlying growth[(1)] in the stock of CSM from attractive new business. In Health, the Group expects claims frequency in the United Kingdom to remain elevated in the second half, at levels similar to 1H23. The impact is expected to be gradually compensated by price increases with the benefits to be reflected starting next year.

In this context, Management affirms that the Group is on track to meet its 2023 underlying earnings target of above Euro 7.5 billion for the year[(2)]. The Group remains focused on executing its strategy and is confident in its ability to deliver on the four main financial targets of AXA's "Driving Progress 2023" plan.

AXA's strategy is designed to generate sustained earnings and dividend growth, supported by enhanced cash generation, a strong balance sheet and disciplined capital management. AXA's Management believes that the Group is well placed to create lasting shareholder value and offer an attractive return.

(1) *Underlying growth refers to the sum of new business CSM and underlying return on in-force portfolio, net of CSM release.*
(2) *Based on normalized natural catastrophe charges and assuming current operating and market conditions persist.*

Glossary

This glossary includes definitions of non-GAAP financial measures, or alternative performance measures ("APMs"), indicated by an asterisk (*), that Management believes are useful to understand the Group's business and analyze the Group's performance.

SCOPE

- **France** (insurance and banking activities, and holding);
- **Europe**, consisting of:
  - Switzerland (insurance activities),
  - Germany (insurance activities and holding),
  - Belgium & Luxemburg (insurance activities and holding),
  - United Kingdom & Ireland (insurance activities and holding),
  - Spain (insurance activities),
  - Italy (insurance activities), and
  - AXA Life Europe (insurance activities);
- **AXA XL** (insurance and reinsurance activities and holding);
- **Asia, Africa & EME-LATAM** consisting of
  - Asia, consisting of:
    - Japan (insurance activities and holding),
    - Hong Kong (insurance activities),
    - Thailand (insurance activities),
    - Indonesia (insurance activities),
    - China (insurance activities),
    - The Philippines (insurance activities),
    - South Korea (insurance activities),
    - Malaysia (insurance activities held for sale until June 2021, and disposed on August 30, 2022),
    - India (Life activities and holding), and
    - Asia Holdings;
  - EME-LATAM, consisting of:
    - Brazil (insurance activities and holding),
    - Colombia (insurance activities),
    - Mexico (insurance activities),
    - Russia (Reso) (insurance activities), and
    - Turkey (insurance activities and holding),

    - Africa:
        - Morocco (insurance activities and holding),
        - Nigeria (insurance activities and holding),
    - AXA Mediterranean Holdings;
- **AXA Investment Managers** (including Architas);
- **Transversal & Central Holdings**, consisting of:
    - AXA Assistance,
    - AXA Liabilities Managers,
    - AXA SA (including Group's internal reinsurance activity consequently to the merger with AXA Global Re on June 30, 2022), and
    - Other Central Holdings.

ALTERNATIVE PERFORMANCE MEASURES

Underlying Earnings, Underlying Earnings per Share, Combined Ratio, Underlying Return on Equity and Debt Gearing are Alternative Performance Measures ("APMs") as defined in ESMA's guidelines and the AMF's related position statement issued in 2015. A reconciliation from Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal, or total in the Consolidated Financial Statements of the corresponding period is provided in the above tables. Underlying Return on Equity and Underlying Earnings per Share are reconciled to the Consolidated Financial Statements in the table set forth on page 33 of this report, and the calculation methodology of the Debt Gearing is set out on page 20 of this report. For further information on any of the above-mentioned APMs, please see the definitions and the Glossary on pages 35 to 40 of this report.

IFRS 17 and IFRS 9 became effective on, and have been implemented by the Group since, January 1, 2023. The new accounting standards have impacted certain components of the APMs published by AXA. For definitions of relevant accounting components under IFRS 17 and IFRS 9, please refer to Note 1 to AXA's 2023 Half-Year Consolidated Financial Statements (the "Consolidated Financial Statements").

Underlying Earnings

Underlying Earnings represent the Net Income Group share as disclosed in the table set forth on pages 17 and 18 of this report, before the impact of the following items net of absorption from technical liabilities, taxes, and minority interests:

- realized gains and losses as well as the change in impairment valuation on assets held directly and accounted through other comprehensive income with recycling or at the amortized cost;
- profit or loss on financial assets accounted at fair value through profit & loss, foreign exchange impacts on assets and liabilities as well as derivatives hedging assets and liabilities;
- impairments of goodwill, impairments, and amortization of other intangibles;
- integration costs related to newly acquired companies as well as restructuring costs related to productivity improvement plans; and
- exceptional operations (primarily changes in scope and discontinued operations).

Underlying Earnings per Share

Underlying Earnings per Share (" **Basic UEPS**") represent AXA's consolidated Underlying Earnings (net of financial charges related to undated and deeply subordinated debts recorded through shareholders' equity as disclosed in Note 6 "Shareholders' equity and minority interests" of Consolidated Financial Statements) divided by the weighted average number of outstanding ordinary shares over the period. Shares held by AXA and its subsidiaries (i.e. treasury shares) are deducted for the calculation of outstanding shares.

Fully Diluted Underlying Earnings per Share ("**Fully Diluted UEPS**") represent AXA's consolidated Underlying Earnings (net of financial charges related to undated and deeply subordinated debts recorded through shareholders' equity as disclosed in Note 6 "Shareholders' equity and minority interests" of the Consolidated Financial Statements) divided by the weighted average number of outstanding ordinary shares over the period, on a diluted basis (i.e. including the potential impact of all outstanding dilutive stock options being exercised, performance shares, and conversion of existing convertible debt into shares, provided that their impact is not anti-dilutive). Shares held by AXA and its subsidiaries (i.e. treasury shares) are deducted for the calculation of outstanding shares.

Combined Ratio (Applicable to Short-Term Business)

The Combined Ratio is the sum of the current accident year loss ratio net of reinsurance plus the prior accident year loss ratio net of reinsurance plus the expense ratio.

Current accident year loss ratio net of reinsurance is the ratio of:
- discounted current year claims charge gross of reinsurance + discounted current accident year claims handling costs + discounted current accident year result of reinsurance ceded + change in loss component; to
- current year revenues gross of reinsurance.

Prior accident year loss ratio net of reinsurance is the ratio of:
- discounted prior accident year claims charge gross of reinsurance + discounted prior accident year claims handling costs + discounted prior accident year result of reinsurance ceded + variation of risk adjustment; to
- all year revenues gross of reinsurance.

Expense ratio is the ratio of:
- expenses (including attributable, non-attributable and non-insurance expenses), excluding commissions from assumed reinsurance business; to
- all year revenues gross of reinsurance.

Underlying Return on Equity

Underlying Return on Equity ("Underlying ROE") is calculated as the ratio of :

- Underlying Earnings net of interest charges related to undated and deeply subordinated debts (recorded through shareholders' equity as disclosed in Note 6 "Shareholders' Equity and Minority Interests" of the Consolidated Financial Statements); to
- the average of opening and closing shareholders' equity excluding other comprehensive income related to invested assets (as disclosed in Note 6 "Shareholders' equity and minority interests" of the Consolidated Financial Statements) insurance and reinsurance contracts, as well as excluding undated and deeply subordinated debt (recorded through shareholders'

equity, as disclosed in Note 6 “Shareholders’ equity and minority interests” of the Consolidated Financial Statements).

Debt Gearing

Debt Gearing refers to the level of a company's debt related to its long-term capital, usually expressed as a percentage. Debt Gearing is used by Management to measure the financial leverage of the Group and the extent to which its operations are funded by creditors as opposed to shareholders. AXA’s Debt Gearing is calculated by dividing gross debt (financing debt, as disclosed in Note 8 “Financing debt” of the Consolidated Financial Statements, and undated and deeply subordinated debts, as disclosed in Note 6 “Shareholders’ equity and minority interests” of the Consolidated Financial Statements) by total capital employed (shareholders’ equity excluding undated and deeply subordinated debts), gross debt and Contractual Service Margin (net of tax), as it represents the unearned profit to be recognized as services are provided to policyholders.

OTHER DEFINITIONS

Asset Management - Net inflows

Net inflows represent inflows of client money less outflows of client money. Net inflows are used by the Management to measure the impact of sales efforts, product attractiveness (mainly dependent on performance and innovation), and the general market trend in investment allocation.

Asset Management - Cost Income ratio

Underlying cost income ratio is the ratio of general expenses excluding distribution-related expenses to gross revenues excluding distribution fees received.

Assets under Management (“AuM”)

Assets under Management are defined as the assets the management of which has been delegated by their owner to an asset management company such as AXA Investment Managers. AuM only include funds and mandates which generate fees and exclude double counting.

Average Assets Under Management ("Average AuM")

Average Assets under Management represent an annual measure of the assets during the period, taking into account net flows, market effect and foreign exchange to compute the year-to-date average. They also exclude assets held in joint venture companies which are consolidated under the equity method.

Comparable basis for Gross Written Premiums and Other Revenues, Present Value of Expected Premiums (PVEP) and NBV Margin

“On a comparable basis” means:

- data for the current period were restated using the prevailing foreign currency exchange rates for the same period of the prior year (**constant exchange rate basis**);
- data in one of the two periods being compared were restated for the results of acquisitions, disposals, and business transfers (**constant structural basis**) and for changes in accounting principles (**constant methodological basis**).

Contractual Service Margin (“CSM”)

CSM represents a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit to be recognized as services are provided to policyholders.

CSM Release

CSM Release is the portion of CSM stock net of reinsurance at the end of the defined period flowing through profit and loss representing the estimated profit earned by the insurer for providing insurance services during the reporting period.

Economic Variance

Economic Variance corresponds to the variance of the year end CSM arising from changes in market conditions net of the underlying return on in-force.

Eligible Own Funds (“EOF”)

Eligible Own Funds represents the surplus derived from a Solvency II balance sheet. EOF is defined as the excess of market value of assets over best estimate liabilities and risk margin as per Solvency II regulation.

Financial Result

Financial Result consists of investment income on assets backing Building Block Approach (“BBA”) and Premium Allocation Approach (“PAA”) contracts as well as assets backing shareholder’s equity, net of the insurance finance expenses (“IFE”) defined as the unwind of the present value of future cash flow and risk adjustment.

Gross Written Premiums and Other Revenues

Gross Written Premiums represent the insurance premiums collected during the period (including risk premiums, premiums from pure investment contracts with no discretionary participating features, fees and revenues, net of commissions paid on assumed reinsurance business). Other Revenues represent premiums and fees collected on activities other than insurance (i.e., banking, services and asset management activities).

Long-Term Business

Long-Term Business refers to insurance activities measured using the Variable Fee Approach (“VFA”) or the Building Block Approach (“BBA”), as well as Protection with Savings, even if the latter is measured using Premium Allocation Approach (“PAA”). Long-Term Business margin analysis includes CSM Release and Technical Experience.

New Business Value (“NBV”)

NBV represents the value of newly issued contracts during the current year. It consists of the sum of (i) the New Business Contractual Service Margin, (ii) the present value of the future profits of Short-Term Business newly issued contracts during the period, carried by Life entities, considering expected renewals, and (iii) the present value of the future profits of pure investment contracts accounted for under IFRS 9, net of (iv) the cost of reinsurance, (v) taxes and (vi) minority interests.

NBV Margin

NBV Margin is the ratio of (i) New Business Value representing the value of newly issued contracts during the current year to (ii) Present Value of Expected Premiums (PVEP).

New Business Contractual Service Margin ("NB CSM")

NB CSM represents a component of the carrying amount of the asset or liability for newly issued insurance contracts during the period, representing the unearned profit to be recognized as insurance contract services are provided.

Present Value of Expected Premium ("PVEP")

PVEP represents the new business volume, equal to the present value at the time of issue of the total premiums expected to be received over the policy term. PVEP is discounted at the reference interest rate and PVEP is Group share.

Revenues

For Short-Term Business, revenues represent the portion of premiums earned during the defined reporting period as well as revenues from non-insurance activities.

Short-Term Business

Short-Term Business refers to insurance activities measured using the Premium Allocation Approach ("PAA") and services activities notably at AXA Assistance. Short-Term Business margin is analyzed using the Combined Ratio. Short-Term Business covers Property & Casualty, Health and Life Pure Protection when measured using the PAA. Bank and Asset Management activities are presented in the aggregate "Financial Results and Other" in the Group Earnings table.

Solvency II ratio

This ratio is calculated as per Solvency II and is equal to the total amount of the Group's Eligible Own Funds ("EOF") divided by the Group's Solvency Capital Requirement ("SCR"). The Solvency Capital Requirement, i.e., the denominator of the Solvency II ratio, is set at a level to ensure that insurers and reinsurers are able to meet their obligations towards policyholders and beneficiaries over the next 12 months, with a 99.5% probability. The Solvency Capital Requirement can be calculated either based on the standard formula or an internal model. The Group is using an internal model.
The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200-year shock. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (**www.axa.com**).

Technical Experience

Technical Experience consists of the impacts on the underlying earnings of (i) the difference between the expected and incurred cash-flows of the defined period, (ii) the risk adjustment release, (iii) the changes in onerous contracts and (iv) the other long-term elements which are mainly composed of non-attributable expenses.

Underlying Return on in-force

Underlying Return on in-force represents the release of the time value of options and guarantees plus the unwind of CSM at the reference rate plus the underlying financial over-performance.