Activity Report

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December 31, 2023

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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. In particular, the Group's "Unlock the Future" strategic plan discussed in the "Outlook" section of this report, including its capital management and distribution policy, is based on the current views and intentions of the Board of Directors and is subject to change. Numerous factors may influence the actual dividend and share buy-back amounts in any given year, including AXA's earnings, applicable capital and solvency requirements, prevailing operating and financial market conditions as well as general economic conditions. In addition, the determination of such amounts is subject to proposal by the Board of Directors and approval of the shareholders of AXA. 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, 2023 (the "2023 Universal Registration Document") and "Operating Highlights – Risk factors" on page 10 of AXA's Half Year Financial Report as of June 30, 2023 (the "Half Year 2023 Financial report") 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 26 and 27 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 40 of this report. The calculation methodology of the Debt Gearing is set out on page 45 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 43 to 48 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 on February 22, 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, India, Türkiye, 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, which was subsequently sold during the fourth quarter of 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 completed the acquisition of Laya Healthcare Limited

On October 31, 2023, AXA announced that it has completed the acquisition of Laya Healthcare Limited ("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 resulted in an impact of -3 points on AXA Group's Solvency II ratio[(2)].

[(1)] *Including Africa, India, Türkiye, Middle East, Latin America, Thailand, Indonesia, Philippines.*
[(2)] *Impact effective on AXA Group's Solvency II ratio at the time of closing of the transaction*

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 affirmed 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 Property and Casualty market.

AXA announced that AXA France has entered into a reinsurance agreement for an in-force Savings portfolio

On December 20, 2023, AXA Group announced that its subsidiary AXA France Vie has entered into a reinsurance agreement with AXA Réassurance Vie France ("ARVF"), a reinsurance company co-owned by AXA Assurances Vie Mutuelle[(2)] and AXA Assurances IARD Mutuelle. The reinsurance agreement[(3)] with ARVF will cover a total of €12 billion of Savings reserves, including €10 billion of traditional General Account Savings. The transaction is expected to result in a cash upstream[(4)] to AXA SA of €0.6 billion and to have ca. 2 points favorable impact[(5)] on the AXA Group's Solvency II ratio as of December 31, 2023. Additionally, the transaction is expected to result in a reduction in Underlying Earnings of ca. €50 million *per annum* from 2024 onwards. AXA intends to offset the resulting earnings dilution with a €0.5 billion share buy-back[(6)] to be launched following the release of the Group's full year 2023 results and new strategic plan. The transaction is expected to have an immaterial one-off impact on AXA Group's Net Income and to result in a reduction in AXA Group's net Contractual Service Margin of ca. €0.4 billion from 2024.

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)] *As of FY22. Premiums currently underwritten by a third-party insurer.*

[(2)] *The Mutuelles AXA comprise two French mutual insurance companies, AXA Assurances Vie Mutuelle and AXA Assurances IARD Mutuelle, that are respectively Life & Savings and Property & Casualty insurance undertakings. The Mutuelles AXA are neither part of the accounting consolidation scope of AXA Group nor its Solvency II prudential scope.*

[(3)] *The quota-share treaty covers both in-force and associated new business and is expected to be renewed annually until expiration of the last policies in scope. Reserves amount as of the end of 3Q23.*

[(4)] *€0.2 billion remitted in 2023 and €0.4 billion expected to be remitted in 2024.*

[(5)] *Excluding the impact of the anti-dilutive share buyback to be launched following the publication of the full year 2023 results.*

[(6)] *Subject to market conditions.*

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 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[(3)] was determined on the basis of the volume-weighted average share price.

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

Information regarding share buy-back programs is disclosed on the AXA Group[(4)] 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[(5)] on AXA XL subordinated notes[(6)], resulting in the buy-back of US$248 million debt.

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.

[(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 purchase price did not exceed the maximum purchase price approved at the applicable Shareholders' Annual General Meeting.*

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

[(5)] *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**.*

[(6)] *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.*

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

The Group has repurchased 81.40% of the total amount considered, resulting in a cash outflow of GB£615.6 million.

Shareplan 2023

On August 22, 2023, the AXA Group announced that it would offer to its employees, in and outside of France, the opportunity to subscribe to shares issued by way of a capital increase reserved for employees ("Shareplan 2023"). This operation, deeply rooted in AXA's culture, is a powerful lever to strengthen the existing links with its teams, by associating them even further with the Group's performance and its long-term successes. Approximately 23,000 employees in 40 countries, representing nearly 21% of eligible employees, subscribed to Shareplan 2023, enabling them to invest in AXA shares at preferred terms.

The aggregate proceeds from the offering amounted to nearly €348 million, for a total of approximately 14 million newly issued shares, subscribed to a price of €22.73 for the classic plan and €26.25 for the guarantee plus offer. The new shares were created with full rights as of January 1, 2023. This offering increased the total number of outstanding AXA shares to 2,267,700,472 as of November 24, 2023.

Following Shareplan 2023, AXA's employees held 4.4% of the AXA share capital and 5.9% of the voting rights.

Share repurchase program in relation to compensation schemes or employee share offerings

In order to meet its obligation to deliver shares and to eliminate the dilutive effect of certain share-based compensation schemes[(1)] or employee share offerings[(2)] , in the course of 2023, AXA had bought back 24,809,918 shares. These shares will be delivered to the beneficiaries of share-based compensation schemes or cancelled, all in accordance with the share repurchase program[(3)].

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).

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(1) *Stock-options plans and performance shares plans.*

(2) *Employee share offering « Shareplan 2023 ».*

(3) *The AXA share repurchase program was authorized during the General Shareholders' Meeting of April 27, 2023.*

AXA offered secure Generative AI to employees

On July 27, 2023, AXA announced the deployment of AXA Secure GPT, an internal service built on Microsoft's Azure OpenAI Service. Developed in three months by AXA's in-house experts leveraging AXA's collaboration with Microsoft, AXA Secure GPT gives AXA employees access to a digital platform, in a secured and data-privacy compliant Cloud environment, and enables enterprise-wide use of the transformative technologies of Generative AI and Large Language Models. AXA employees will be able to use AXA Secure GPT to generate, summarize, translate, and correct texts, images, and codes.

Since its launch, AXA Secure GPT has been made available to over 105,000 AXA employees and will be fully deployed by the second quarter of 2024. A dedicated prompt training has also been launched to upskill all employees on the tool.

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 Türkiye (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

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

[(2)] *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. 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.*

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 in 2022 and Solvency II ratio[(1)] 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[(2)] expected to exceed +7% over the three-year period 2020[(3)] -2023 and cumulative cash remittance to exceed €14 billion over the period 2021-2023.

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[(4)].

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;

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(1) *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).*

(2) *Compounded annual growth rate.*

(3) *Rebased. FY20 Underlying Earnings rebased included actual Underlying Earnings restated for "COVID-19 claims" and natural catastrophes in excess of the normalized level. The AXA Group normalized level of natural catastrophe charges for 2020 was expected to be at ca. 3% of Gross Earned Premiums. Natural catastrophe charges included natural catastrophe losses regardless of event size. "COVID-19 claims" included Property & Casualty, Life 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.*

(4) *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.*

- 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).

AXA committed to the development of renewable energy in Europe

On July 3, 2023, AXA announced that it has signed a ten-year Virtual Power Purchase Agreement (VPPA) with IGNIS, a Spanish integrated renewable energy group. A VPPA makes it possible both to contribute to the equivalent of all or part of a consumer's energy needs and to supply the grid with renewable electricity.

The contract signed by AXA concerns a solar power plant in Spain, with the objective of being operational by May 2025.

Under the agreement, AXA undertook to purchase 90% of the renewable electricity produced by this future power plant, *i.e.* 84 GWh per year. This is equivalent to the electricity consumption of the buildings and data centers of the Group's European entities.

Schneider Electric, the leading advisor on global corporate renewable energy procurement, supported AXA in the selection of their projects and negotiations in the VPPA.

AXA launched *"We Care"* program for all employees worldwide

On October 3, 2023, AXA went one step further in its global health and well-being offering for its employees by announcing the launch of its *"We Care"* program, designed to provide support to AXA's workforce at different life stages and during moments that matter. The program aims to provide AXA's 147,000 employees, agents and partners with the time, support, and resources to make personal and professional decisions with confidence.

The new program reflects an important evolution in the existing offering and enables AXA to progress further on its long-term commitment towards an inclusive and supportive global workplace culture.

The *"We Care"* program will be one of AXA's key milestones for its next strategic plan 2024-2026 and offered to all AXA's employees across 51 countries. It will be deployed across all AXA entities by the end of 2024[(1)] through four main pillars:

- **caregiver policy**: A new policy has been introduced to provide employees caring for immediate family members who require eldercare or care due to a serious health condition and/or disability with up to five days of fully paid leave;
- **domestic and sexual violence policy:** AXA stands against domestic, intra-familial and sexual violence. For any employee impacted by such a situation, AXA is committed to providing access to psychological support, specialist support services, flexible working arrangements and five days of fully paid leave;
- **parental policy:** Alongside the existing 16 weeks fully paid parent leave for the primary parent, the *"We Care"* program will also see the length of fully paid co-parent leave double, from 4 weeks to 8 weeks. Additional leave and flexible working arrangements will be offered to support employees receiving and recovering from in-vitro fertilization, or in the case of pregnancy loss;
- ***"Healthy You"* program:** Launched in 2020, this health and well-being program provides AXA employees with benefits such as psychological assistance, teleconsultation services, medical check-ups, a minimum financial coverage in the case of cancer and more. Since 2022, more than 34,000 in-person medical check-ups have been offered to AXA employees over the age of 40. The program will now expand further to include a supportive working environment for employees experiencing menstrual health conditions, menopause, or andropause.

AXA Future Risks Report 2023: A world in polycrisis

On October 30, 2023, AXA published the tenth edition of its Future Risks Report. Carried out among 3,500 experts in 50 countries and a representative sample of 20,000 members of the general population in 15 countries, this study measures and ranks their perception of evolving and rising risks. Since 2020, this report has been produced in partnership with the IPSOS polling institute. The data is then analyzed by the AXA Group's in-house experts.

This year, the study highlighted the concept of polycrisis. Geopolitical tensions, the exponential emergence of new technologies (such as generative AI), or the acceleration of global warming, no longer follow one another but are happening at the same time.

The main findings of the 2023 edition of the Future Risks Report were as follows:

- the risks associated with artificial intelligence and big data showed the greatest increase in the experts' rankings, rising from fourteenth place in 2022 to fourth place in 2023. Most of the experts (64%) and the public (70%) even believe that AI research should be halted;
- for the sixth year running, cybersecurity risks are on the experts' podium. For the first time, they have also made it into the Top 3 for the general population. The "cyber-war" motif was included in the list enabling the experts to justify their choice, closely linking this subject to that of geopolitical instability, in third position this year;
- as was the case last year, global warming was in first place among both experts and the public. But, for the first time, this risk is ranked first in every region of the world, including by the public, without exception.

[(1)] *In compliance with local practices and legislation. The program sets global minimum standards, and some entities may decide to exceed the amounts offered based on local context.*

- the feeling of vulnerability remained at a high level. 84% of experts feel more vulnerable than they did five years ago at national levels (compared with 76% in 2020), and 73% at local levels (compared with 64% in 2020). This trend is also apparent in the general population, where feelings of vulnerability have increased by 7% in three years at both national and local levels.

However, the trust in various players to limit the consequences of new global crises is on the rise. In first place, scientists are trusted by 84% of experts and 70% of the general population. The level of confidence in companies is growing among both experts (72%, up 8% in one year) and the general population (49%, up 4%). At the same time, 93% of experts and 74% of the general population believe that the role of insurers in limiting the impact of future risks is important or very important (compared with 89% and 69% last year).

Events subsequent to December 31, 2023

AXA announced the successful placement of €1.5 billion Restricted Tier 1 Notes

On January 10, 2024, AXA announced the successful placement of €1.5 billion of Reg S perpetual deeply subordinated notes (the "Notes") with institutional investors. The Notes qualify as Restricted Tier 1 capital under Solvency II. Investor demand for the issuance was strong with a book subscribed more than 5 times.

The initial fixed rate has been set at 6.375% *per annum* until the end of a 6-month call window period (ending on January 16, 2034), when the interest rate will reset and every five years thereafter at the prevailing Euro 5-year Mid Swap rate plus a margin of 384.1 basis points. In line with the Solvency II requirements, the Notes feature a loss absorption mechanism in the form of a write-down(1) of the nominal amount of the Notes in the event that one of the solvency-related triggers(2) is breached(3). Interest payments are at the full discretion of AXA unless they are mandatorily prohibited.

The Notes are rated BBB+ by Standard & Poor's and Baa1(hyb) by Moody's. They will be treated as capital from a regulatory and rating agencies' perspective within applicable limits.

This issuance is part of AXA Group's funding plan for 2024 and the proceeds will be used for general corporate purposes, including the refinancing of part of the AXA Group's outstanding debt.

The settlement of the Notes took place on January 16, 2024.

Execution of a share repurchase agreement in relation to AXA's share buy-back program of up to €1.6 billion

On February 23, 2024, AXA has executed a share repurchase agreement with an investment services provider, whereby AXA will buy back its own shares for a maximum amount of €1.6 billion, reflecting:

- €1.1 billion share buy-back, in line with its new capital management policy, as announced on February 22, 2024;
- €0.5 billion anti-dilutive share buy-back related to the reinsurance agreement for an in-force Savings portfolio at AXA France, as announced on December 20, 2023.

The share repurchase agreement will be executed in accordance with the terms of the applicable Shareholders' Annual General Meeting authorization(4).

Under the share repurchase agreement(5) announced on February 23, 2024, shares will be bought back commencing on February 26, 2024, and ending at the latest on August 5, 2024. On each day during the

(1) *With discretionary reinstatement subject to conditions as further described in the Prospectus dated January 10, 2024*

(2) *As determined under Solvency II*

(3) *Either at AXA Group level or at AXA SA solo level. AXA SA expects to transition the calculation of its Solo Solvency II ratio from the Solvency II standard formula to the AXA Group's Internal Model by the end of 2024, subject to prior approval by the ACPR. At AXA SA level, the impact of such transition is expected to result in a reduction in the AXA SA Solo Solvency II ratio to a level more consistent with AXA Group's Solvency II ratio. At Group level, such transition is expected to have an immaterial impact on the AXA Group's Solvency II ratio and a limited negative impact on the AXA Group's MCR coverage. The AXA SA MCR coverage is expected to remain materially above the AXA Group MCR coverage.*

(4) *The Shareholders' Annual General Meeting authorization granted on April 27, 2023, or the authorization expected to be granted by the Shareholders' Annual General Meeting on April 23, 2024, as applicable.*

(5) *The up to €1.6 billion share buy-back program will be executed in addition to any other potential anti-dilutive share buy-back including the previously announced share buy-back to be executed following the closing of the sale of a Life & Pensions portfolio by AXA Germany.*

purchase period, the price per share to be paid by AXA[1] will be 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.

AXA announced cash tender offers for two series of subordinated notes

On February 26, 2024, AXA announced an any-and-all cash tender offer for each of the following two series of AXA SA subordinated notes:

- GB£350,000,000 Fixed to Floating Rate Undated Deeply Subordinated Notes issued on July 6, 2006[2]; and
- GB£723,925,000 Undated Deeply Subordinated Resettable Notes issued on November 7, 2014[3].

The tender offers expired at 5:00 p.m., Central European time, on March 4, 2024.

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

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(1) *The purchase price will not exceed the maximum purchase price approved at the applicable Shareholders' Annual General Meeting.*
(2) *Fixed rate of 6.6862% until the first call date on July 6, 2026.*
(3) *Fixed rate of 5.453% until the first call date on March 4, 2026.*

Market Environment

FINANCIAL MARKET CONDITIONS

STOCK MARKETS

(main indices, in pts)	December 31, 2023	December 31,2023 / December 31, 2022	December 31, 2022	December 31,2022 / December 31, 2021
CAC 40	7,543	17%	6,474	-9%
Eurostoxx 50	4,521	19%	3,794	-12%
FTSE 100	7,733	4%	7,452	1%
Nikkei	33,464	28%	26,095	-9%
S&P 500	4,770	24%	3,840	-19%
MSCI World	3,169	22%	2,603	-19%
MSCI Emerging	1,024	7%	956	-22%

Source: Bloomberg.

Stock markets were resilient in a context marked by a stabilization of the inflation across most economies and a decrease in interest rates over the period. The MSCI AC World index increased by 22% across the course of 2023, recovering the losses from the previous year.

In the United States, the S&P 500 marked a 24% rise over the course of the year, though much of the S&P performance was concentrated in major tech firms.

In Europe, the Eurostoxx 50 underperformed the S&P with an increase of 19% which reflects divergent performances across European countries. The German DAX and Spanish IBEX 35 indices rose by 20% and 23% respectively, the Italian MIB increased by 28% while the French CAC 40 underperformed with an increase of 17% though it remains at a historically high level. All things considered, the European indices posted a historical performance after the tumultuous year of 2022. In the United Kingdom, a negative outlook for the economy led the FTSE 100 and FTSE 250 indices to drop down 5% in the middle of the year, before a series of better-than-expected inflation readings helped the indices to climb back, posting a gain of 4% at year-end.

In Asia, the Japanese Nikkei index gained the most with a 28% rise over the course of 2023 as investors were attracted by the return on equity improvement of most of Japanese companies as well as a weak Yen. However, China’s Shanghai CSI 300 index posted a drop of 11% as concerns about the economy and government intervention continued to weigh.

BOND MARKETS

(Government bonds in % or basis points (bps))	December 31, 2023	December 31, 2023 / December 31, 2022	December 31, 2022	December 31, 2022 / December 31, 2021
10Y French bond	2.56%	-56 bps	3.12%	+292 bps
10Y German bond	2.02%	-55 bps	2.57%	+275 bps
10Y Swiss bond	0.70%	-92 bps	1.62%	+177 bps
10Y Italian bond	3.70%	-102 bps	4.72%	+355 bps
10Y UK bond	3.54%	-14 bps	3.67%	+270 bps
10Y Japanese bond	0.61%	+19 bps	0.42%	+35 bps
10Y US bond	3.88%	0 bps	3.87%	+236 bps

Source: Bloomberg.

US bond market developments captured global attention in 2023. Although in the first half of the year, 10-year US Treasury yields were broadly steady between 3.50-3.75%, with yields falling sharply around the time of the bank failures in March, they peaked at 5% in October and then dropped sharply below 4% towards year-end to close the year at 3.88% - flat compared to their 2022 close.

In Europe, bond volatility was higher in the first few months of the year as markets focused on the ECB outlook. After certain US bank failures and the Credit Suisse rescue, European yields fell back sharply. Hence, they gradually rose from this point with the 10-year German bund yield reaching a peak in October close to 3.00%, before falling back in line with global yields and closing the year 55bps lower than end-2022. Yields closed even lower in France (-56 bps), Italy (-102 bps) and Spain (-67 bps). The UK 10-year Gilt yield followed a similar pattern to close the year at 3.54% (down 14 bps from end-2022).

However, in Japan, the central bank stated at the back end of 2022 that it would allow a 10-year bond yields to fluctuate by +/- 50 bps of its target of zero, instead of the previous band of +/-25 bps. As a result, yields were impacted sharply by this change on yield control policy. This paved the way for yields to rise in 2023 and peak close to 1% at the start of November before yields followed the international pattern and reversed sharply to year-end closing the year at 0.61%, which was still 19 bps higher than 2022.

Credit markets had already recovered from a material repricing by the end of 2022. Spreads were broadly stable throughout the year and tightened towards year-end, except for the period around the turmoil in the banking sector in the United States and Switzerland in March which saw credit spreads widen. In the United States, investment grade corporate debt closed the year with spreads at 104 bps – its lowest since January 2022 and down 25 bps versus 2022. In addition, the high yield in the United States was also down 30 bps to close at 334 bps. The picture was similar in Europe, investment grade debt decreased by 19bps on the year, with a spread at 135 bps, high yield debt closed at 395 bps, down 20 bps on the year.

EXCHANGE RATES

	End of Period Exchange rate		Average Exchange rate	
(for €1)	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
US Dollar	1.10	1.07	1.08	1.05
British Pound Sterling	0.87	0.89	0.87	0.85
Swiss Franc	0.93	0.99	0.97	1.00
Japanese Yen	156	141	152	138

Source : WM/Refinitiv

After a sharp rise to a 20-year high against a basket of currencies in 2022, the US dollar reversed these gains over 2023, explained by overseas central banks hikes, while the Federal Reserve opted for stability. This translated into a 3% gain for the Euro, which closed the year at USD 1.10. Other currencies were more mixed, as British Pound Sterling rose against Euro by 2% to close the year at GBP 0.87. The Bank of Japan continued to resist tighter monetary policy and the growing interest rate differential weighed on the Japanese Yen against Euro which gained 11% over the year, closing at JPY 156.

MARKET CONDITIONS

INSURANCE ACTIVITIES

Main developed markets

In **France**, the Savings insurance market was up 5% compared to last year, reaching €153.3 billion of premiums and benefiting from a positive upward trend on both Unit-linked (+8%) and General Account (+4%) products**.** The Unit-Linked share remained stable compared to last year at 41%. The level of surrenders increased throughout the year in favor of alternatives investments such as "*Livret A*", which fueled the fierce competition on the guaranteed participation rates, that have materially increased. The Protection and complementary Health insurance market in France witnessed very high medical inflation that the market partly absorbed through an average tariff increase of 6% in 2023. The rising cost and frequency of claims have both accentuated and are now higher compared to pre-COVID levels. In addition, the "*100% Santé*" policy combined with the reduction in the reimbursements by the Social Security led to the cost transfer from the public to the private sector. The Property & Casualty market this year was less impacted by the high frequency of climatic events than in 2022, despite the Ciaran and Domingos storms as well as drought and floods in northern France which represented a total cost for insurers of around €3 billion (*vs.* €10.3 billion in 2022). Nevertheless, this year continued to give momentum to the upward trend in the cost of climatic events witnessed since 1990.

In **Europe** (excluding France), after a benign natural events experience in the first half of the year, Property and Casualty insurance markets have been hit by multiple severe weather events mainly from hailstorms and floods notably in Italy, Germany, United Kingdom and Ireland as well as in Switzerland. In the Motor insurance business, rising repairing costs and higher frequency from changing post-pandemic driving habits have resulted in more detrimental impacts than initially anticipated notably in Individual business. Globally, European Property and Casualty Insurance markets continued to be impacted by a persistently high inflationary context, leading insurers to keep implementing mitigation actions on both pricing and claims management. In Life and Savings, European markets suffered from unfavorable macroeconomic environment: inflation-driven disposable income pressure and higher competition from banking products, resulting from rising interest rates, negatively impacted net cash flows notably in Italy. In Health, European private insurers are facing several long-term challenges such as Europe's ageing population, claims cost inflation and increasing strains on national healthcare systems leading to progressive price increases implementation notably in Germany and in the United Kingdom.

In **Japan,** the Life insurance market sustained its recovery from the COVID-19 related disruption and improved by 13% in terms of GWP, mainly driven by strong sales in traditional GA Savings foreign currency denominated products in the context of interest rate hikes. Although the COVID-19 claims decreased, the net income of major insurers were impacted by increased hedging costs and additional reserves for policies affected by foreign exchange rates' fluctuations. The Property & Casualty insurance market slightly decreased by 0.3% in terms of GWP, as the growth of Marine and Personal accidents was offset by the decrease in Casualty and a decline in Compulsory Automobile Liability Insurance impacted by the tariff reduction implemented in April 2023, while Motor maintained stable growth.

In **Hong Kong**, the Life gross written premiums decreased by 1.7% compared to last year largely caused by isolated transactions related to retirement scheme business. New business recorded significant growth derived from the recovery of mainland Chinese visitors. The Property & Casualty insurance market grew 4.5% benefiting from recovery in travel business.

The **United States Property** rates increased throughout 2023, reflecting significant natural catastrophe loss activity with increased secondary perils losses, rising property values, tighter reinsurance terms and conditions, and higher ceded rates.

Overall, the **United States Casualty** insurance market witnessed moderate market conditions, with flat pricing, disciplined underwriting, and healthy appetite despite insurer concerns about economic, social, and claims inflation. The adverse implications from social inflation, including jury awards and litigation costs, continue to rise, affecting loss costs in the casualty lines, underwriting and reserve margins.

The **Reinsurance market** remains well capitalized, though capacity is deployed selectively for certain risks. Property reinsurance costs have risen while coverage capacity has declined owing to storm and wildfire losses affecting the United States in recent years. The year 2023 was once again characterized by very high insured losses from multiple natural disasters though there was no extremely severe single named event. Adequacy of premium levels to deal with increasing average costs and emerging secondary perils have also led to reduced risk appetite from providers of capital at lower layers. Casualty treaty reinsurers asserting concerns about social inflation and rate adequacy led to higher reinsurance costs and tighter terms and conditions.

Main emerging markets

In **Asia Emerging Markets**, the Property & Casualty insurance market benefited from a strong growth across most geographies. The market grew notably thanks to Motor business in China, Thailand and the Philippines, higher sales from Agriculture in China, as well as Property coverages in the Philippines. The Life insurance market continues showing good trends. In Thailand, new business volumes grew by 8% in 2023, driven by higher sales of GA Saving products benefiting from higher yields compared to previous years. In both Indonesia and the Philippines however, Life new business has not yet fully recovered to pre-COVID levels. In China, consumers started to show interest in regular-pay Protection components products reflecting an increase in market maturity.

In **Other Emerging Markets**, the Mexican insurance market grew by 15.8%. Property & Casualty grew mainly thanks to the Motor business, from steady price increases to offset the full recovery of frequency, a continued high level of inflation, as well as the recovery of the new-vehicle sales which are already at pre-pandemic levels. Life growth was positively driven by the sales of Unit-Linked products. As for Health, in 2023 the market grew by 12.6% mainly driven by price effect and a slight increase in Group business volume. In Türkiye, Property & Casualty market grew by 113% mainly driven by a strong 65% inflation. Excluding this impact, actual growth was mainly linked to an increase in penetration reflecting higher awareness following the Earthquake of February 2023, as well as higher volumes on the Motor business. The Colombian insurance market grew by 13.5% notably thanks to Workers Compensation, Motor, and Property lines, partly offsetting the decrease in SOAT (Protection) following a change in the regulated tariffs.

Rankings and Market shares

		Property & Casualty		Life		
		Ranking	Market share (%)	Ranking	Market share (%)	Sources
Main Developed Markets	France	2	13	3	8.6	*"France Assureurs*" as of December 31, 2023.
	Switzerland	1	12.9	4	8.2	Market share based on statutory premiums and market estimations by SIA (Swiss Insurance Association) figures as of February 6, 2024.
	Germany	4	5.8	6	3.5	GDV (German association of Insurance companies) as of December 31, 2022.
	Belgium	1	17.4	5	7.8	Assuralia (Belgium Professional Union of Insurance companies) based on gross written premium as of September 30, 2023, extrapolated to December 31, 2023.
	United Kingdom	6	6.7	n/a	n/a	*UK General Insurance: Competitor Analytics 2022, Global Data,* as of December 31, 2022.
	Ireland	1	18.6	n/a	n/a	Insurance Ireland P&C Statistics 2022 as of December 31, 2022.
	Spain	4	5.5	8	2.6	Spanish Association of Insurance Companies. ICEA as of December 31, 2023. (a)
	Italy	5	5.9	10	3.3	*Associazione Nazionale Imprese Assicuratrici* (ANIA) as of December 31, 2022.
	Japan	13	0.6	11	3.1	Disclosed financial reports (excluding Kampo Life) for the 12 months ended September 30, 2023.
	Hong Kong	1	8.1	6	5.6	Insurance Authority statistics based on gross written premiums as of September 30, 2023.
	XL Insurance in the United States	17	1.6	n/a	n/a	AM Best 2022 as of December 31, 2022, in the United States in Commercial lines.
	XL Reinsurance worldwide	17	2.3	n/a	n/a	AM Best 2022 as of December 31, 2022.
Main Emerging Markets	Thailand	15	2.0	5	7.1	TGIA (*Thai General Insurance Association*) as of December 31, 2023, and TLAA (*Thai Life Assurance Association*) as of December 31, 2023.
	Indonesia	n/a	n/a	3	9.1	Based on AAJI report for Weighted New Business Premiums as of September 30, 2023.
	Philippines	10	2.6	7	7.4	Life Insurance Commission, measured on life total premium income as of June 30, 2023 and P&C gross written premiums as of September 30, 2023.
	China	n/a	0.4	n/a	n/a	NFRA (*National Financial Regulatory Administration)* as of December 31, 2023 (b).
	Mexico	3	8.0	11	2.0	AMIS (*Asociación Mexicana de Instituciones de Seguros*) as of September 30, 2023.
	Brazil	16	1.8	n/a	n/a	SUSEP (*Superintendência de Seguros Privados*) as of October 31, 2023.
	Colombia	3	8.0	10	0.9	Fasecolda as of October 31, 2023
	Türkiye	4	8.2	n/a	n/a	*Insurers association* as of November 30, 2023

(a) The ranking has been calculated taking into account the acquisition of GACM España, as if it was acquired on January 1, 2023.
(b) For Property & Casualty insurance market, NFRA did not disclose information on ranking. For Life insurance market, NFRA did not disclose information on market shares and ranking.

ASSET MANAGEMENT ACTIVITIES

2023 witnessed an environment characterized by inflation and volatility in the capital markets. Fears of higher inflation and weaker growth have been the biggest themes this year as central banks continued to raise rates in the first half of the year. The credit asset class was also impacted by the crisis in US regional banks, with the bankruptcy of Silicon Valley Bank and the Credit Suisse debacle which sparked its fears of contagion in the banking sector.

Within alternative assets, Private debt has emerged as one of the standout alternative assets strategies in 2023, delivering consistent returns for investors and winning market share from banks and syndicated loan markets. On the contrary, Real assets fundraising were impacted by higher financing costs, which forced investors to recalibrate risk appetite and return expectations. Soaring financing costs have not only directly and negatively impacted asset valuations, but also significantly slowed transaction activity in most markets.

Despite volatility in the capital markets, there was a recovery in net inflows thanks to better fixed income yields, notably towards intermediate and long maturity funds. In high yield, the picture was less rosy with ongoing outflows throughout the year, although this trend changed slightly in Q4 thanks to a resumption of soft-landing rhetoric. Equity markets delivered strong performance as corporate earnings remained resilient.

Besides the impact from financial markets, assets under management continued to showcase the structural trends as observed in past years with continued pressure on margins.

Activity and Earnings Indicators

ACTIVITY INDICATORS

(in Euro million, except percentages)	December 31, 2023	December 31, 2022	December 31, 2023 / December 31, 2022 [a]
Gross Written Premiums & Other Revenues [b]	**102,733**	**101,844**	**2.6%**
Property & Casualty	53,027	50,633	7.2%
Life & Health	48,058	49,485	-1.9%
o/w Life	31,990	32,231	0.5%
o/w Health	16,068	17,254	-6.5%
Asset Management	1,555	1,589	-1.7%
Banking	93	137	-31.6%
New Business Value (NBV) (1)	**2,281**	**2,288**	**2.8%**
Present Value of Expected Premiums (PVEP) (2)	**45,856**	**43,320**	**7.7%**
NBV Margin (1)/(2)	**5.0%**	**5.3%**	**-0.2 pt**
Average Assets under Management [c]	**736**	**751**	**-2.1%**

(a) Changes are on comparable basis.

(b) Net of Intercompany eliminations.

(c) in Euro billion.

(in Euro million, except percentages)	December 31, 2023	December 31, 2022	December 31, 2023 / December 31, 2022 [a]
Gross Written Premiums & Other Revenues [b]	**102,733**	**101,844**	**2.6%**
France	27,243	28,627	-4.8%
Europe	36,617	35,045	3.3%
AXA XL	18,417	18,577	3.8%
Asia, Africa & EME-LATAM	16,990	16,225	11.9%
AXA IM	1,555	1,589	-1.7%
Transversal & Other	1,912	1,782	11.6%

(a) Changes are on comparable basis.

(b) Net of Intercompany eliminations.

Consolidated Gross Written Premiums and Other Revenues amounted to €102,733 million as of December 31, 2023, up 0.9% on a reported basis and up 2.6% on a comparable basis compared to December 31, 2022.

The comparable basis (€1.7 billion or +1.7 points) mainly neutralizes the foreign exchange rate movements due to the appreciation of average Euro exchange rate mainly against Turkish Lira and Japanese Yen.

GROSS WRITTEN PREMIUMS & OTHER REVENUES

Property & Casualty gross written premiums were up 7% (or €+3,629 million) on a comparable basis to €53,027 million:

- **Commercial lines Insurance** grew by 9% (or €+2,775 million) primarily driven by **(i)** AXA XL Insurance (+5%) mainly from strong price increases across all lines except North America Professional, along with volume growth mostly driven by Property & Specialty lines, **(ii)** Asia, Africa & EME-LATAM (+33%) mainly driven by Türkiye mostly from higher average premiums in Property and Motor in a hyperinflationary context, along with favorable volume and price effects most notably in Colombia & Mexico, **(iii)** Europe (+8%) from price increases in all lines of business, notably Property & Motor, combined with a positive volume effect, **(iv)** France (+7%) reflecting price increases, notably in Property & Motor and **(v)** AXA Assistance (+16%) mainly from the continued rebound of the Travel business;
- **Personal lines** grew by 6% (or €+983 million) driven by **(i)** Motor (+7%) in Europe (+6%) in the United Kingdom mainly stemming from strong price increases and in Italy mainly from new business growth through a continued partnership with a car manufacturer, and in Asia, Africa & EME-LATAM (+10%) notably in Türkiye driven by higher average premiums in a hyperinflationary context and in France (+8%) from strong price increases combined with new business growth through brokers. Gross written premiums also grew in **(ii)** Non-Motor (+4%) 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 (+3%) stemming from price increases.
- **AXA XL Reinsurance** decreased by 5% (or €-129 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 2% (or €-958 million) on a comparable basis to €48,058 million.

Life gross written premiums were up 1% (or €+167 million) on a comparable basis to €31,990 million:

- **Protection** grew by 4% (or €+584 million) mainly in **(i)** Protection with Unit-Linked (+23%) in Asia, Africa & EME-LATAM (+23%) driven by the continued growth in Japan, **(ii)** Pure Protection (+1%) mainly in France due to growth in domestic market combined with **(iii)** Protection with General Account Savings (+1%) mainly in Asia, Africa & EME-LATAM (+1%) driven by Hong Kong due to the re-opening of the border with mainland China.
- **General Account Savings** increased by 5% (or €+471 million) mainly driven by **(i)** France (+8%) reflecting the continued growth in Eurocroissance, partly offset by lower sales in traditional General Account, and **(ii)** Asia, Africa & EME-LATAM (+24%) from the success of a new product launched in 2023 in Hong Kong, combined with higher volumes in broker channel in Japan, partly offset by **(iii)** Europe (-3%) mainly in Italy and Belgium & Luxembourg from challenging market conditions in a higher interest rate environment partly offset by Spain due to a new Group contract.
- **Unit-Linked** decreased by 11% (or €-888 million) driven by challenging market conditions in **(i)** Europe (-17%) mainly in Italy and Spain, in **(ii)** France (-8%) as well as in **(iii)** Asia, Africa & EME-LATAM (-13%) mainly in Hong Kong;

Health gross written premiums were down 7% (or €-1,124 million) on a comparable basis to €16,068 million. Excluding the impact of the non-renewal of two large legacy International Group contracts in France, Health gross written premiums increased by 7% (or €+1,068 million):

- **Group business** increased by 8% (or €+543 million) notably in Europe (+16%) mostly from both higher volumes and price increases in United Kingdom & Ireland, in France (+4%) mainly due to price increases, and in Asia, Africa & EME-LATAM (+17%) mostly driven by price increases in Mexico, Türkiye, and Hong Kong;
- **Individual business** grew by 6% (or €+525 million) driven by Asia, Africa & EME-LATAM (+10%) primarily from price increases in Mexico and Türkiye, and Europe (+4%) notably due to price increases across entities.

Asset Management revenues were down 2% (or €-26 million) on a comparable basis to €1,555 million mainly driven by lower management fees (€-32 million) from a lower Average Assets under Management.

Average Assets under Management decreased by 2% (or €-16 billion) on a comparable basis to €736 billion mainly driven by unfavorable market effect following the rise in interest rates and outflows from AXA Insurance companies, partly offset by business growth in AXA IM Alts & Core from third-party business.

Banking revenues decreased by 32% (or €-43 million) on a comparable basis to €93 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 increased by 6% on a reported basis and 8% on a comparable basis to €45,856 million driven by higher volumes mainly from Protection in Hong Kong as well as G/A savings from higher sales of capital light G/A Savings products in France and in Italy combined with the favorable impact of decrease in interest rates on the discount mainly in Europe and France.

New Business Value Margin (“NBV margin”)

NBV margin decreased by 0.3 point on a reported basis and by 0.2 point on a comparable basis to 5.0% mainly from Protection driven by a less favorable business mix.

UNDERLYING EARNINGS AND NET INCOME GROUP SHARE

DECEMBER 31, 2023

(in Euro million)	December 31, 2023	Property & Casualty	Life & Health	Asset Management	Holdings [a]
Short-term Business					
Revenues	67,134	52,326	14,809		
Combined Ratio		93.2%	98.9%		
Technical Margin	3,701	3,534	168		
Long-term Business					
CSM Release	2,861		2,861		
Technical Experience	-148		-148		
Financial Results & Other					
Financial Results	4,022	2,721	889	39	374
Other Revenues	2,947			1,880	1,067
Other Expenses	-3,238			-1,457	-1,781
Debt Financing Charges	-940				-940
Underlying Earnings Before Tax	**9,207**	**6,255**	**3,769**	**462**	**-1,280**
Income Tax	-1,762	-1,249	-669	-125	280
Minority interests, Income from Affiliates & Other	160	6	131	23	0
UNDERLYING EARNINGS GROUP SHARE	**7,604**	**5,012**	**3,232**	**360**	**-1,000**
Contractual Service Margin stock	**33,976**	**206**	**33,770**		

(a) Holdings segment includes banking and holding activities.

(in Euro million, except percentages)	December 31, 2023	France	Europe	AXA XL	Asia, Africa & EME-LATAM	AXA IM	Transversal & Central Holdings
Short-term Business							
Revenues	67,134	17,377	22,153	17,903	7,601		2,100
Combined Ratio							
Technical Margin	3,701	1,119	828	1,717	15		22
Long-term Business							
CSM Release	2,861	847	956	1	1,057		0
Technical Experience	-148	-115	-9	-5	-20		0
Financial Results & Other							
Financial Results	4,022	731	1,703	601	531	39	418
Other Revenues	2,947	86	8	0	1	1,880	972
Other Expenses	-3,238	-158	1	0	-16	-1,457	-1,609
Debt Financing Charges	-940	0	-1	-35	-15	0	-888
Underlying Earnings Before Tax	**9,207**	**2,510**	**3,486**	**2,280**	**1,552**	**462**	**-1,084**
Income Tax	-1,762	-514	-621	-385	-337	-125	220
Minority interests, Income from Affiliates & Other	160	10	-118	0	245	23	0
UNDERLYING EARNINGS GROUP SHARE	**7,604**	**2,006**	**2,747**	**1,895**	**1,460**	**360**	**-865**
Net Realized Capital Gains & Losses	179						
Fair Value of Funds & Derivatives	-58						
Amortization of Intangibles	-137						
Integration and Restructuring costs	-303						
Exceptional Items	-96						
NET INCOME GROUP SHARE	**7,189**						
Property & Casualty Combined Ratio	93.2%	88.8%	95.3%	90.4%	100.5%		99.9%
Life & Health Short-Term Combined Ratio	98.9%	98.1%	101.9%		98.3%		92.2%

DECEMBER 31,2022

(in Euro million)	December 31, 2022	Property & Casualty	Life & Health	Asset Management	Holdings[a]
Short-term Business					
Revenues	66,647	50,798	15,849		
Combined Ratio		97.6%	97.5%		
Technical Margin	1,609	1,213	396		
Long-term Business					
CSM Release	3,013		3,013		
Technical Experience	-216		-216		
Financial Results & Other					
Financial Results	3,839	2,504	1,103	1	230
Other Revenues	2,910			1,916	994
Other Expenses	-2,975			-1,404	-1,571
Debt Financing Charges	-759				-759
Underlying Earnings Before Tax	**7,421**	**3,718**	**4,296**	**513**	**-1,107**
Income Tax	-1,468	-781	-849	-130	292
Minority interests, Income from Affiliates & Other	126	-6	116	16	0
UNDERLYING EARNINGS GROUP SHARE	**6,080**	**2,931**	**3,563**	**400**	**-814**
Contractual Service Margin stock	**33,535**	**220**	**33,315**		

(a) Holdings segment includes banking and holding activities.

(in Euro million, except percentages)	December 31, 2022	France	Europe	AXA XL	Asia, Africa & EME-LATAM	AXA IM	Transversal & Central Holdings
Short-term Business							
Revenues	66,647	18,462	20,512	18,777	6,950		1,946
Combined Ratio							
Technical Margin	1,609	-119	739	1,119	-46		-84
Long-term Business							
CSM Release	3,013	944	940	3	1,126		0
Technical Experience	-216	-74	-7	-3	-132		0
Financial Results & Other							
Financial Results	3,839	879	1,621	563	526	1	249
Other Revenues	2,910	137	-1	0	-6	1,916	863
Other Expenses	-2,975	-170	49	0	-15	-1,404	-1,434
Debt Financing Charges	-759	0	-3	-67	-13	0	-676
Underlying Earnings Before Tax	**7,421**	**1,597**	**3,339**	**1,615**	**1,439**	**513**	**-1,083**
Income Tax	-1,468	-337	-710	-314	-305	-130	327
Minority interests, Income from Affiliates & Other	126	10	-114	0	214	16	0
UNDERLYING EARNINGS GROUP SHARE	**6,080**	**1,270**	**2,514**	**1,302**	**1,349**	**400**	**-755**
Net Realized Capital Gains & Losses	-293						
Fair Value of Funds & Derivatives	-124						
Amortization of Intangibles	-280						
Integration and Restructuring costs	-287						
Exceptional Items	-35						
NET INCOME GROUP SHARE	**5,061**						
Property & Casualty Combined Ratio	97.6%	104.2%	97.0%	94.0%	100.6%		105.2%
Life & Health Short-Term Combined Ratio	97.5%	98.0%	92.7%		100.9%		98.6%

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 40 of this report, and the calculation methodology of the Debt Gearing is set out on page 45 of this report. For further information on any of the above-mentioned APMs, please see the definitions and the Glossary on pages 43 to 48 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 of AXA's 2023 Half-Year Consolidated Financial Statements (the "Consolidated Financial Statements").

COMMENTARY ON GROUP EARNINGS

Since January 1, 2023, the Group has implemented the IFRS 17 – Insurance Contracts and IFRS 9 – Financial Instruments accounting standards.

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.

For the year ended December 31, 2022, Underlying Earnings restated under IFRS 17 and IFRS 9 amounted to €6,080 million, down €1,184 million (-16%) versus the published full-year 2022 Underlying Earnings under IFRS 4 and IAS 39, mainly driven by Property & Casualty down €1,499 million, notably from lower prior year's reserve developments partly offset by higher discounting impact of claims reserves, while Life & Health Underlying Earnings were higher by €317 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 full-year 2022.

The sum of items reconciling Underlying Earnings to Net Income under IFRS 17 and IFRS 9 amounted to €-1,019 million, down €430 million versus the sum of items reconciling Underlying Earnings to Net Income for full-year 2022 published under IFRS 4 and IAS 39, mainly from 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 €5,061 million, down €1,614 million (-24%) versus full-year 2022 under IFRS 4 and IAS 39.

UNDERLYING EARNINGS

On a reported basis, Underlying Earnings amounted to €7,604 million under IFRS 17 and IFRS 9, up €341 million (+5%) versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and up €1,524 million (+25%) versus full-year 2022 Underlying Earnings as restated under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Underlying Earnings increased by €453 million (+6%) under IFRS 17 and IFRS 9 versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39, stemming from Property and Casualty (€+637 million or +14%) and Life & Health (€+40 million or +1%), partly offset by Asset Management (€-37m) and Holdings (€-187 million). On a constant exchange rate basis, Underlying Earnings under IFRS 17 and IFRS 9 increased by €1,637 million (+27%).

Underlying Earnings Per Share were at €3.31 on a fully diluted basis, up 8% versus full year 2022 under IFRS 4 and IAS 39, and up 29% under IFRS 17 and IFRS 9.

PROPERTY & CASUALTY

(in Euro million, except percentages)	December 31, 2023	Commercial lines	Personal lines	AXA XL Reinsurance	Intercompany eliminations
Short-term Business					
Revenues	52,326	35,522	17,379	2,260	-2,835
Combined Ratio	93.2%	92.2%	98.0%	81.5%	
Technical Margin	3,534	2,774	348	417	-6
Financial Results & Other	**2,721**	**1,895**	**639**	**193**	**-6**
Underlying Earnings Before Tax	**6,255**	**4,669**	**987**	**611**	**-12**
Income tax	**-1,249**				
Minority interests, Income from Affiliates & Other	**6**				
UNDERLYING EARNINGS GROUP SHARE	**5,012**				
Contractual Service Margin	**206**				

(in Euro million, except percentages)	December 31, 2022	Commercial lines	Personal lines	AXA XL Reinsurance	Intercompany eliminations
Short-term Business					
Revenues	50,798	33,606	16,687	2,968	-2,463
Combined Ratio	97.6%	96.5%	98.7%	101.2%	
Technical Margin	1,213	1,164	220	-35	-135
Financial Results & Other	**2,504**	**1,833**	**554**	**162**	**-45**
Underlying Earnings Before Tax	**3,718**	**2,997**	**774**	**127**	**-180**
Income tax	-781				
Minority interests, Income from Affiliates & Other	-6				
UNDERLYING EARNINGS GROUP SHARE	**2,931**				
Contractual Service Margin	**220**				

(in Euro million, except percentages)	**December 31, 2023**	**France**	**Europe**	**AXA XL**	***o/w AXA XL Insurance***	**Asia, Africa & EME-LATAM**	**Transversal & Central Holdings**
Short-term Business							
Revenues	52,326	8,488	18,988	17,903	15,644	5,105	1,841
Combined Ratio	93.2%	88.8%	95.3%	90.4%	91.7%	100.5%	99.9%
Technical Margin	3,534	954	888	1,717	1,300	-28	2
Financial Results & Other	2,721	506	1,129	586	401	390	111
Underlying Earnings Before Tax	**6,255**	**1,460**	**2,017**	**2,303**	**1,701**	**362**	**113**
Income Tax	-1,249	-355	-397	-383	-270	-93	-20
Minority interests, Income from Affiliates & Other	6	0	-63	0	0	69	0
UNDERLYING EARNINGS GROUP SHARE	**5,012**	**1,104**	**1,557**	**1,920**	**1,431**	**338**	**92**

(in Euro million, except percentages)	**December 31, 2022**	**France**	**Europe**	**AXA XL**	***o/w AXA XL Insurance***	**Asia, Africa & EME-LATAM**	**Transversal & Central Holdings**
Short-term Business							
Revenues	50,798	7,820	17,738	18,777	15,809	4,786	1,677
Combined Ratio	97.6%	104.2%	97.0%	94.0%	92.7%	100.6%	105.2%
Technical Margin	1,213	-327	537	1,119	1,154	-28	-88
Financial Results & Other	2,504	498	1,049	543	381	360	53
Underlying Earnings Before Tax	**3,718**	**171**	**1,586**	**1,662**	**1,535**	**333**	**-34**
Income Tax	-781	-54	-343	-310	-279	-82	8
Minority interests, Income from Affiliates & Other	-6	0	-52	0	0	46	0
UNDERLYING EARNINGS GROUP SHARE	**2,931**	**117**	**1,191**	**1,352**	**1,257**	**296**	**-26**

On a reported basis, Property & Casualty Underlying Earnings amounted to €5,012 million, up €582 million (+13%) versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and up €2,081 million (+71%) versus full-year 2022 Underlying Earnings under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Property & Casualty Underlying Earnings under IFRS 17 and IFRS 9 increased by €637 million (+14%) versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39.

On a constant exchange rate basis, Property & Casualty Underlying Earnings increased by €2,136 million (+73%) to €5,012 million under IFRS 17 and IFRS 9, fuelled by **(i)** a strong growth in gross written premiums across the lines, **(ii)** favorable technical results, **(iii)** higher financial results (€+300 million) driven by significant increase in investment income (€+484 million) due to higher reinvestment yields on fixed income assets, partly offset by the expected increase in the unwind of the discount of claims reserves (€-184 million) resulting from the increase in interest rates experienced in 2022. This was partly offset by **(iv)** higher income taxes by €482 million due to higher pre–tax Underlying Earnings, partly offset by higher favourable tax one-offs (€+0.2 billon) notably at AXA XL and in Europe.

AY Combined Ratio improved by -4.2 points to 93.2%, mainly driven by **(i)** favorable prior years' reserve developments (-2.6 points to -1.1% of combined ratio) as FY22 results were impacted by non-recognition of release of reserves in excess of best estimates, **(ii)** the increase in current year discount (-1.4 points to -3.7%) driven by the rise in average interest rates across geographies, **(iii)** a more favorable current year loss ratio excluding Natural Catastrophe charges (-0.3 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, notably including French riots, and higher attritional claims due to higher frequency in Motor notably in United Kingdom & Ireland and Germany, **(iv)** lower Natural Catastrophe charges (-0.2 point to 4.8%) in AXA XL Reinsurance (-12.2 points to 9.8%) from the non-repeat of Hurricane Ian as well as exposure reductions in line with strategy and France (-0.3 point to 5.3%) from the lower frequency of storms partly offset by elevated natural catastrophes experienced in second-half of the year in Europe (+1.8 points to 5.7%) and Asia, Africa & EMEA-LATAM & (+1.6 points to 2.0%). This was partly offset by **(v)** higher expenses (+0.3 point) due to the increase in commission expenses (+0.5 point) driven by business mix changes across Commercial and Personal lines, partly compensated by the improvements of the non-commission ratio (-0.2 point) resulting from disciplined expense management in the context of high inflation.

LIFE & HEALTH

(in Euro million, except percentages)	December 31, 2023	Life	Health
Short-term Business			
Revenues	**14,809**	4,063	10,745
Combined Ratio	98.9%	96.3%	99.8%
Technical Margin	**168**	149	19
Long-term Business			
CSM Release	**2,861**	2,315	546
Technical Experience	**-148**	-158	11
Financial Result & Other			
Financial Result	**889**	728	160
Underlying Earnings Before Tax	**3,769**	**3,034**	**736**
Income Tax	**-669**	-523	-146
Minority interests, Income from Affiliates & Other	**131**	151	-19
UNDERLYING EARNINGS GROUP SHARE	**3,232**	**2,661**	**570**
Contractual Service Margin	**33,770**	**25,989**	**7,782**

(in Euro million, except percentages)	December 31, 2022	Life	Health
Short-term Business			
Revenues	15,849	4,001	11,848
Combined Ratio	97.5%	94.2%	98.6%
Technical Margin	396	233	163
Long-term Business			
CSM Release	3,013	2,451	563
Technical Experience	-216	-112	-104
Financial Result & Other			
Financial Result	1,103	894	209
Underlying Earnings Before Tax	**4,296**	**3,466**	**830**
Income Tax	-849	-660	-189
Minority interests, Income from Affiliates & Other	116	115	1
UNDERLYING EARNINGS GROUP SHARE	**3,563**	**2,920**	**643**
Contractual Service Margin	**33,315**	**25,532**	**7,783**

(in Euro million, except percentages)	December 31, 2023	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	14,809	8,889	3,165	0	2,496	259
Combined Ratio	98.9%	98.1%	101.9%	0.0%	98.3%	92.2%
Technical Margin	168	165	-61	0	43	20
Long-term Business						
CSM Release	2,861	847	956	1	1,057	0
Technical Experience	-148	-115	-9	-5	-20	0
Financial Result & Other						
Financial Result	889	223	504	16	146	0
Underlying Earnings Before Tax	**3,769**	**1,121**	**1,391**	**12**	**1,227**	**20**
Income Tax	-669	-173	-247	-2	-240	-7
Minority interests, Income from Affiliates & Other	131	10	-55	0	176	0
UNDERLYING EARNINGS GROUP SHARE	**3,232**	**957**	**1,089**	**9**	**1,163**	**13**

(in Euro million, except percentages)	December 31, 2022	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	15,849	10,642	2,774	0	2,164	269
Combined Ratio	97.5%	98.0%	92.7%	0.0%	100.9%	98.6%
Technical Margin	396	208	202	0	-18	4
Long-term Business						
CSM Release	3,013	944	940	3	1,126	0
Technical Experience	-216	-74	-7	-3	-132	0
Financial Result & Other						
Financial Result	1,103	380	527	20	176	0
Underlying Earnings Before Tax	**4,296**	**1,459**	**1,662**	**20**	**1,151**	**4**
Income Tax	-849	-289	-333	-3	-224	1
Minority interests, Income from Affiliates & Other	116	10	-62	0	168	0
UNDERLYING EARNINGS GROUP SHARE	**3,563**	**1,180**	**1,266**	**17**	**1,095**	**4**

LIFE

(in Euro million, except percentages)	December 31, 2023	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	4,063	3,682	103	0	278	0
Combined Ratio	96.3%	97.2%	86.4%	0.0%	88.7%	0.0%
Technical Margin	149	103	14	0	31	0
Long-term Business						
CSM Release	2,315	847	803	1	664	0
Technical Experience	-158	-115	10	-5	-49	0
Financial Result & Other						
Financial Result	728	200	437	16	76	0
Underlying Earnings Before Tax	**3,034**	**1,035**	**1,264**	**12**	**723**	**0**
Income Tax	-523	-161	-234	-2	-126	0
Minority interests, Income from Affiliates & Other	151	10	-52	0	193	0
UNDERLYING EARNINGS GROUP SHARE	**2,661**	**884**	**978**	**9**	**790**	**0**

(in Euro million, except percentages)	December 31, 2022	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	4,001	3,639	93	0	269	0
Combined Ratio	94.2%	94.5%	77.6%	0.0%	95.6%	0.0%
Technical Margin	233	200	21	0	12	0
Long-term Business						
CSM Release	2,451	944	796	3	707	0
Technical Experience	-112	-74	-4	-3	-31	0
Financial Result & Other						
Financial Result	894	311	467	20	96	0
Underlying Earnings Before Tax	**3,466**	**1,381**	**1,280**	**20**	**784**	**0**
Income Tax	-660	-274	-243	-3	-140	0
Minority interests, Income from Affiliates & Other	115	10	-60	0	165	0
UNDERLYING EARNINGS GROUP SHARE	**2,920**	**1,118**	**977**	**17**	**809**	**0**

On a reported basis, Life Underlying Earnings amounted to €2,661 million, up €29 million (+1%) versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and down €259 million (-9%) versus full-year 2022 Underlying Earnings under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Life Underlying Earnings under IFRS 17 and IFRS 9 increased by €54 million (+2%) versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39.

On a constant exchange rate basis, Life Underlying Earnings decreased by €234 million (-8%) under IFRS 17 and IFRS 9 stemming from **(i)** lower financial results (€-174 million) mainly due to a lower investment income (€-110 million) mainly in Belgium & Luxembourg from lower funds distribution, combined with the expected increase in the unwind of the discount of claims reserves (€-65 million) resulting from the increase in interest rates experienced in 2022, **(ii)** a lower CSM release (€-102 million) mainly in France reflecting net outflows in traditional General account savings, as well as **(iii)** lower short-term business technical margin (€-85 million) reflecting a 2.2 point increase in combined ratio mainly in France from unfavorable prior year's reserve developments on a run-off portfolio in Protection partly offset by **(iv)** a lower income tax (€+132 million) driven by lower pre-tax Underlying Earnings.

HEALTH

(in Euro million, except percentages)	December 31, 2023	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	10,745	5,207	3,062	0	2,218	259
Combined Ratio	99.8%	98.8%	102.4%	0.0%	99.5%	92.2%
Technical Margin	19	62	-75	0	11	20
Long-term Business						
CSM Release	546	0	153	0	393	0
Technical Experience	11	0	-18	0	29	0
Financial Result & Other						
Financial Result	160	23	66	0	70	0
Underlying Earnings Before Tax	**736**	**86**	**127**	**0**	**503**	**20**
Income Tax	-146	-13	-13	0	-114	-7
Minority interests, Income from Affiliates & Other	-19	0	-3	0	-17	0
UNDERLYING EARNINGS GROUP SHARE	**570**	**73**	**111**	**0**	**373**	**13**

(in Euro million, except percentages)	December 31, 2022	France	Europe	AXA XL	Asia, Africa & EME-LATAM	Transversal & Central Holdings
Short-term Business						
Revenues	11,848	7,003	2,681	0	1,895	269
Combined Ratio	98.6%	99.9%	93.2%	0.0%	101.6%	98.6%
Technical Margin	163	8	181	0	-30	4
Long-term Business						
CSM Release	563	0	144	0	418	0
Technical Experience	-104	0	-3	0	-101	0
Financial Result & Other						
Financial Result	209	70	59	0	81	0
Underlying Earnings Before Tax	**830**	**77**	**382**	**0**	**368**	**4**
Income Tax	-189	-15	-90	0	-84	1
Minority interests, Income from Affiliates & Other	1	0	-2	0	3	0
UNDERLYING EARNINGS GROUP SHARE	**643**	**62**	**290**	**0**	**286**	**4**

On a reported basis, Health Underlying Earnings amounted to €570 million, down €43 million (-7%) versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39, and down €72 million (-11%) versus full-year 2022 Underlying Earnings under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Health Underlying Earnings under IFRS 17 and IFRS 9 decreased by €14 million (-2%) versus full-year 2022 Underlying Earnings under IFRS 4 and IAS 39.

On a constant exchange rate basis, Health Underlying Earnings decreased by €42 million (-7%) under IFRS 17 and IFRS 9 mainly driven by **(i)** a lower short-term business technical margin (€-143 million) reflecting a 1.2 points increase in the combined ratio, mostly from higher claims frequency in the United Kingdom, partly offset by France mainly due to the non-repeat of unfavorable claims experience on two large international group contracts, and **(ii)** a lower financial result (€-48 million) mainly driven by France (€-46 million) from the increase in the unwind of the discount on reserves reflecting the rise in interest rates experienced in 2022, partly offset by **(iii)** a higher long-term business technical margin (€+119 million) mostly in Asia, Africa & EME-LATAM (€+134 million) notably from the non-repeat of elevated level of COVID-19 claims in Japan, and by **(iv)** a higher CSM Release (€+17 million) mainly from Hong Kong and Germany.

ASSET MANAGEMENT

Asset Management Underlying Earnings decreased by €37 million (-9%) to €360 million driven by **(i)** lower revenues (€-31 million), **(ii)** higher expenses (€-57 million) from higher staff costs reflecting a change in accounting treatment of variable compensation partly offset by cost containment measures, partly offset by **(iii)** a higher investment income (€+38 million) from higher interest rates experienced in 2022 and higher income from seed capital, **(iv)** higher income from minority interests and affiliates (€+8 million) mainly following the consolidation of Capza, and **(v)** lower taxes (€+4 million) from lower pre-tax Underlying Earnings.

HOLDINGS

Holdings Underlying Earnings decreased by €185 million (-23%) to €-1,000 million mainly driven by **(i)** AXA SA Holding (€-236 million) from higher financial charges driven by financing debt issuance and the non-repeat of the positive impact of a tax litigation settlement last year, partly offset by higher investment income, partly offset by **(ii)** AXA XL Holding (€+32 million) from lower financing debt expenses due to early debt redemption in July 2022, **(iii)** United Kingdom (€+18 million) and **(iv)** Germany (€+18 million) both driven by favorable tax one-offs.

NET INCOME

On a reported basis, Net Income amounted to €7,189 million, up €514 million (+8%) versus full-year 2022 Net Income under IFRS 4 and IAS 39, and up €2,128 million (+42%) versus full-year 2022 Net Income under IFRS 17 and IFRS 9.

On a constant exchange rate basis, Net Income increased by €666 million (+10%) versus full-year 2022 Net Income under IFRS 4 and IAS 39.

On a constant exchange rate basis, Net Income increased by €2,280 million (+45%) under IFRS 17 and IFRS 9 driven by:

- **higher Underlying Earnings,** up €1,637 million (+27%) to €7,604 million;
- **favorable net realized capital gains,** up €481 million to €179 million primarily on Investment properties notably in France, Belgium, and Japan;
- **a more favorable change in the fair value of assets and derivatives,** up €112 million to €-58 million driven by **(i)** an unfavorable change in the fair value of foreign exchange derivatives (€-92 million) notably following US dollar depreciation against Euro and Swiss Franc, combined with **(ii)** the unfavorable change in the fair value of derivatives (€-66 million) notably on equities reflecting good market performance, and partly offset by **(iii)** a favorable change in the fair value of available for sale financial assets (€+101 million) mainly driven by the appreciation of US dollar against HK dollar and Russian ruble.
- **a lower negative impact of goodwill and other related intangibles,** down €138 million (-49%) to €-137 million, mainly from the non-repeat of the full impairment of the goodwill of Reso Garantia;

partly offset by:

- **higher exceptional items,** up €68 million (+194%) to €-96 million, as a result of the disposal of India Life (€-84 million); and
- **higher integration and restructuring costs,** up €21 million (+7%) to €-303 million, mainly due to higher restructuring costs in Europe (€-184 million) from workforce efficiency measures, as well as AXA XL (€-63 million) from IT productivity initiatives, including automation.

SHAREHOLDERS' EQUITY GROUP SHARE

As of December 31, 2023, Shareholders' equity Group share totaled €49.6 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	**46,072**
Paid-in Capital	(2,034)
Treasury Shares	847
Other Comprehensive Income Arising from Defined Benefit Plans	287
Fair Value Recorded in Shareholders' Equity	2,432
Other Comprehensive Income Related to Invested Assets	11,397
Other Comprehensive Income Related to (re) Insurance Contracts	(8,966)
Impact of Currency Fluctuations	(799)
Undated Subordinated Debt (including interest charges)	(451)
Realized Gains on Equity through Retained Earnings	(429)
Dividends	(3,787)
Net Income for the Period	7,189
Other	252
At December 31, 2023	**49,579**

SOLVENCY INFORMATION[1]

As of December 31, 2023, the Group's Eligible Own Funds ("EOF") amounted to €57.4 billion and the Solvency II ratio to 227%, compared to €58.5 billion and 215% as of December 31, 2022.

(in Euro billion)	Group EOF December 31, 2023
PREVIOUS CLOSING	**58.5**
Regulatory/model changes	0.2
OPENING	**58.7**
Normalized Own Funds generation	8.4
Life & Savings	4.1
Property & Casualty	5.1
Holdings, Banking and Asset Management	(0.8)
Operating variance and change in assumptions	(0.3)
OPERATING RETURN	**8.1**
Economic variance including foreign exchange	(1.1)
TOTAL RETURN	**7.0**
Foreseeable dividends and distribution (a)	(6.1)
Subordinated debts	(1.0)
Management actions, in-force and others (b)	(1.1)
CLOSING	**57.4**

(a) Dividends to be paid in year N+1 and share buy-back.
(b) Mainly mergers & acquisitions and new reinsurance transactions.

[1] *Prudential information related to solvency, including the Solvency II ratio and the Eligible Own Funds ("EOF") disclosed in the note and the table below, will be detailed in the Group's 2023 SFCR that is expected to be published at a later stage and for which Group's auditors will issue a report.*

Shareholder value

EARNINGS PER SHARE ("EPS")

Underlying Earnings Per Share on a fully diluted basis amounted to €3.31, up 8% versus full year 2022 under IFRS 4 and IAS 39, and up 29% versus full year 2022 under IFRS 17 and IFRS 9.

versus IFRS4	December 31, 2023 (IFRS 17)		December 31, 2022 (IFRS 4)		December 31, 2023 / December 31, 2022	
(in Euro, except ordinary shares in million)	Basic	Fully diluted	Basic	Fully diluted	Basic	Fully diluted
Weighted average number of shares	**2,232**	**2,238**	**2,290**	**2,298**	**-3%**	**-3%**
Net income (Euro per ordinary share)	3.14	3.13	2.84	2.83	11%	11%
Underlying earnings (Euro per ordinary share)	3.32	3.31	3.09	3.08	8%	8%

versus IFRS17	December 31, 2023 (IFRS 17)		December 31, 2022 (IFRS 17)		December 31, 2023 / December 31, 2022	
(in Euro, except ordinary shares in million)	Basic	Fully diluted	Basic	Fully diluted	Basic	Fully diluted
Weighted average number of shares	**2,232**	**2,238**	**2,290**	**2,298**	**-3%**	**-3%**
Net income (Euro per ordinary share)	3.14	3.13	2.13	2.12	47%	47%
Underlying earnings (Euro per ordinary share)	3.32	3.31	2.58	2.57	29%	29%

RETURN ON EQUITY ("ROE")

versus IFRS4 (in Euro billion)	December 31, 2023 (IFRS 17)	December 31, 2022 (IFRS 4)	December 31, 2023 / December 31, 2022
Net Income ROE	**14.1%**	**12.8%**	**1.2 pts**
Net Income [(a)]	7.0	6.5	
Average Adjusted Shareholders' Equity [(b)]	49.8	50.6	
Underlying ROE	**14.9%**	**14.5%**	**0.4 pt**
Underlying Earnings [(a)]	7.4	7.1	
Average Adjusted Shareholders' Equity [(b)]	49.8	48.7	

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

(b) Under IFRS 17 and IFRS 9, 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). Under IFRS 4 and IAS 39, Net Income ROE excludes reserves relating to the change in the fair value of available for sale fixed income securities assets through shareholders' equity as well as the undated and deeply subordinated debts. Under IFRS 4 and IAS 39, Underlying ROE excludes reserves relating to the change in the fair value through shareholders' equity as well as undated and deeply subordinated debts.

versus IFRS17 (in Euro billion)	December 31, 2023 (IFRS 17)	December 31, 2022 (IFRS 17)	December 31, 2023 / December 31, 2022
Net Income ROE	**14.1%**	**10.0%**	**4.1 pts**
Net Income [(a)]	7.0	4.9	
Average Adjusted Shareholders' Equity [(b)]	49.8	48.7	
Underlying ROE	**14.9%**	**12.1%**	**2.8 pts**
Underlying Earnings [(a)]	7.4	5.9	
Average Adjusted Shareholders' Equity [(b)]	49.8	48.7	

(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

Following the successful completion of *"Driving Progress 2023"* strategic plan, AXA announced on February 22, 2024, its new strategic plan, *"Unlock the Future"* (the "new strategic plan"). The new strategic plan aims at growing and strengthening the Group's core businesses, notably by:

- driving profitable organic growth through selective expansion in our core businesses and growing distribution;
- scaling technical excellence by using data analytics to improve pricing, claims, and risk selection, and expanding prevention services; and
- delivering operational excellence through automation, offshoring, and use of data and artificial intelligence.

Over the period 2024 to 2026, AXA will seek to deliver profitable organic growth and scale technical excellence across each of its businesses, Property and Casualty Commercial lines, Employee Benefits and individual Health, and Retail Property and Casualty as well as Life, while driving operational excellence across its entire organization.

In addition, the new strategic plan includes the following main financial targets:

- Underlying Earnings Per Share compounded annual growth rate over 2023 to 2026 estimated between 6% and 8%;
- Underlying Return On Equity between 14% and 16% over 2024 estimated to 2026 estimated; and
- over €21 billion cumulative organic cash upstream over 2024 estimated to 2026 estimated.

Underlying Earnings growth is expected to be driven by strong operating performance across our lines of business as well as a recovery in UK Health and margin improvement in Property and Casualty Retail. Earnings growth is expected to be achieved even after taking into account headwinds from **(i)** the unwind of the discount[(1)] in Property and Casualty, **(ii)** lower interest rates compared to 2023 average levels, **(iii)** claims inflation only expected to normalize by 2025, **(iv)** moderation of Property and Casualty Commercial line pricing, **(v)** a higher Nat Cat load[(2)], and **(vi)** the introduction of the OECD tax reform.

The Group has increased its Underlying Return On Equity target, reflecting the high quality of its businesses, which is expected to drive book value growth.

The Group has significantly increased its ambition of cumulative cash upstream from €14 billion between 2021 and 2023 to above €21 billion over 2024 to 2026. The Group aims to achieve an organic cash remittance ratio[(3)] of approximately 80% over 2024 to 2026, with all businesses expected to deliver excellent remittance levels.

The Group also expects to continue to operate with its Solvency II ratio[(4)] at a high level, benefiting from 25 to 30 points of normalized Solvency II operating capital generation *per annum*, and limited sensitivity to interest rates and very adverse shocks[(5)].

[(1)] *Insurance Finance Income and Expenses.*

[(2)] *Nat Cat load of ca. 4.5pt, defined as normalized natural catastrophes losses expected in a year expressed in percentage of gross earned premiums for the same year. Natural Catastrophe charges include natural catastrophe losses regardless of event size.*

[(3)] *Defined as ordinary cash remittance from subsidiaries over prior year underlying earnings net of holding underlying earnings*

[(4)] *The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years 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). The Solvency II ratio as of December 31, 2023 is adjusted to give effect to the full €1.6 billion share buy-back announced on February 22,2024 in AXA's Full Year 2023 Earnings press release, available on **Investors | AXA**.*

[(5)] *A decrease of 50bp in interest rates is expected to result in a -5-point impact on the Solvency II ratio. A repeat of the 2008/2009 financial crisis is expected to result in a -32-point impact on the Solvency II ratio (based on FY22 SFCR).*

The Group intends to maintain a stable debt stock, with flexibility within its Debt Gearing target of 19 to 23 points.

Finally, as part of the new strategic plan, AXA formalized a new capital management policy in its press release entitled “AXA announces its 2024-2026 strategy, setting ambitious new financial targets”, available on axa.com.

Glossary

This glossary includes definitions of non-GAAP financial measures, or alternative performance measures ("APMs"), 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
    - Türkiye (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 represent the Net Income Group share as disclosed in the table set forth on pages 26 and 27 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 Section 6.6 - Note 11 "Shareholders' equity and minority interests" in the 2023 Universal Registration Document) 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 Section 6.6 - Note 11 "Shareholders' equity and minority interests" in the 2023 Universal Registration Document) 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 Section 6.6 - Note 11 “Shareholders’ Equity and Minority Interests” in the 2023 Universal Registration Document); to
- the average of opening and closing shareholders’ equity excluding other comprehensive income related to invested assets insurance and reinsurance contracts (as disclosed in Section 6.6 - Note 11 “Shareholders’ equity and minority interests” in the 2023 Universal Registration Document), as well as excluding undated and deeply subordinated debt (recorded through shareholders' equity, as disclosed in Section 6.6 - Note 11 “Shareholders’ equity and minority interests” in the 2023 Universal Registration Document).

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 Section 6.6 - Note 15 “Financing debt” in the 2023 Universal Registration Document, and undated and deeply subordinated debts, as disclosed in Section 6.6 - Note 11 “Shareholders’ equity and minority interests” in the 2023 Universal Registration Document) 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 flows.

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 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.