Activity Report

December 31, 2020

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

Certain statements contained herein may be forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans, expectations or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause AXA's actual results to differ materially from those expressed or implied in such forward looking statements. Please refer to Part 5 - "Risk Factors and Risk Management" of AXA's Universal Registration Document for the year ended December 31, 2020 (the "2020 Universal Registration Document"), for a description of certain important factors, risks and uncertainties that may affect AXA's business and/or results of operations, particularly in respect of the COVID-19 crisis. 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 analyzing 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. A reconciliation from APMs Adjusted Earnings, Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 25 to 26 of this report. APMs Adjusted Return on Equity and Underlying Earnings per share are reconciled to the financial statements in the tables set forth on page 34 of this report. The calculation methodology of the Debt Gearing is set out on page 28 of this report. The above-mentioned and other non-GAAP financial measures used in this report are defined in the Glossary set forth on pages 68 to 76 of this report.

Operating Highlights

COVID-19: AXA strengthens its commitments to tackle an unprecedented health, economic and social challenge

On April 1, 2020, AXA announced the strengthening of its action plan to tackle the health, economic and social emergency related to the COVID-19 crisis.

RESPONDING TO THE ECONOMIC AND SOCIAL EMERGENCY

AXA's 160,000 employees and partners have been available and fully operational, notably thanks to remote working tools, from the start of the crisis to meet client needs and continue to play their role in the economy.

- Jobs and compensation maintained, without resorting to any form of government assistance or subsidy

AXA announced that the crisis would have no impact on employment or on the remuneration of employees during the confinement period; AXA would not use temporary unemployment measures or other government assistance. The Group also undertook not to defer any social security or tax payments in France during the period.

AXA is a Group that has its social responsibility at heart and believes that the financial efforts of public authorities should be primarily directed towards the most vulnerable individuals and businesses.

- Exceptional measures for our most affected customers

These announcements came in addition to exceptional measures that had already been taken to provide flexibility to business customers, particularly SMEs.

In several countries, including France, the Group continued to insure businesses even in the event of late payment due to the pandemic, for the duration of the containment period, and ensured prompt payment to all suppliers to enable them to maintain the cash and liquidity needed to overcome the crisis.

- €54 million for solidarity funds

AXA France has also been the leading contributor, with €33 million, to the solidarity effort set up by the French government for small businesses and the self-employed and coordinated by the Fédération Française de l'Assurance (FFA), which amounted to €400 million in total.

This is in addition to AXA partner association AGIPI's creation of the "AGIPI COVID-19 Solidarity Fund", endowed with €21 million to support clients experiencing economic difficulties.

RESPONDING TO THE HEALTH EMERGENCY

In response to the health emergency, as a major international healthcare company, AXA is committed to directly helping its employees and clients, while supporting medical actions in the regions in which it operates. AXA extended coverage and services to healthcare professionals in several countries and leveraged its own medical networks and teleconsulting services to contribute to the healthcare effort. Finally, the Group took full action to support and compensate its customers affected by the virus.

- 2 million masks distributed as part of an emergency plan to support healthcare professionals

To strengthen its support for healthcare professionals on the frontline against the virus, AXA announced that it would provide 2 million masks to help healthcare workers. The first 350,000, sent out and distributed to French hospitals, were much-needed FFP2 masks. AXA France also set up psychological support resources for medical staff.

In addition, support was also provided to the AP-HP (Assistance Publique-Hôpitaux de Paris), the public hospital system of the city of Paris and the Ile-de-France region. AXA donated 20,000 meals to the AP-HP care community for lunch or dinner at home.

These solidarity measures for health professionals come in addition to donations made to hospitals and intensive care units in several countries. AXA is also supporting intensive care units through a partnership with the 101 Fund, a network of 1,200 intensive care centers in over 60 countries that aims to share real-time information from each unit to accelerate the improvement of therapeutic protocols. This funding has also made it possible to set up accelerated training for caregivers in order to increase the staffing capacity of these units.

- €5 million to fund research on infectious diseases, including COVID-19

Finally, AXA Research Fund, which has made a steadfast commitment over the years to support research on infectious diseases and pandemics (35 projects from leading institutions worldwide for a total of €7.4 million), decided to mobilize an additional €5 million for the development of responses to infectious diseases and COVID-19, including the implementation of post-crisis solutions.

AXA also supported the creation of the Institut Pasteur's COVID-19 Task Force and the OpenCOVID-19 initiative launched by Just One Giant Lab (JOGL), an open-source research platform aimed at providing low-cost emergency solutions to respond to the pandemic, with a particular focus on low-income countries.

Governance

APPOINTMENT OF SCOTT GUNTER AS CEO OF AXA XL

On February 20, 2020, AXA announced the appointment of Scott Gunter, previously Senior Vice President of Chubb Group and President of Chubb’s North America Commercial Insurance division, as CEO of AXA XL. He replaced Greg Hendrick. Scott joined AXA’s Management Committee, reporting to Thomas Buberl, CEO of AXA.

This change was effective immediately and submitted to necessary regulatory approval.

MEETING OF THE BOARD OF DIRECTORS IN RESPECT OF AXA’S 2020 SHAREHOLDERS’ MEETING

On April 3, 2020, AXA announced that following the statement issued by the European Insurance and Occupational Pensions Authority (“EIOPA”) on April 2, 2020, relating to dividend distributions during the COVID-19 pandemic, the Chairman of AXA’s Board of Directors had convened an extraordinary meeting of the Board of Directors to consider EIOPA’s recommendations. At that meeting, on April 3, 2020, the Board of Directors decided to postpone AXA’s Shareholders’ Meeting from the initial scheduled date of April 30, 2020, to June 30, 2020, to allow time for discussion with the European, French and other insurance regulators.

APPOINTMENT OF IRENE DORNER AS CHAIRWOMAN OF AXA’S AUDIT COMMITTEE

On May 13, 2020, following the sad demise of Stefan Lippe, director of the Company and Chairman of the Audit Committee, AXA’s Board of Directors, upon recommendation of its Compensation & Governance Committee, decided to designate Irene Dorner, director of the Company and member of the Audit Committee since April 2016, as Chairwoman of the Audit Committee.

The Board of Directors, upon recommendation of its Compensation & Governance Committee, also decided to propose to the AXA’s annual Shareholders’ Meeting of June 30, 2020, to renew Irene Dorner’s mandate as member of the Board of Directors. The renewal of Irene Dorner’s mandate was approved by AXA’s annual Shareholders’ Meeting on June 30, 2020 (12^{th} resolution).

DECISION OF THE BOARD OF DIRECTORS IN RESPECT OF AXA'S DIVIDEND PROPOSAL FOR 2019

On June 3, 2020, AXA announced that **(i)** following communications from EIOPA and the Autorité de Contrôle Prudentiel et de Résolution ("ACPR"), relating to the adoption of a prudent approach towards dividend distributions during the COVID-19 pandemic, AXA's Board of Directors had decided to reduce its dividend proposal from €1.43 per share to €0.73 per share, a proposal that was approved by AXA's Shareholders' Meeting held on June 30, 2020, and the dividend was paid on July 9, 2020 (with an ex-dividend date of July 7, 2020), and **(ii)** the Board was considering proposing an additional payment to shareholders in 4Q20, up to €0.70 per share, as an exceptional distribution of reserves, subject to favorable market and regulatory conditions at that time.

During the meeting, AXA's Management also updated the Board on its best estimate of the impact on 2020 underlying earnings for the Group from claims related to COVID-19. These estimates added further precision to the indications already provided in the 1Q20 disclosure, notably:

- Property & Casualty: an overall claims cost of ca. €-1.2 billion (1) post-tax and net of reinsurance. Consistent with indications given in the 1Q20 disclosure, Management expected the most material impacts from Business Interruption and Event Cancellation, and to a lesser extent from other lines (e.g. D&O, Liability and Travel), partly offset by reduced claims in some areas, notably from Motor.
- Life & Savings and Health: no material deviation had been observed in current claims experience.
- Solidarity measures: an overall impact of ca. €-0.3 billion (1) post-tax. This includes extended health and disability coverage to vulnerable customers, most notably in France.

The estimates provided above were based on Management's assessment at that time and subject to change depending on the continued evolution of the COVID-19 pandemic and its related impacts. For investment margin, unit-linked and asset management fees, no estimate was provided as the impact was dependant on the evolution of financial market conditions through the remainder of the year.

BOARD OF DIRECTORS' DECISION ON EXCEPTIONAL DISTRIBUTION OF RESERVES IN 4Q20

Following a number of discussions with the French regulator ("ACPR") and, in the context of the COVID-19 crisis, reinforced communication from various European regulators, including the ACPR on July 28, 2020, recommending insurers to refrain from dividend distributions until January 1, 2021, AXA's Board of Directors, at its meeting on August 5, 2020, decided it would not propose an exceptional distribution of reserves to shareholders in 4Q 2020 (2).

AXA PRESENTED THE RESULTS OF ITS SHAREHOLDERS' MEETING, ITS PURPOSE AND ITS 2019 INTEGRATED REPORT

Results of AXA's Annual Shareholders' Meeting

During the Shareholders' Meeting held on June 30, 2020, in Paris, all resolutions recommended by the Board of Directors were approved by AXA's shareholders, including:

- the appointment as directors for a four-year term of Mmes Isabel Hudson, Marie-France Tschudin, Mr. Antoine Gosset-Grainville and Mme Helen Browne, representing the employee shareholders of the AXA Group;
- the re-appointment as directors of Mmes Irene Dorner and Angelien Kemna for a four-year term;

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(1) As a reminder, AXA Group's Underlying earnings in 2019 were €6.5 billion.
(2) The decision of AXA's Board of Directors at its meeting on August 5, 2020, resulted in the release of the provision for the potential 4Q20 exceptional distribution of reserves of €0.70 per share, which was initially recorded following the meeting of the Board of Directors held on June 2, 2020.

- the payment of a €0.73 dividend per share for the 2019 fiscal year, which has been paid on July 9, 2020 (ex-dividend date: July 7, 2020).

Presentation of the Group's purpose

The Annual Shareholders' Meeting provided an opportunity for AXA to present its purpose: "Acting for human progress by protecting what matters".

Publication of AXA's Integrated Report

On the same day, as it does every year at the time of its Annual Shareholders' Meeting, AXA released its 2019 Integrated Report, which discusses the Group's purpose as well as its strategy and outlook. This report is available on AXA's website.

APPOINTMENT OF MARCO MORELLI AS EXECUTIVE CHAIRMAN OF AXA INVESTMENT MANAGERS AND A MEMBER OF AXA'S MANAGEMENT COMMITTEE, GÉRALD HARLIN RETIRED AT THE END OF SEPTEMBER

On July 16, 2020, AXA announced that Marco Morelli, previously Chief Executive Officer of Monte dei Paschi di Siena, was appointed Executive Chairman of AXA Investment Managers ("AXA IM") and a member of AXA's Management Committee. He reports to Thomas Buberl, Chief Executive Officer of AXA. He took office on September 14 and is based in Paris.

After 30 years with the Group, Gérald Harlin, AXA's Deputy Chief Executive Officer and Executive Chairman of AXA IM, retired at the end of September. He remains a member of AXA IM's Board of Directors.

DENIS DUVERNE TO BE SUCCEEDED BY ANTOINE GOSSET-GRAINVILLE AS CHAIRMAN OF AXA IN APRIL 2022

On March 12, 2021, AXA announced that Denis Duverne, Chairman of AXA's Board of Directors, would retire at the end of his current mandate in April 2022, as planned. Following a comprehensive succession process led by the Compensation & Governance Committee of AXA's Board over the past two years, the Board has unanimously decided to appoint Antoine Gosset-Grainville as Chairman, effective on Denis Duverne's retirement in April 2022.

Significant Disposals

TERMINATION OF THE SALE AGREEMENT RELATED TO AXA LIFE EUROPE

On August 5, 2020, AXA and Cinven mutually agreed to terminate the sale agreement related to AXA Life Europe ("ALE") as certain conditions to closing were not met by the agreed long stop date. As a consequence, ALE's assets and liabilities were no longer classified as held for sale from June 30, 2020, and consolidated statement of financial position as of December 31, 2019, has been restated accordingly in the Half Year 2020 Financial Report.

The major classes of assets and liabilities as of December 31, 2019, that were restated in the Half Year 2020 Financial Report are intangible assets for €307 million, cash and cash equivalent for €708 million, investments and other assets for €4,732 million, liabilities arising from insurance and investment contracts for €5,241 million and other liabilities for €468 million.

AXA is reviewing its strategic options in order to maximize value creation and cash efficiency of ALE, while giving due regard to the interests of ALE's policyholders and ensuring a seamless continuation of service to these policyholders.

AXA AND BHARTI TO COMBINE THEIR NON-LIFE OPERATIONS IN INDIA INTO ICICI-LOMBARD, IN EXCHANGE OF SHARES

On August 21, 2020, AXA and Bharti announced that they had entered into an agreement to combine their non-life insurance operations in India, Bharti-AXA General Insurance Company Limited ("Bharti-AXA GI"), into ICICI-Lombard General Insurance Company Limited ("ICICI-Lombard"). The transaction will propel the combined entity to #3 amongst non-life insurers in India, with a market share of ca 8.7% (1). AXA and Bharti's ownership of Bharti-AXA GI is 49% and 51% respectively.

Under the terms of the agreement, AXA and Bharti will receive a total of 35.8 million shares of ICICI Lombard on closing, which would represent €521 million (2) (3) at the current market value, and an implied HY 2020 P/BV (4) multiple of more than 5 times. The transaction is expected to result in a one-time positive Net Income impact of approximately €0.2 billion (2) (3) in AXA Group's FY 2021 consolidated financial statements.

The transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to close by 4Q21.

AXA COMPLETED THE SALE OF ITS OPERATIONS (5) IN CENTRAL AND EASTERN EUROPE FOR €1.0 BILLION

On October 15, 2020, AXA announced that it had completed the sale of its Life & Savings, Property & Casualty and Pension businesses in Poland, Czech Republic and Slovakia to UNIQA Insurance Group AG ("UNIQA"), for a total cash consideration of €1.0 billion.

The completion of the transaction resulted in a positive impact of €40 million on net income, as well as a positive impact of 2 points on AXA Group's Solvency II ratio.

AXA TO SELL ITS INSURANCE OPERATIONS IN THE GULF REGION

On November 30, 2020, AXA announced that it had entered into an agreement with Gulf Insurance Group ("GIG") to sell its insurance operations in the Gulf region, which included its shareholding (6) in AXA Gulf, AXA Cooperative Insurance Company and AXA Green Crescent Insurance Company.

GIG is a leading insurer in the Gulf region, strengthened by the global footprint and insurance expertise of Fairfax as well as the regional market knowledge of KIPCO, its shareholders.

As part of the transaction, Yusuf Bin Ahmed Kanoo ("YBA Kanoo"), one of the largest conglomerates in the Gulf Region, will also sell its shareholding (7) in AXA Gulf and in AXA Cooperative Insurance Company.

Under the terms of the agreement, AXA will sell its ownership in its operations in the Gulf region for a total cash consideration of $269 million (or €225 million (8)).

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(1) In terms of gross direct premiums, for the year ending 31 March, 2020 (Source: Insurance Regulatory and Development Authority).
(2) Based on ICICI Lombard closing share price in the National Stock Exchange (NSE) as at August 21, 2020.
(3) 1 Euro = 88.6524 INR as of August 20, 2020 (Source: Bloomberg).
(4) Price / IFRS Book Value of Bharti-AXA GI in AXA Group's consolidated financial statements.
(5) Includes AXA Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A. (P&C business), AXA Życie Towarzystwo Ubezpieczeń S.A. (L&S business) and AXA Powszechne Towarzystwo Emerytalne S.A. (Pension business) in Poland, and AXA pojišťovna a.s. (P&C business), AXA životni pojišťovna a.s (L&S business) and AXA penzijni společnost a.s. (Pension business) in Czech Republic, together with their subsidiaries and branches in Slovakia. AXA XL's and AXA Partners' operations within the three countries were not within the scope of this transaction.
(6) AXA's direct and indirect ownership of AXA Gulf is 50%, of AXA Cooperative Insurance Company is 34%, and of AXA Green Crescent Insurance Company is 28%.
(7) YBA Kanoo's direct and indirect ownership of AXA Gulf is 50%, and of AXA Cooperative Insurance Company is 16%.
(8) 1 Euro = 1.1957 USD as of November 27, 2020 (Source: Bloomberg).

The transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to close by 3Q21.

AXA TO SELL ITS INSURANCE OPERATIONS IN GREECE

On December 31, 2020, AXA announced that it had entered into an agreement with Generali to sell its insurance operations in Greece. Under the terms of the agreement, AXA will sell its Life & Savings and Property & Casualty businesses in Greece for a total cash consideration of €165 million, representing an implied 12.2x FY 2019 P/E multiple [(1)].

This transaction represents a continuation of AXA's simplification journey, in line with the Group's strategy.

Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to be finalized by the end of 2Q21.

Partnerships and innovation

AXA AND ACCOR LAUNCHED A STRATEGIC PARTNERSHIP TO OFFER UNIQUE MEDICAL ASSISTANCE IN HOTELS WORLDWIDE

On May 15, 2020, AXA, a global leader in insurance, and Accor, a global hospitality leader, announced an innovative strategic partnership to provide medical support to guests across the 5,000 Accor hotels worldwide.

Since July 2020, this partnership has enabled Accor guests to benefit from the highest level of care thanks to the expert medical solutions of AXA Partners, AXA's international entity specialized in assistance services, travel insurance and credit protection.

AXA AND WESTERN UNION LAUNCHED A COLLABORATION TO PROVIDE INCLUSIVE INSURANCE

On June 18, 2020, AXA announced the launch of a collaboration with The Western Union Company, a leader in cross-border, cross-currency money movement and payments, to provide inclusive insurance products to Western Union's customers using its westernunion.com service. By linking insurance to money transfer services, the two groups will help to better cover migrant workers and their families at home.

An initial pilot, called 'Transfer Protect', launched that week in France with AXA Partners, offers Western Union's customers sending money via westernunion.com the option to seamlessly sign up for a life and disability insurance solution [(2)]. This helps provide peace of mind to the migrant population knowing that their designated family members or loved ones will receive a payment in case of an unfortunate life or disability event.

AXA STRENGTHENED ITS PARTNERSHIP WITH LIVERPOOL FC AND SECURED NAMING RIGHTS TO NEW TRAINING CENTRE

On October 27, 2020, AXA announced the strengthening of its partnership with Liverpool Football Club, whose training kit it has sponsored since 2019. The enhanced partnership saw AXA become the Club's Official Training Partner and secure the naming rights of Liverpool FC's Training Centre ahead of the First Team's move to the new state-of-the-art campus in the following month.

[(1)] Price / Local IFRS Net Income multiple.

[(2)] The scope of this initial pilot covers money transfers on westernunion.com from France to the following ten African countries: Senegal, Morocco, Ivory Coast, Madagascar, Cameroon, Mali, Benin, Togo, Republic of Congo, and Guinea.

Since beginning their partnership in 2018, AXA and Liverpool FC have been striving to support the common goal of promoting well-being, a healthy lifestyle and supporting progress, in line with AXA's purpose: Act for human progress by protecting what matters.

Capital / Debt operations / Other

AXA RATINGS

On March 12, 2021, S&P Global Ratings reaffirmed the long-term financial strength rating of AXA's core operating subsidiaries at 'AA-', with a stable outlook.

On October 13, 2020, Fitch Ratings reaffirmed the financial strength rating of AXA's core operating subsidiaries at 'AA-', with a stable outlook

On April 5, 2019, Moody's Investors Service affirmed the 'Aa3' insurance financial strength rating of AXA's principal insurance subsidiaries, changing the outlook to stable from negative.

REIMBURSMENT OF SUBORDINATED DEBT

On April 16, 2020, AXA reimbursed €1.3 billion of subordinated debt issued in April 2010.

On December 15, 2020, AXA reimbursed £325 million of subordinated debt issued in December 2000.

AXA PUBLISHED ITS 2020 CLIMATE REPORT

On July 3, 2020, AXA announced the publication of its fourth Climate Report [(1)]. This document describes AXA's responsible investment and insurance initiatives in the fight against climate change and measures the Group's progress in implementing the objectives of the Paris Agreement by 2050.

This report follows the disclosure approach resulting from Article 173 of French Law No. 2015-992 of August 17, 2015, for Energy Transition for Green Growth [(2)], as well as the Taskforce on Climate-related Financial Disclosures (TCFD) that AXA has supported since its creation. The report's main indicator, the "warming potential", measures the impact of the Group's investments on global warming and its contribution to the fight against climate change.

At the end of 2019, AXA's "warming potential" was 2.8°C, down compared to 2018 (3°C) and below the market average (3.6°C). This evolution notably reflects the ambitious policy implemented by AXA to align its investments with the objectives of the Paris Agreement by 2050.

SHAREPLAN 2020

On September 23, 2020, 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 to employees. In doing so, the AXA Group strengthened its relationship with its employees by closely associating them with the future development and results of the Group. The 2020 offering, called "Shareplan 2020", was proposed in 38 countries

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[(1)] The Climate report does not form part of AXA' 2019 Annual Report and is not intended to address or provide information in respect of any of the disclosure requirements of (i) the Annual Financial Report, (ii) the Board of Directors' report to AXA's Shareholders' Meeting, or (iii) the Corporate Governance report.

[(2)] For the avoidance of doubt, the references in this report and in the Climate Report to Article 173 of Law No. 2015-992 of August 17, 2015, should be construed solely as a reference to paragraph VI thereof and related implementing measures.

and involved over 110,000 employees who were exclusively be offered a “traditional” formula at a known subscription price.

Approximately 17,000 employees representing nearly 15% of the eligible employees, subscribed to Shareplan 2020.

The aggregate proceeds from the offering amounted to over €88 million, for a total of over 6 million newly issued shares [(1)], subscribed at a price of €13.76. The new shares were created with full rights as of January 1, 2020. This offering increased the total number of outstanding AXA shares which amounted to 2,424,107,004 on November 27, 2020.

Following Shareplan 2020, AXA’s employees held 4.31% of the share capital and 5.84% of the voting rights.

SHARE REPURCHASE PROGRAM

In order to meet its obligation to deliver shares and to eliminate the dilutive effect of certain share-based compensation schemes [(2)] or employee share offerings [(3)], in the course of 2020, AXA had bought back 15,741,275 shares. These shares have been or will be delivered to the beneficiaries of share-based compensation schemes or cancelled, all in accordance with the share repurchase program [(4)].

AXA FUTURE RISKS REPORT 2020: THE COVID-19 PANDEMIC ECLIPSED CLIMATE RISK

On October 1, 2020, AXA published the seventh edition of its Future Risks Report. This global study measures and ranks changes in the perception of emerging risks by a panel of risk management experts and the general public. Over 20,000 people were interviewed. Conducted in partnership with research institute IPSOS and geopolitical analysis consultancy Eurasia Group, this year’s ranking of the 10 main emerging risks was marked by the COVID-19 crisis.

Previously underestimated risks related to pandemics and infectious diseases rose from eighth in 2019 to top of the 2020 ranking. Climate change-related risk came in second, dropping from the top spot it had held for years. Climate change remained the number one risk in Europe but fell to third place in Asia and America. The drop was particularly marked in North America, where the share of experts who considered this risk major has fallen from 71% in 2019 to 46% in 2020.

Cybersecurity risk, ranked third, increased in prominence this year with the new and widespread adoption of technology and the explosion of cyberattacks during lockdown. In particular, the perception of cyber warfare risk had increased; it had been considered as the main security threat by 47% of experts compared to 37% last year. The risk of shutdown of essential services and critical infrastructure following a cyberattack had also increased (+7 points to 51%).

Geopolitical risks occupied the fourth place, with a significant increase in the risk of digital warfare between nations, which experts considered to be the top new security threat. Finally, the risk of social unrest placed fifth.

AXA LAUNCHED AN INNOVATIVE GLOBAL PROGRAM FOR THE HEALTH AND WELL-BEING OF ITS EMPLOYEES

On November 18, 2020, AXA announced the launch of an innovative global program to improve the health and well-being of its 121,000 employees. This initiative is a new step in the implementation of AXA's strategy to better align the benefits offered to its employees across the globe.

[(1)] In order to eliminate the dilutive effect of the Shareplan 2020 offering, AXA undertook a cancellation of its shares in accordance with its share repurchase program as authorized by the Shareholders’ Meeting of June 30, 2020.
[(2)] Stock-options and performance shares plans.
[(3)] Employee share offering “Shareplan 2020”.
[(4)] AXA share repurchase program was authorized by the Shareholder’s Meeting of June 30, 2020.

This program, at no expenses for AXA employees, will be deployed from 2021 through two complementary pillars:

- to improve prevention and access to care, each employee will be able to benefit from a complete in-person or digital medical check-up depending on their age, receive an annual flu vaccination and participate in information and awareness days organized on AXA premises to better prevent health related risks;
- to better support employees who encounter difficulties in their professional or personal life, AXA is giving access to an employee assistance program which provides psychological support and guidance, accessible at all times.

This program complements existing initiatives in the area of health and access to care, including the deployment of telemedicine services in Group entities, which is intended to be strengthened in the coming years.

AXA REVEALED ITS 2023 STRATEGY

On December 1, 2020, AXA hosted a virtual Investor Day to present its strategic plan “Driving Progress 2023” and its key financial targets for 2021-2023. The presentation included dedicated sections on France and Europe, AXA XL and Cash and Capital.

Five strategic priorities were highlighted around **(i)** growth in Health and Protection across all geographies, **(ii)** simplification of customer experience and efficiency acceleration, **(iii)** strengthening of the underwriting performance, **(iv)** sustainability of AXA’s climate leadership position, and **(v)** growth in cash flows across the Group.

Financial targets, notably on Underlying Earnings Per Share, Return On Equity, cash flows, and Solvency II ratio were set in the context of this new strategic plan.

AXA DEPLOYS ITS SMART WORKING STRATEGY WORLDWIDE

On January 19, 2021, AXA announced the extension of its smart working strategy to all of its entities worldwide. This strategy aims to implement a hybrid way of working, combining remote work and office presence by enabling employees on a voluntary basis to work remotely with two days as a general guide.

These principles will be deployed until 2023. They will be applied by the end of 2021 in the major entities employing over 70% of AXA employees. The program will include change management and training measures, adaptation of workspaces and provision of IT equipment. Particular attention will be paid to the autonomy and responsibility of teams, and to the cohesion and well-being of employees. Smart working will not preclude eligible employees to work full time in office if they want to or need to depending on the specificity of their job.

This decision is based on the successful implementation of remote working – with 38% of employees regularly working from home prior to the crisis, and 90% of them wishing to increase the practice of remote working in the future – as well as on the experience gained during the COVID-19 health crisis during which full remote working guaranteed operational continuity.

Events subsequent to December 31, 2020

There was no material event after the reporting period to be reported.

Market Environment

2020 saw the global outbreak of the COVID-19 pandemic, which first appeared in China late 2019 before spreading to other countries and becoming a worldwide pandemic by March 2020.

China first put in place unprecedented lockdowns to contain the spread of the pandemic, and similar measures were imposed by most large economies from Mid-March. Worldwide, governments imposed confinements, quarantines, travel restrictions, social distancing measures and more generally the closure of activities deemed non-essential to try and alleviate the severe strain experienced by local, national and supra-national medical institutions. This led to massive disruptions to the global economic output, notably manufacturing, trade and supply chains, which resulted in both lower economic activity and lower estimates of future economic growth. From May onwards, as the virus contagion started to show signs of abatement, governments started to ease the restrictions to alleviate the negative impacts on the economy.

However, the pace of the contamination accelerated during the third quarter, with the number of daily new cases reaching very high levels, mostly in Europe and in the United States. This situation has proven to be long-lasting, leading governments to strengthen again the sanitary measures after the relative easing during the summer. Although these measures were less stringent than in March, they weighed further on the economic environment. At the end of 2020, most of these restrictions were still in place and outlooks remain uncertain despite vaccines being rolled out to the population of many countries from the end of 2020.

Financial Market Conditions

Unprecedented restrictions and lockdowns resulted into a sharp economic contraction, initially in China that was first affected by the pandemic and lockdown measures, with a marked GDP contraction in the first quarter, then in Europe and in the United States in the second quarter.

Central banks and governmental authorities acted promptly to mitigate both financial and economic effects of the pandemic, notably by cutting interest rates, injecting large amounts of liquidity in the money markets, providing both traditional fiscal stimulus and income support to workers, as well as offering loan guarantees and various measures to support companies. Besides, the virus faded in the Northern hemisphere during the summer, allowing to lighten mobility restrictions, leading to a strong GDP rebound in most geographies.

However, a return of the virus in the winter saw restrictions reinstated, mainly in Europe, notably in the United Kingdom while China was successful in containing subsequent outbreaks, allowing its economy to rebound, aided by overseas demand for its exports. As a result, the Eurozone GDP fell by 7.5% in 2020, with France underperforming the broader Eurozone, as its GDP fell by 5.8% and 13.8% respectively in the first two quarters of 2020, then posting a firmer 18.2% rebound in the third quarter, leading to a contraction by 8.2% in 2020.

The United Kingdom fared worse than Europe, both reflecting the structure of the economy and a spread of the virus that has left the country with more deaths per capita than other European nations. A relatively longer lockdown in the second quarter led to a GDP contraction by 19.0%, with a total decrease of 9.9% in 2020. Even as the pandemic damaged the economy, the government pursued its Brexit objective and finally achieved a last-minute free trade agreement on December 24, which came into effect on January 1, 2021.

The United States economy posted smaller losses, with a GDP decrease of 3.5% in 2020, reflecting both less stringent mobility restrictions as well as the provision of an unprecedented package of supporting measures, with the government providing financial help to individuals and companies in excess of $3 trillion.

China posted a positive growth of 2.3% this year thanks to the containment of the pandemic after the first lockdown and a strong rebound fuelled by exports. Japan was also more successful in containing the virus than Western economies. While economic contraction was not as severe as across most of Europe, the GDP decreased by 4.8% in 2020, with the economy already contracting before the virus struck this year.

Stock Markets

Worldwide lockdown measures and fears on the fall of the activity led to significantly revised down economic outlooks and financial markets underwent significant turmoil, with risk assets suffering heavy losses. Mid-March, all equity indexes experienced their worst fall since the 2008 crisis, with Eurostoxx 50 decreasing 34% *versus* December 31, 2019. To mitigate the effects of the crisis, governments and central banks provided supportive measures towards both business and labour markets, cut rates and injected liquidities. Combined with the ease of the restrictions during the summer, risk assets quickly recovered with varying degrees depending on countries. By the end the year, the overall market recovery was also supported by the progress of the pharmaceutical industry in developing vaccines. The only exception was the United Kingdom FTSE 100, that closed the year down 14% *versus* the end of 2019, still impacted by uncertainties linked to Brexit, though an agreement was reached at the end of December.

	Lowest point mid-March vs. December 31, 2019	December 31, 2020 / December 31, 2019
Eurostoxx 50	-34%	-5%
S&P 500	-31%	16%
Dow Jones Industrial Average	-35%	7%
FTSE 100	-34%	-14%
Nikkei	-30%	16%
CSI 300 (Shanghai & Shenzhen)	-14%	27%
MSCI World	-32%	14%
MSCI G7	-32%	15%
MSCI Emerging	-32%	16%

However, high uncertainties remained at year end, with strong restrictions in most locations, that were reflected in the S&P 500 implied volatility index (VIX) that increased from 14% on December 31, 2019, to 23% on December 31, 2020.

Bond Markets

In the early stage of the pandemic, sovereign spreads widened sharply but central banks quickly reacted to mitigate the effects of the crisis and eased their monetary policies in an attempt to support the economy: the European Central Bank (ECB) expanded its quantitative easing programme, extended liquidity to banks and eased collateral conditions, while the Bank of England and the US Federal reserve cut rates. Combined with the ease of restrictions in the summer, sovereign spreads tightened later in the year and government bond yields decreased sharply to set new record lows: US 10-year government yields fell by around 142 bps to 0.50% in March and 0.51% in August but closed the year to 0.92%.

	December 31, 2020	December 31, 2020 / December 31, 2019
10-year German Bond	-0.58%	-39 bps
10-year French Bond	-0.34%	-47 bps
10-year UK Bond	0.20%	-63 bps
10-year Swiss Bond	-0.49%	-1 bps
10-year US T Bond	0.92%	-100 bps
10-year Japanese Bond	0.02%	+3 bps
10-year Italian Bond	0.52%	-91 bps

Corporate spreads also significantly widened in March after the outbreak of the pandemic: in Europe, the iTraxx Main spreads increased by 94 bps to 139 bps compared to December 31, 2019, and the iTraxx Crossover increased by 500 bps to 708 bps while in the United States, the CDX Main spread Index increased by 107 bps to 152 bps.

Nevertheless, as a result of governments and central banks measures to support the economy, corporate spreads tightened later in the year. However, they remained higher than as at December 31, 2019, reflecting uncertainties about the economic outlook. In Europe, the iTraxx Main spreads increased by 4 bps to 48 bps compared to December 31, 2019, and the iTraxx Crossover increased by 35 bps to 242 bps while in the United States, the CDX Main spread Index increased by 5 bps to 50 bps.

Exchange rates

	End of Period Exchange rate		Average Exchange rate	
(for €1)	**December 31, 2020**	**December 31, 2019**	**December 31, 2020**	**December 31, 2019**
US Dollar	1.22	1.12	1.14	1.12
Japanese Yen	126	122	122	122
British Sterling Pound	0.90	0.85	0.89	0.88
Swiss Franc	1.08	1.09	1.07	1.11

After benefitting from its status of safe haven currency at the early stages of the pandemic, when the United States were still spared by the COVID-19 crisis, the US Dollar entered into a steep depreciation against Euro from March, as a consequence of the decrease in the gap between US and the Eurozone interest rates, following the Federal Reserve rates cut.

The British Sterling Pound weakened against Euro through the year, due to the pronounced effect of the pandemic in the United Kingdom combined with Brexit uncertainties and tensions on trade negotiations with the European Union before reaching a last minute settlement at the year-end.

The Swiss Franc kept strengthening against Euro as the inflationary pressure remained low, and the Swiss National Bank favoring foreign exchange market interventions to further rate cuts.

The Japanese Yen has been relatively stable against Euro, as a consequence of a steady monetary policy.

MARKET CONDITIONS

Insurance activities

CURRENT ENGINES

In 2020, the **French Savings** insurance market, of which Unit-Linked contracts represented 34% (1), decreased by 20% to €116 billion premiums. The insurance Savings market has been strongly impacted by the COVID-19 crisis, as French households invested in more liquid savings such as guaranteed banking products (*e.g.* "Livret A") rather than insurance products. The prolonged low interest rate environment increases the challenge for Insurers; the average return on General Acccount contracts remained low (-0.5 point from 2019 at approximately 1.00% expected for 2020), thus forcing the pension savings market to accelerate its transformation. As an illustration, through a generalization of the French equivalent of the European 'Institutions for Occupational Retirement' (i.e. FRPS or "Fonds de Retraite Professionnelle Supplémentaire") across Life insurance players in 2020, it is expected that the favorable capital requirements associated with such regimes should benefit both the industry and the policyholders through higher returns.

The **French Protection & Health** insurance market faced uncertainties brought by the pandemic crisis, as well as an evolving regulatory environment. Both confinement and curfews enforced in the context of the COVID-19 crisis drove many patients to postpone or forego non-urgent care. In parallel, the French government imposed an exceptional tax on all Healthcare insurers in order to finance support measures introduced during the crisis. The crisis also accelerated the adoption of both digital and remote-access healthcare solutions, such as tele-medicine consultations. The French government also introduced a new regulation in 2020 ("100% Santé") that allows all French patients to benefit from both optical and dental care without co-payment, the additional costs related to these measures being financed by both the Social Security and supplementary regimes.

The **French Property & Casualty** insurance market has also been deeply impacted by the sanitary crisis. In terms of volumes, the year saw a reduction in new business and lapses for all insurance companies, as the crisis drove down the number of transactions (*e.g.* new car, housing etc.) that usually generate a need for new insurance products. In terms of claims, the significant business interruption periods impacted turnover at restaurants, bars and hotels thus driving a higher number of claims made to all insurance companies. Separately, travel and mobility restrictions drove a much lower claims frequency in Motor. Finally, 2020 saw an unusually high number of natural events such as droughts and storms (including Ciara, Ines and Dennis in February as well as Alex in October) which caused massive floods and destructions.

In **Europe** (excluding France), the COVID-19 crisis heavily impacted the insurance market: despite the decrease in Motor claims frequency, Property & Casualty markets suffered from material Business Interruption and Event Cancellation claims. Further to these claims, severe natural events such as Ciara, Dennis and Gloria storms hit respectively the United Kingdom, Belgium and Spain in the beginning of the year. The COVID-19 context impacted the commercial performance, with a significant reduction of new business in Motor and in Commercial lines on products with premiums based on the policyholders' own level of activity, and shifted the focus of insurers to cost reduction and efficiency measures. In Life & Savings, the prolonged low interest rates, along with the economic crisis, drove down sales, with customers focusing more on traditional bank savings. Health market has been subject to governmental measures, prioritizing COVID-19 patients' healthcare, with extreme measures taken such as the requisition of private hospitals by the National Health Service in the United Kingdom, while lockdowns and social distancing measures have led many people to postpone medical appointments. For all lines of business, lockdowns and restrictions accelerated the digitalization of underwriting and claims management processes and created new customer habits trends.

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(1) *Including Individual and Group contracts.*

In **Japan**, the Life & Savings insurance market decreased by 9%, still negatively impacted by the tax rule revision announced in February 2019 on tax-efficient savings products, affecting notably the SME market in all lines of business (including the Health market), but also by the pandemic crisis and the low interest rates environment. New business premiums decreased by 32% and were penalized by the lockdown measures implemented by the Japanese government between April 16 and May 25 forcing all insurers to stop face-to-face sales, which started again gradually from the third quarter. The Property & Casualty insurance market slightly decreased by 0.4% as the drop in Compulsory Automobile Liability Insurance ("CALI") and Marine businesses was almost offset by the increase in Voluntary Motor business.

In **Hong Kong**, the COVID-19 crisis impacted the insurance market in each line of business to different extents. The Property & Casualty insurance market experienced some pressure on premium rates as well as on volumes, mainly in Travel insurance. However, it showed a certain stability in pricing conditions following the previous 12-month hardening of coverages and pricing conditions. The Life & Savings insurance market growth slowed down, with lower new business sales to Mainland Chinese Visitors following the border restrictions. The Health insurance market continued to grow, continuing to benefit from tax-deductible voluntary health insurance certified plans.

The **United States Property** sector was impacted by another exceptional year of significant natural catastrophe losses, including a particularly active hurricane season in the Atlantic Ocean, making 2020 the most active and fifth costliest year on record. The United States saw the development of 30 named storms, out of which 6 developed into major hurricanes, as well as an unusual level of convective windstorms, primarily in the US mid-west. Separately, the sector was significantly impacted by COVID-19 losses related to non-damage Business Interruption, almost entirely as a consequence of confinements, lockdowns and mobility restrictions enforced by public authorities in many states. This recent experience has accelerated carriers' ongoing efforts to restore profitability, mostly through increased pricing and the tightening of terms and conditions, as well as more selectivity in deploying capacity.

The **United States Casualty** sector was severely disrupted by the COVID-19 crisis mostly as a result of **(i)** lower premiums resulting from a lower economic activity amongst clients, and **(ii)** large losses for which the full extent of liability losses will be impacted by court decisions and rulings which are continuing to unfold. Separately, carriers continue to address the impact of social inflation through increased pricing and selective capacity deployment. In the Cyber market, the frequency of ransomware attacks continues to impact profitability and carriers have sought to address this through reducing available limits.

HIGH POTENTIALS

In **Asia High Potentials**, the insurance market remained challenged, notably the Life & Savings space which suffered from low new business in the context of the COVID-19 crisis. In China, the good monitoring of the pandemic helped the economy to recover after the first half of the year, allowing Life & Savings premiums to be only slightly impacted. The Property & Casualty insurance market experienced a 4.4% growth thanks to a return to normality in the third quarter, recovering from a decrease in the first quarter following the lockdown. However, Motor average premium decreased by 15%-20% during the last quarter following the price deregulation issued in September. The Health insurance market grew by 32.6% benefiting from the increasing awareness of Health insurance during the pandemic and thanks to the development of public-private partnerships for inclusive Health insurance encouraged by local authorities. In Thailand, the Life & Savings insurance market decreased by 3% from lower new business, while the Property & Casualty and Health insurance markets continued to grow. In Indonesia, the Life & Savings insurance market decreased by 11.9% driven by a 16.6% decline of the agency network. In the Philippines, the Life & Savings insurance market declined as a result of lockdown measures, which were among the longest across the region, putting economic activity to a halt.

In **International markets**, the Property & Casualty insurance market growth was negatively impacted by lockdown measures, notably resulting into lower car sales. The Health business experienced a strong growth in Mexico.

RANKINGS AND MARKET SHARES

Please find below AXA's rankings and market shares in the main countries where it operates:

		Property & Casualty		Life & Savings		
		Ranking	Market share (%)	Ranking	Market share (%)	Sources
Current Engines	France	2	12.6	3	9.7	FFA as of December 31, 2020.
	Switzerland	1	13.0	4	8.2	SIA (Swiss Insurance Association) Market share based on statutory premiums and market estimations by SIA figures as of February 4, 2021.
	Germany	5	5.2	9	3.2	GDV (German association of Insurance companies) as of December 31, 2019.
	Belgium	n/a	19.2	n/a	9.0	Assuralia (Belgium Professional Union of Insurance companies) based on gross written premium as of September 30, 2020.
	United Kingdom	2	8.1	n/a	n/a	UK General Insurance: Competitor Analytics 2019, Global Data, as of December 31, 2019.
	Ireland	1	28.6	n/a	n/a	Insurance Ireland P&C Statistics 2019 as of December 31, 2019.
	Spain	4	5.2	10	2.9	Spanish Association of Insurance Companies. ICEA as of December 31, 2020.
	Italy	5	5.8	7	4.8	Associazione Nazionale Imprese Assicuratrici (ANIA) as of December 31, 2019.
	Japan	n/a	n/a	11	3.9	Disclosed financial reports (excluding Kampo Life) for the 12 months ended September 30, 2020.
	Hong Kong	1	7.3	7	4.9	Authority statistics based on gross written premiums as of September 30, 2020.
	XL (Lloyd's)	1	6.0	n/a	n/a	Lloyd's Annual report 2019 as of December 31, 2019.
	XL Reinsurance	12	2.6	n/a	n/a	AM Best 2019 as of December 31, 2019.
High Potentials	Thailand	22	1.4	5	6.9	TGIA (Thai General Insurance Association) as of December 31, 2020 and TLAA (Thai Life Assurance Association) as of November 30, 2020.
	Indonesia	n/a	n/a	5	5.9	AAJI Statistic measured on Weighted New Business Premium as of September 30, 2020.
	Philippines	n/a	n/a	4	12.9	Insurance Commission measured on total premium income as of June 30, 2020.
	China	21	0.5	16	1.5	CBIRC (China Banking and Insurance Regulatory Commission) as of December 31, 2020.
	Mexico	3	8.8	10	2.5	AMIS (Asociación Mexicana de Instituciones de Seguros) as of September 30, 2020.
	Brazil	13	2.6	n/a	n/a	SUSEP (Superintendência de Seguros Privados) as of October 31, 2020.

Asset Management

Following a sharp deterioration of financial markets during the first quarter of 2020 as the COVID-19 pandemic expanded from Asia to both Europe and North America, markets recovered throughout the remainder of the year, buoyed by both national and supra-national supportive measures. Assets under management have broadly mirrored this evolution that saw negative market effects in the first half of the year, primarily through lower equity markets and wider corporate spreads, while the second part of the year saw a recovery of equity markets combined with a normalization of the corporate spreads across the ratings spectrum. This recovery was supplemented by positive inflows throughout the year while market demand has been increasingly polarized between high volume/low margin liquid strategies (e.g. money markets, 'buy & maintain' fixed income, passive investments…) and flexible, high alpha as well as private asset strategies as a result of the search for higher returns in a durable low rate environment.

Besides the impact of the COVID-19 crisis, structural trends as observed in past years persisted in 2020 with the continued pressure on management fee bps and a continued shift to passive investments, despite the positive trends on both alternative and emerging markets, notably in China.

This challenging environment has created increased dispersion between individual players, leading to intensified market consolidation with a handful of deals announced or completed by top global asset managers looking to gain scale and expand their client reach in key regions and segments.

Finally, ESG matters have been brought to the forefront of the industry by governments and investors, especially for ‘Environmental’ and ‘Social’ components, which represent key success factors for asset managers in a post COVID-19 world. Impact investments are expected to gain more traction, focusing on in-demand social sectors (including healthcare) and environmental concerns.

Activity and Earnings Indicators

The COVID-19 pandemic negatively impacted 2020 AXA Underlying earnings by €1.5 billion, mainly through Property & Casualty claims notably at AXA XL, with significant impacts in Business Interruption and Event Cancellation and to a lesser extent in Liability, Travel and Credit Insurance, combined with solidarity measures in France to support policyholders and provide extension of disability coverage to vulnerable customers. Property & Casualty claims were partly offset by estimated reinsurance recoveries and the decrease in frequency in Motor resulting from the lockdowns and the various restrictions enacted to reduce the pace of the spread of the virus.

AXA's turnover was also strongly affected by the crisis, primarily as a significant part of the premiums paid by its clients within the Property & Casualty Commercial lines are based on their own level of activity (*e.g.* through projects, cargo load, flights number, turnover etc.) that was significantly reduced by the confinement measures. Additionally, the turnover was hit by opening restrictions affecting AXA's distribution channels (*e.g.* agents, bancassurance networks etc.) as well as by anxiety surrounding policyholders' saving and insurance choices as a result of uncertain future economic developments. In this context, the development of online distribution channels, processes and capabilities acted as a mitigant to the reduction of the activity.

In response, AXA implemented specific cost countermeasures, including travels and corporate events reductions, while maintaining its commitment to the modernization of IT systems and customer processes. These cost countermeasures fully mitigated the impact of the decrease in activity on the underlying earnings.

Additionally, financial markets have experienced a significant drop in the first semester, then partly recovered in the second half of the year, as a potential normalization of the situation came in sight with the development of vaccines. The consequence for AXA was a decrease in the fair-value of assets, partly offset through hedging strategies, as well as a decrease in the financial income due to lower dividends, distribution of funds and reinvestment yields.

The combination of the decrease in operating earnings, low interest rates, volatile equity markets and spread widening weighed on the Group's Solvency II ratio by 22 points. However, the Group's Solvency II ratio remained resilient at 200%, confirming AXA's Management view that the COVID-19 crisis is an earnings event and not a capital event.

In this highly uncertain context, AXA continues to closely monitor the Group's exposures, including **(i)** the operational impact on its business, **(ii)** the consequence of the deterioration in macroeconomic conditions, **(iii)** the impacts on insurance coverages, including on-going litigation in some locations, **(iv)** the reinsurance recoveries, and **(v)** the change in asset prices and financial conditions.

ACTIVITY INDICATORS

(in Euro million, except percentages)	December 31, 2020	December 31, 2019	December 31, 2020 / December 31, 2019 [a]
Gross revenues [b]	**96,723**	**103,532**	**(0.9%)**
Property & Casualty	48,729	48,817	0.6%
Life & Savings	31,524	38,318	(6.1%)
Health	14,711	14,000	6.5%
Asset Management	1,269	1,879	3.8%
Banking	491	517	(5.1%)
APE [c]	**5,336**	**6,029**	**1.4%**
NBV Margin [d]	**46.5%**	**42.2%**	**1.1 pt**

[a] Changes are on comparable basis.
[b] Net of intercompany eliminations.
[c] Annual Premium Equivalent (APE) represents 100% of new regular premiums plus 10% of single premiums, in line with EEV methodology. APE is Group share.
[d] New Business Value (NBV) Margin is the ratio of (i) New Business Value representing the value of newly issued contracts during the current year to (ii) APE.

(in Euro million, except percentages)	December 31, 2020	December 31, 2019	December 31, 2020 / December 31, 2019 [a]
Gross revenues [b]	**96,723**	**103,532**	**(0.9%)**
France	25,064	26,182	(4.3%)
Europe	32,860	34,415	(1.8%)
Asia	10,950	9,860	2.2%
AXA XL	18,530	18,741	3.1%
United States	-	4,297	-
International	6,398	7,078	1.0%
Transversal & Central Holdings	2,921	2,959	(0.2%)

[a] Changes are on comparable basis.
[b] Net of intercompany eliminations.

Consolidated Gross revenues amounted to €96,723 million as of December 31, 2020, down 7% on a reported basis and down 1% on a comparable basis compared to December 31, 2019.

The 2019 comparable basis mainly includes the following adjustments: **(i)** the exclusion of United States contribution of the first quarter of 2019 following the deconsolidation of Equitable Holdings, Inc. (€-4.3 billion or +4.1 points), **(ii)** the exclusion of the Savings portion of 2019 premiums related to the additional Group Life foundations that have been transformed in Switzerland since July 1, 2019 (€-1.0 billion or +1.0 point), **(iii)** the exclusion of Central and Eastern Europe contribution of the last quarter of 2019 following its disposal in October 2020 (€-0.2 billion or +0.2 point), and **(iv)** the inclusion of AXA Tianping contribution in 2019 (€+0.9 billion or -0.8 point) following its full consolidation as at December 31, 2019.

The 2020 comparable basis also includes the foreign exchange rate movements notably due to the appreciation of average Euro exchange rate against most major currencies (€-0.9 billion or +0.8 point).

Gross revenues

Gross revenues were down 7% on a reported basis and down 1% on a comparable basis to €96,723 million.

Property & Casualty gross revenues were up 1% (or €+293 million) on a comparable basis to €48,729 million:

- *Commercial lines* (€+529 million or +2%) primarily at *AXA XL* (+3%) mostly from tariff increases (+13%) across both *Insurance* (+17%) and *Reinsurance* (+7%), partly offset by portfolio reductions due to the COVID-19 crisis (-5%) and selective underwriting in Long-tail lines, combined with higher new business in *Germany* (+3%) as well as higher volumes and tariff increases in *Switzerland* (+2%), partly offset by lower volumes mainly at *AXA Assistance* (-5%);

partly offset by:

- *Personal lines* (€-223 million or -1%) driven by **(i)** *Motor* (-2%) mostly in *China* (-14%) from lower volumes following the COVID-19 crisis and the price deregulation, combined with strong market competition in both *Germany* (-7%) and *Switzerland* (-3%), partly offset by strong tariff increases in *Direct South Korea* (+9%), as well as **(ii)** *Non-Motor* (-1%) from solidarity measures towards both small companies and independent workers in the context of the COVID-19 crisis in *France* (-3%), partly offset by higher volumes in *Direct South Korea* (+32%).

Life & Savings gross revenues were down 6% (or €-2,063 million) on a comparable basis to €31,524 million:

- *G/A Savings* (€-2,364 million or -19%) mainly driven by **(i)** lower volumes in *France* (-28%) and *Italy* (-13%) from reduced sales during the COVID-19 crisis, **(ii)** the discontinuation of a capital light *Single Premium Whole Life* product in *Japan* (-16%) as a consequence of the decrease in interest rates, and **(iii)** a portfolio put in run-off in *Colombia* (-73%), partly offset by **(iv)** higher sales of hybrid products in *Germany* (+6%);
- *Unit-Linked* (€-70 million or -1%) notably in **(i)** *Italy* (-28%) due to the impact of the COVID-19 crisis as well as a shift in business mix towards investment products for which premiums are not recognized as gross revenues under IFRS, **(ii)** *Spain* (-14%) from the non-renewal of protected *Unit-Linked* campaign, and **(iii)** the non-repeat of a large Group account in 2019 in *Luxembourg* (-58%);

partly offset by:

- *Protection* (€+353 million or +2%) mainly from **(i)** in-force growth and new business in *Protection with Unit-Linked* in *Japan* (+6%), **(ii)** *France* (+3%) reflecting the growth in international market, as well as **(iii)** *Switzerland* (+5%) following strong sales of semi-autonomous products in *Group Life*;
- *Mutual Funds & Others* (€+18 million or +4%) stemming from higher premiums from partnerships in *Germany* (+15%).

Health gross revenues were up 6% (or €+904 million) on a comparable basis to €14,711 million:

- *Individual business* (€+505 million or +7%) mostly from **(i)** *Germany* (+5%) mainly due to tariff increases in full benefit insurance and the continued growth in the civil servants segment, **(ii)** *China* driven by higher volumes from new partnerships, as well as **(iii)** *Mexico* (+16%) mostly from tariff increases, combined with higher volumes;
- *Group business* (€+399 million or +6%), primarily driven by **(i)** *France* (+7%) from strong performance of both international and domestic businesses, **(ii)** *Mexico* (+11%) from tariff increases and higher volumes, as well as **(iii)** *AXA Assistance* (+21%) from in-force portfolio growth.

Asset Management gross revenues were up 4% (or €+46 million) on a comparable basis to €1,269 million, mainly driven by higher management fees from higher average assets under management due to **(i)** strong net inflows in both *Core* and *Alts* platforms, as well as **(ii)** favorable financial markets in 2020 despite the turmoil in the first quarter due to the COVID-19 crisis, partly offset by lower management fee bps as a result of an unfavorable change in the product mix.

Banking gross revenues were down 5% (or €-26 million) on a comparable basis to €491 million, driven by *AXA Bank Germany* (-63%) due to lower activity in the context of the sale of the Bank, and *AXA Banque France* (-8%).

New business performance

NEW BUSINESS ANNUAL PREMIUM EQUIVALENT [1]

New business APE was down 11% on a reported basis and up 1% on a comparable basis to €5,336 million, mainly driven by strong sales in **(i)** *Pure Protection* in *France* reflecting the growth in International contracts, **(ii)** *Protection with G/A Savings* notably in *Switzerland*, and **(iii)** *Unit-Linked* in *France*, partly offset by **(iv)** the reduced sales of *G/A Savings* products notably in *France*, *China* and *Italy* in the context of the COVID-19 crisis and in line with the strategy to reduce the exposure to *G/A Savings* business.

NEW BUSINESS VALUE MARGIN [2]

New Business Value Margin stood at 46.5%, increasing by 4.3 points. On a comparable basis, restated mainly for the deconsolidation of *Equitable Holdings, Inc.*, New Business Value Margin increased by 1.1 points, mainly driven by **(i)** a positive impact in *Protection with Savings* reflecting a favorable business mix in *Asia,* partly offset by **(ii)** a negative impact in *G/A Savings* primarily driven by an unfavorable change in the business mix from higher sales in *Group business* in *France*.

[1] New business Annual Premium Equivalent (APE) represents 100% of new regular premiums plus 10% of single premiums, in line with EEV methodology. APE is Group share.
[2] New Business Value (NBV) Margin is the ratio of (i) New Business Value representing the value of newly issued contracts during the current year to (ii) APE.

UNDERLYING EARNINGS, ADJUSTED EARNINGS AND NET INCOME GROUP SHARE

December 31, 2020

(in Euro million)	December 31, 2020	Property & Casualty	Life & Savings	Health	Asset Management	Other [a]
Investment margin	4,613	2,529	1,936	147		
Fees & revenues	6,332		4,471	1,861		
Net technical margin	15,913	13,486	1,105	1,322		
Expenses	(20,349)	(13,241)	(4,728)	(2,380)		
Amortization of value of purchased life business in-force	(89)		(91)	2		
Underlying earnings before tax	**5,781**	**2,775**	**2,693**	**952**	**362**	**(1,001)**
Income tax expenses/benefits	(1,643)	(1,127)	(474)	(260)	(94)	312
Income from affiliates and associates	309	91	183	17	18	-
Minority interests	(182)	(95)	(64)	(16)	(7)	(1)
Underlying earnings Group share	**4,264**	**1,644**	**2,338**	**693**	**279**	**(690)**

[a] Other corresponds to banking activities and holding.

(in Euro million, except percentages)	December 31, 2020	France	Europe	Asia	AXA XL	International	Transversal & Central Holdings
Investment margin	4,613	1,712	1,389	77	999	368	68
Fees & revenues	6,332	2,614	1,218	2,142	-	299	59
Net technical margin	15,913	2,825	7,190	1,432	2,209	1,544	713
Expenses	(20,349)	(4,943)	(6,310)	(2,260)	(4,407)	(1,686)	(742)
Amortization of value of purchased life business in-force	(89)	-	(47)	(40)	-	(2)	-
Underlying earnings before tax from insurance activities	**6,420**	**2,208**	**3,440**	**1,351**	**(1,199)**	**523**	**97**
Underlying earnings before tax from other activities	**(640)**	**3**	**51**	**(2)**	**(98)**	**59**	**(653)**
Income tax expenses / benefits	(1,643)	(550)	(769)	(275)	(108)	(143)	202
Income from affiliates and associates	309	10	(1)	181	-	100	18
Minority interests	(182)	(3)	(100)	(8)	6	(71)	(6)
Underlying earnings Group share	**4,264**	**1,668**	**2,621**	**1,247**	**(1,398)**	**469**	**(343)**
Net capital gains or losses attributable to shareholders net of income tax	337	190	26	20	(12)	(3)	116
Adjusted earnings Group share	**4,602**	**1,858**	**2,648**	**1,267**	**(1,410)**	**465**	**(227)**
Profit or loss on financial assets (under fair value option) and derivatives	(394)	(364)	(117)	(145)	(110)	87	256
Exceptional operations (including discontinued operations)	(487)	(49)	(11)	(5)	(157)	(118)	(148)
Goodwill and other related intangible impacts	(167)	-	(35)	(28)	(52)	(23)	(29)
Integration and restructuring costs	(389)	(30)	(90)	(33)	(190)	(17)	(29)
NET INCOME GROUP SHARE	**3,164**	**1,415**	**2,395**	**1,056**	**(1,919)**	**394**	**(177)**
Property & Casualty Combined Ratio	99.5%	90.0%	90.9%	97.4%	112.2%	95.3%	101.5%
Health Combined Ratio	94.5%	99.3%	95.7%	78.2%	-	99.6%	97.6%
Protection Combined Ratio	94.4%	99.5%	93.9%	89.6%	-	99.6%	-

December 31, 2019

(in Euro million)	December 31, 2019 [(a)]	Property & Casualty	Life & Savings [(a)]	Health [(a)]	Asset Management [(a)]	Other [(a) & (b)]
Investment margin	4,855	2,777	1,930	148		
Fees & revenues	6,063		4,402	1,660		
Net technical margin	17,587	14,758	1,355	1,473		
Expenses	(19,989)	(13,054)	(4,625)	(2,310)		
Amortization of value of purchased life business in-force	(88)		(92)	3		
Underlying earnings before tax	**7,609**	**4,481**	**2,970**	**975**	**348**	**(1,165)**
Income tax expenses/benefits	(1,748)	(1,150)	(593)	(264)	(97)	356
Income from affiliates and associates	766	94	562	3	146	(40)
Minority interests	(175)	(83)	(69)	(15)	(7)	(1)
Underlying earnings Group share	**6,451**	**3,341**	**2,870**	**699**	**390**	**(849)**

[(a)] As a consequence of the deconsolidation of Equitable Holdings, Inc. ("EQH") as of March 31, 2019, and its subsequent accounting for under equity method, the United States underlying earnings contribution was fully accounted for under income from affiliates and associates.
[(b)] Other corresponds to banking activities and holding.

(in Euro million, except percentages)	December 31, 2019 [(a)]	France	Europe	Asia	AXA XL	United States [(a)]	International	Transversal & Central Holdings
Investment margin	4,855	1,682	1,662	44	990		394	84
Fees & revenues	6,063	2,258	1,204	2,182	-		363	55
Net technical margin	17,587	3,100	6,847	901	4,288		1,666	785
Expenses	(19,989)	(4,671)	(6,286)	(1,810)	(4,554)		(1,900)	(767)
Amortization of value of purchased life business in-force	(88)	-	(60)	(26)	-		(3)	-
Underlying earnings before tax from insurance activities	**8,427**	**2,369**	**3,366**	**1,291**	**725**		**520**	**157**
Underlying earnings before tax from other activities	**(818)**	**(1)**	**48**	**(12)**	**(91)**		**58**	**(819)**
Income tax expenses / benefits	(1,748)	(660)	(774)	(256)	(125)		(153)	219
Income from affiliates and associates	766	11	-	188	(2)	444	103	21
Minority interests	(175)	(4)	(96)	(7)	0		(61)	(7)
Underlying earnings Group share	**6,451**	**1,715**	**2,544**	**1,204**	**507**	**444**	**466**	**(429)**
Net capital gains or losses attributable to shareholders net of income tax	393	168	162	14	78	(3)	(9)	(16)
Adjusted earnings Group share	**6,844**	**1,882**	**2,706**	**1,218**	**585**	**441**	**457**	**(445)**
Profit or loss on financial assets (under fair value option) and derivatives	(791)	83	(259)	(20)	(16)	30	12	(621)
Exceptional operations (including discontinued operations)	(1,634)	5	(38)	24	(51)	(145)	(599)	(831)
Goodwill and other related intangible impacts	(114)	-	(37)	(15)	(39)	(0)	(23)	(1)
Integration and restructuring costs	(449)	(30)	(54)	(3)	(307)	(5)	(16)	(35)
NET INCOME GROUP SHARE	**3,857**	**1,940**	**2,318**	**1,204**	**173**	**321**	**(169)**	**(1,932)**
Property & Casualty Combined Ratio	96.4%	90.7%	93.2%	97.0%	101.5%		97.2%	98.5%
Health Combined Ratio	94.1%	98.7%	95.1%	76.7%	-		99.3%	102.8%
Protection Combined Ratio	93.2%	95.3%	94.8%	88.9%	-		99.1%	-

[(a)] As a consequence of the deconsolidation of Equitable Holdings, Inc. ("EQH") as of March 31, 2019, and its subsequent accounting under the equity method, the United States underlying earnings contribution was fully accounted for under income from affiliates and associates. As a result, EQH contribution was excluded from Health and Protection Combined Ratio calculation.

ALTERNATIVE PERFORMANCE MEASURES

Adjusted Earnings, Underlying Earnings, Adjusted Return on Equity, Underlying Earnings per share, Combined Ratio 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 Adjusted Earnings, Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided in the above tables. Adjusted Return on Equity and Underlying Earnings per share are reconciled to the financial statements in the table set forth on page 34 of this report, and the calculation methodology of the Debt Gearing is set out on page 28 of this report. For further information on any of the above-mentioned APMs, see the Glossary on pages 68 to 76 of this report.

Adjusted Earnings

Adjusted Earnings represent the net income (Group share) as disclosed in the above tables, before the impact of the following items net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- integration and restructuring costs related to material newly acquired companies as well as restructuring and associated costs related to productivity improvement plans;
- goodwill, impairments and amortization of intangibles related to customers and distribution;
- exceptional operations (primarily change in scope and discontinued operations); and
- profit or loss on financial assets accounted for under fair value option (excluding assets backing liabilities for which the financial risk is borne by the policyholder), foreign exchange impacts on assets and liabilities, and derivatives related to invested assets and liabilities.

Underlying Earnings

Underlying Earnings correspond to Adjusted Earnings without the following elements, net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- realized gains and losses and change in impairment valuation allowance (on assets not designated under fair value option or trading assets); and
- cost at inception, intrinsic value and pay-off of derivatives used for the economic hedging of realized gains and impairments of equity securities (other than the funds backing contracts where the financial risk is borne by policyholders).

Adjusted Return on Equity

The **Adjusted Return on Equity** ("**Adjusted RoE**") is calculated as Adjusted Earnings net of financial charges related to undated subordinated debt, preferred shares and mandatory exchangeable bonds up to the date of deconsolidation of Equitable Holdings, Inc. ("EQH") (recorded through shareholders' equity as disclosed in Section 6.6 - Note 13 "Shareholders' Equity and Minority Interests" and financial debt as disclosed in Section 6.6 - Note 17 "Financing debt" of the Universal Registration Document divided by the weighted average shareholders' equity. The weighted average shareholders' equity:

- is based on opening shareholders' equity adjusted for weighted average impacts of capital flows (including dividends);

- without reserves relating to the change in the fair value through shareholders' equity as disclosed in Section 6.4 - "Consolidated Statement of Changes in Equity" of the Universal Registration Document;
- without undated subordinated debt as disclosed in Section 6.6 - Note 13 "Shareholders' Equity and Minority Interests" of the Universal Registration Document.

Underlying Earnings per share

Underlying Earnings per share corresponds to Group share Underlying Earnings net of financial charges related to undated subordinated debt, preferred shares and mandatory exchangeable bonds up to the date of deconsolidation of Equitable Holdings, Inc. (recorded through shareholders' equity as disclosed in Section 6.6 - Note 13 "Shareholders' Equity and Minority Interests" and financial debt as disclosed in Section 6.6 - Note 17 "Financing debt" of the Universal Registration Document), divided by the weighted average number of outstanding ordinary shares.

Combined Ratio (applicable for Property & Casualty, Health and Protection)

The **Combined Ratio** is the sum of the all accident year loss ratio and the underlying expense ratio.

- All accident year loss ratio net of reinsurance is the ratio of:
  - all accident years claims charge gross of reinsurance + claims handling costs + result of reinsurance ceded on all accident years excluding unwind of the discount rate used in calculating technical reserves, to
  - earned revenues gross of reinsurance.
- Expense ratio is the ratio of:
  - expenses (excluding claims handling costs, including changes in VBI amortization), to
  - earned revenues gross of reinsurance.

Debt Gearing

Debt Gearing refers to the level of a company's debt related to its equity 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 the gross debt (financing debt as disclosed in Section 6.6 - Note 17 "Financing debt" and undated subordinated debt as disclosed in Note 13 "Shareholders' equity and minority interests" of the Universal Registration Document) by total capital employed (shareholders' equity excluding undated subordinated debt and reserves relating to the change in the fair value of financial instruments and of hedge accounting derivatives plus gross debt). Furthermore, following the deconsolidation of EQH, mandatory exchangeable bonds issued by AXA in May 2018 were excluded from Debt Gearing.

COMMENTARY ON GROUP EARNINGS

Underlying earnings

Underlying earnings amounted to €4,264 million, down €2,187 million (-34%) *versus* 2019 on a reported basis. On a constant exchange rate basis, **underlying earnings** decreased by €2,202 million (-34%) driven by:

- the impact of the COVID-19 losses (€-1.5 billion) mainly from *Property & Casualty* claims in Business Interruption and Event Cancellation, and to a lesser extent from other lines such as Casualty, Professional Liability, Directors & Officers and Travel, as well as solidarity measures, partly compensated by the decrease in claims frequency during lockdowns, mainly in *Motor*;
- the non-repeat of the contribution of *Equitable Holdings, Inc.* in 2019 (€-0.4 billion);
- the impact of Natural Catastrophe charges above the normalized level [(1)] at *AXA XL* (€-0.5 billion), increasing by €0.2 billion *versus* 2019;
- while “normalized” underlying earnings amounted to €6.3 billion.

Property & Casualty underlying earnings decreased by €1,716 million (-51%) to €1,644 million. Excluding COVID-19 impacts (€-1,547 million) and Natural Catastrophe charges above the normalized level [(1)] (€502 million) at *AXA XL*, Underlying earnings increased by €55 million (+2%) mainly driven by **(i)** a resilient business growth in *Commercial lines*, as well as **(ii)** a strong costs discipline, partly offset by **(iii)** lower investment result as a consequence of lower dividends and funds distributions across entities.

Life & Savings underlying earnings decreased by €532 million (-19%) to €2,338 million. Excluding the €362 million contribution of *Equitable Holdings, Inc*. in 2019, underlying earnings decreased by €169 million (-7%) driven by **(i)** a lower net technical margin (€-257 million) mainly in *France* as a consequence of the extension of disability coverage to vulnerable customers in the context of the COVID-19 crisis, the decrease in annuities discount rate and unfavorable prior year reserve developments in *Protection*. This was partly offset by **(ii)** a favorable tax impact (€+119 million) mainly due to the decrease in pre-tax underlying earnings, a decrease in the corporate tax rate in *France* and *Belgium* as well as a tax one-off in *Germany*, and **(iii)** a resilient investment margin (€+10 million) driven by continued discipline on crediting rates (€+189 million), partly offset by the decrease in investment income across entities (€-180 million) resulting from lower equity and fund distributions combined with low reinvestment yields.

Health underlying earnings remained stable at €693 million. Excluding the €-5 million contribution of *Equitable Holdings, Inc*. in 2019, underlying earnings decreased by €6 million (-1%) as **(i)** the continued commercial momentum across geographies, and **(ii)** the decrease in claims frequency in the context of the COVID-19 crisis, notably in *Hong Kong* and *France*, were more than offset by **(iii)** an exceptional tax introduced by the French government on health premiums as well as higher costs related to social reforms (“100% Santé”), combined with **(iv)** the non-repeat of an exceptionally favorable claims experience in 2019 in *the United Kingdom & Ireland*.

Asset Management underlying earnings decreased by €111 million (-28%) to €279 million. Excluding the €126 million contribution of *Equitable Holdings, Inc*. in 2019, underlying earnings increased by €15 million (+6%) mainly due to **(i)** higher revenues (€+48 million) from higher management fees resulting from strong net inflows and positive market effects despite the turmoil in the first quarter due to the COVID-19 crisis, partly offset by **(ii)** higher staff expenses (€-32 million), in line with business growth.

Other activities underlying earnings increased by €158 million (+19%) to €-690 million. Excluding the €-40 million contribution of *Equitable Holdings, Inc*. in 2019, underlying earnings increased by €119 million (+15%) mainly at *AXA SA* (€+95 million) driven by **(i)** higher dividends received (mainly from the remaining stake in *Equitable Holdings, Inc.* related to the EQH shares to be delivered on redemption of the AXA SA bonds mandatorily

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(1) Normalized Natural Catastrophe level = 4% of AXA XL Gross Earned Premiums.

exchangeable into EQH shares, maturing in May 2021), **(ii)** lower general expenses, **(iii)** lower financial charges following the early redemption of a debt in 2020, and **(iv)** lower tax paid related to dividends received from subsidiaries.

Adjusted earnings

Net realized capital gains and losses attributable to shareholders amounted to €337 million. On a constant exchange rate basis, **net realized capital gains and losses attributable to shareholders** decreased by €59 million due to the financial markets turmoil resulting from the COVID-19 crisis:

- €+317 million **higher realized capital gains** to €1,071 million, mainly driven by equity securities (€+365 million to €598 million), real estate (€+38 million to €388 million), partly offset by alternative investments (€-81 million to €13 million) and fixed income assets (€-8 million to €72 million), more than offset by:
- €-376 million **higher impairments net of the impact of equity hedges** to €-733 million, mainly driven by equity instruments (€-197 million to €-426 million), real estate (€-86 million to €-155 million), alternative investments (€-62 million to €-112 million), and fixed income assets (€-27 million to €-33 million).

As a result, **adjusted earnings** decreased by €2,243 million (-33%) to €4,602 million. On a constant exchange rate basis, **adjusted earnings** decreased by €2,260 million (-33%).

Net income

Net income amounted to €3,164 million, down €692 million (-18%). On a constant exchange rate basis, **net income** decreased by €709 million (-18%), driven by:

- **lower adjusted earnings** (€-2,260 million);
- **a negative change in the fair value of assets accounted for under fair value option**, down €432 million to €-264 million, due to the financial markets turmoil resulting from the COVID-19 crisis, significantly impacting the valuation of fixed income assets and credit funds (€-489 million to €-94 million), private equity funds (€-128 million to €-10 million), and hedge funds (€-72 million to €-48 million);
- **a less unfavorable change in the fair value of derivatives** net of exchange rate impacts, up €841 million to €-129 million, driven by:
    - o the change in the fair value of equity, interest rates and credit derivatives not eligible for hedge accounting under IAS 39, up €704 million to €-49 million, as a result of the equity market turmoil resulting from the COVID-19 crisis as well as from interest rate derivatives due to the significant decrease of the exposure to interest rates risk at *AXA SA* in a context of further decrease in interest rates,
    - o the change in the fair value of foreign exchange derivatives not eligible for hedge accounting under IAS 39 net of exchange rate movements on assets and liabilities denominated in foreign currencies, up €137 million to €-80 million as a result of the appreciation of Euro against US Dollar;
- **a less unfavorable impact from exceptional operations**, up €1,144 million to €-487 million, mainly from:
    - o the non-repeat of the 2019 negative impact linked to **(i)** the deconsolidation of *Equitable Holdings, Inc*. corresponding to the difference between the fair value and the consolidated

carrying value of EQH at the date of the deconsolidation (€+590 million) at *AXA SA*, and **(ii)** the loss on the future disposal of *AXA Bank Belgium* (€+590 million), combined with lower impairment of the participation in non-consolidated entities (€+130 million);

partly offset by:

- the exceptional impact related to the exit of unprofitable lines of business within International Financial lines (Management Liability and Financial Institutions) from both the United Kingdom and Lloyd's at *AXA XL* (€-156 million),
- the losses on the disposals of *the Gulf Region*, *Greece* operations and *AXA Bank Germany* (€-89 million), partly offset by the impact of the cancelled disposal of *AXA Life Europe* (€+69 million), and
- the exceptional contributions to solidarity measures in the context of the COVID-19 crisis (€-71 million), mainly in *France* to support both small companies and self-employed individuals.

SHAREHOLDERS' EQUITY GROUP SHARE

As of December 31, 2020, Shareholders' equity Group share totaled €71.6 billion. The movements in Shareholders' equity Group share since December 31, 2019, are presented in the table below:

(in Euro million)	**Shareholders' equity Group share**
At December 31, 2019	**69,897**
Share Capital	2
Capital in excess of nominal value	(19)
Equity-share based compensation	48
Treasury shares sold or bought in open market	8
Deeply subordinated debt (including accumulated interests charges)	(177)
Fair value recorded in shareholders' equity	3,533
Impact of currency fluctuations	(2,837)
Dividends	(1,740)
Other	(72)
Net income for the period	3,164
Actuarial gains and losses on pension benefits	(198)
Reserves relating to changes in fair value of financial liabilities measured at fair value through profit and loss that are attributable to changes in own credit risk	1
At December 31, 2020	**71,610**

SOLVENCY INFORMATION [1]

As of December 31, 2020, the Group's Eligible Own Funds ("EOF") amounted to €55.0 billion and the Solvency II ratio to 200%, compared to €59.4 billion and 198% as of December 31, 2019.

(in Euro billion)	Group EOF December 31, 2020	Group EOF December 31, 2019
Previous Closing	**59.4**	**58.1**
Modeling changes and opening adjustments	1.4	(0.7)
Opening	**60.8**	**57.4**
Expected existing business contribution	3.8	4.6
Value of new premiums	(0.0)	2.2
Operating variance and change in assumptions	0.6	0.8
Operating return	**4.4**	**7.7**
Economic variance	(4.8)	(2.4)
Total return	**(0.5)**	**5.3**
Exchange rate impact	(2.1)	1.1
Dividend to be paid in year N+1	(3.4)	(3.5)
Release of provision for exceptional distribution of reserves [a]	1.7	-
Subordinated debts and others [b]	(1.5)	(1.0)
Closing	**55.0**	**59.4**

[a] On June 2, 2020, AXA's Board of Directors decided to reduce its dividend proposal from €1.43 per share to €0.73 per share. At that time, it was also announced that the Board would consider proposing an additional payment to shareholders in 4Q20, of up to €0.70 per share (which remained deducted from EOF), as an exceptional distribution of reserves, subject to favorable market and regulatory conditions. Following discussions with the French regulator ("ACPR") and, in the context of the COVID-19, reinforced communication from various European regulators, including the "ACPR" on July 28, 2020, recommending insurers to refrain from dividend distributions until January 1, 2021, AXA's Board of Directors, at its meeting on August 5, 2020, decided it would not propose an exceptional distribution of reserves to shareholders in 4Q20. The €0.70 per share provision was therefore released from EOF.
[b] Including subordinated debts, capital movements, internal dividends paid in 2020 and others.

[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 2020 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")

(in Euro, except ordinary shares in million)	December 31, 2020		December 31, 2019		December 31, 2020 / December 31, 2019	
	Basic	Fully diluted	Basic	Fully diluted	Basic	Fully diluted
Weighted average number of shares	**2,381**	**2,387**	**2,383**	**2,389**		
Net income (Euro per ordinary share)	1.25	1.25	1.51	1.51	(17.0%)	(17.1%)
Adjusted earnings (Euro per ordinary share)	1.86	1.85	2.77	2.76	(32.8%)	(32.8%)
Underlying earnings (Euro per ordinary share)	1.72	1.71	2.60	2.59	(34.0%)	(34.0%)

Return On Equity ("ROE")

(in Euro million, except percentages)	December 31, 2020	December 31, 2019	December 31, 2020 / December 31, 2019
ROE [(a) (b)]	**4.6%**	**6.1%**	**(1.5 pts)**
Net income	3,164	3,857	
Average shareholders' equity	69,154	63,578	
Adjusted ROE [(a)]	**10.7%**	**16.0%**	**(5.3 pts)**
Adjusted earnings [(c)]	4,424	6,591	
Average shareholders' equity [(d)]	41,243	41,215	
Underlying ROE [(a) (b)]	**9.9%**	**15.0%**	**(5.1 pts)**
Underlying earnings [(c)]	4,087	6,198	
Average shareholders' equity [(d)]	41,243	41,215	

[(a)] Return On Equity figures presented in this table are calculated based on the current definition (as defined in the Glossary set forth on pages 68 to 76 of this report).
[(b)] Starting 2021, the Return On Equity to be disclosed will be based upon simple average shareholders' equity (as defined in the Glossary set forth on pages 68 to 76 of this report). As per this new definition, the Net income ROE would stand at 6.4% and Underlying ROE would stand at 9.5% as of December 31, 2020.
[(c)] Including adjustment to reflect net financial charges related to undated subordinated debt (recorded through shareholders' equity). In 2019, it also included adjustments to reflect financial charges related to the preferred shares and the equity component of mandatory exchangeable bonds into shares of Equitable Holdings Inc. for the first three months of 2019 prior to its deconsolidation.
[(d)] Excluding fair value of invested assets and derivatives and undated subordinated debt (both recorded through shareholders' equity).

SEGMENT INFORMATION

France

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**25,064**	**26,182**
Property & Casualty	6,986	7,059
Life & Savings	13,001	14,325
Health	4,912	4,619
Banking	165	179
Underlying earnings before tax	**2,211**	**2,368**
Property & Casualty	1,117	1,140
Life & Savings	1,001	1,106
Health	91	123
Other [(b)]	3	(1)
Income tax expenses / benefits	(550)	(660)
Minority interests	(3)	(4)
Income from affiliates and associates	10	11
Underlying earnings Group share	**1,668**	**1,715**
Net capital gains or losses attributable to shareholders net of income tax	190	168
Adjusted earnings Group share	**1,858**	**1,882**
Profit or loss on financial assets (under fair value option) and derivatives	(364)	83
Exceptional operations (including discontinued operations)	(49)	5
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	(30)	(30)
NET INCOME GROUP SHARE	**1,415**	**1,940**
Property & Casualty Combined Ratio	90.0%	90.7%
Health Combined Ratio	99.3%	98.7%
Protection Combined Ratio	99.5%	95.3%
New business		
APE	2,153	2,077
NBV Margin	29.5%	31.5%

[(a)] *Net of intercompany eliminations.*
[(b)] *Other corresponds to banking activities and holding.*

Gross revenues decreased by €1,119 million (-4%) to €25,064 million. On a comparable basis, gross revenues decreased by €1,125 million (-4%):

- **Property & Casualty** (€-73 million or -1%) to €6,986 million, mainly due to the impact of solidarity measures towards both small companies and independent workers in the context of the COVID-19 crisis, partly offset by higher volumes notably in *Commercial lines*;
- **Life & Savings** (€-1,330 million or -9%) to €13,001 million, mostly in *G/A Savings* (€-1,794 million or -28%) driven by changes in underwriting policies favoring *Unit-Linked* products over *G/A Savings* and by lower premiums collected during the COVID-19 lockdown periods, partly offset by higher volumes in both *Unit-*

Linked (€+343 million or +10%) and *Protection* (€+146 million or +3%). *Unit-Linked* gross revenues contributed 48% [(1)] of total *Individual Savings*, as compared to 37% [(1)] on average for the market;

- **Health** (€+293 million or +6%) to €4,912 million, driven by higher volumes in *Group business* (€+265 million or +7%) in both international and domestic markets, as well as in *Individual business* (€+28 million or +4%);
- **Banking** (€-14 million or -8%) to €165 million at *AXA Banque France* as the higher interest margin was more than offset by the change in fair value of hedging instruments.

APE increased by €76 million (or +4%) to €2,153 million, mainly driven by **(i)** *Protection* (€+152 million or +33%) and *Health* (€+47 million or +8%) due to higher sales in *Group business*, as well as by **(ii)** *Unit-Linked* (€+45 million or +12%), partly offset by **(iii)** *G/A Savings* (€-165 million or -25%) mainly driven by changes in underwriting policies and lower sales during the COVID-19 lockdown periods.

NBV Margin decreased by 2.0 points to 29.5% driven by adverse economic conditions and an unfavorable change in business mix, in particular from higher sales in *Group Health* and *Group Protection*.

Underlying earnings before tax decreased by €157 million (-7%) to €2,211 million:

- **Property & Casualty** (€-24 million or -2%) to €1,117 million, mainly driven by a lower investment income combined with the impact of the COVID-19 crisis primarily from claims in Business Interruption and solidarity measures, partly offset by a decrease in claims frequency during the lockdown periods, notably in *Motor*, as well as by more favorable prior year reserve developments;
- **Life & Savings** (€-105 million or -9%) to €1,001 million, from the impact of the extension of the disability coverage to vulnerable customers during the lockdowns and the decrease in annuities discount rate as well as unfavorable prior year reserve developments, partly offset by higher investment margin mainly from continued discipline on crediting rates;
- **Health** (€-32 million or -26%) to €91 million, driven by an exceptional tax introduced by the French government on health premiums as well as higher costs related to social reforms ("100% Santé"), partly offset by positive technical items including lower claims frequency during lockdown periods;
- **Other** (€+3 million) to €+3 million.

Income tax expenses decreased by €111 million (-17%) to €-550 million, driven by the decrease in pre-tax underlying earnings as well as the decrease in the corporate tax rate from 34% to 32%.

Underlying earnings decreased by €47 million (-3%) to €1,668 million.

Adjusted earnings decreased by €24 million (-1%) to €1,858 million, driven by lower underlying earnings as well as higher impairments on both real estate and equity securities as a consequence of the COVID-19 crisis, partly offset by higher realized capital gains on real estate.

Net income decreased by €525 million (-27%) to €1,415 million, driven by lower adjusted earnings, an unfavorable change in the fair value of mutual funds and derivatives not eligible for hedge accounting, as well as the exceptional contribution to French COVID-19 solidarity funds to support both small companies and self-employed individuals.

[(1)] *Including Eurocroissance.*

Europe

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [a]	**32,860**	**34,415**
Property & Casualty	16,594	16,645
Life & Savings	10,627	12,268
Health	5,630	5,477
Banking	9	25
Underlying earnings before tax	**3,492**	**3,414**
Property & Casualty	2,272	2,054
Life & Savings	898	1,016
Health	270	297
Other [b]	51	48
Income tax expenses / benefits	(769)	(774)
Minority interests	(100)	(96)
Income from affiliates and associates	(1)	-
Underlying earnings Group share	**2,621**	**2,544**
Net capital gains or losses attributable to shareholders net of income tax	26	162
Adjusted earnings Group share	**2,648**	**2,706**
Profit or loss on financial assets (under fair value option) and derivatives	(117)	(259)
Exceptional operations (including discontinued operations)	(11)	(38)
Goodwill and other related intangible impacts	(35)	(37)
Integration and restructuring costs	(90)	(54)
NET INCOME GROUP SHARE	**2,395**	**2,318**
Property & Casualty Combined Ratio	90.9%	93.2%
Health Combined Ratio	95.7%	95.1%
Protection Combined Ratio	93.9%	94.8%
New business		
APE	1,656	1,267
NBV Margin	48.0%	46.9%

[a] Net of intercompany eliminations.
[b] Other corresponds to banking activities and holding.

EUROPE - SWITZERLAND

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**5,261**	**5,992**
Property & Casualty	3,289	3,152
Life & Savings	1,941	2,824
Health	31	16
Underlying earnings before tax	**1,001**	**961**
Property & Casualty	733	693
Life & Savings	284	285
Health	(16)	(16)
Income tax expenses / benefits	(171)	(159)
Minority interests	(3)	(4)
Income from affiliates and associates	-	-
Underlying earnings Group share	**827**	**798**
Net capital gains or losses attributable to shareholders net of income tax	25	6
Adjusted earnings Group share	**852**	**803**
Profit or loss on financial assets (under fair value option) and derivatives	(58)	1
Exceptional operations (including discontinued operations)	5	(24)
Goodwill and other related intangible impacts	(25)	(25)
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	**775**	**755**
Property & Casualty Combined Ratio	82.3%	82.8%
Health Combined Ratio	n/a	n/a
Protection Combined Ratio	90.8%	93.7%
New business		
APE	722	320
NBV Margin	50.9%	46.7%
Average exchange rate: € 1.00 = Swiss Franc	*1.07*	*1.11*

[(a)] Net of intercompany eliminations.

On January 1, 2020, AXA Switzerland transformed five more foundations from full insurance to semi-autonomous. As a result, the change in gross revenues on a comparable basis excludes the savings portion of the 2019 premiums related to the transformed in-force Group Life business.

Gross revenues decreased by €731 million (-12%) to €5,261 million. On a comparable basis, gross revenues increased by €106 million (+2%):

- **Property & Casualty** (€+13 million or 0%) to €3,289 million, driven by *Commercial lines* (€+31 million or +2%) mainly due to a positive volume and price effect on *Workers' Compensation*, partly offset by a decrease in *Liability* in the context of the COVID-19 crisis, while *Personal lines* decreased (€-19 million or -1%) driven by *Motor* reflecting the ongoing market competition as well as lower new business in the context of the COVID-19 crisis;

- **Life & Savings** (€+79 million or +4%) to €1,941 million, driven by *Group Life* (€+62 million or +7%) due to strong sales of semi-autonomous products, and *Individual Life* (€+17 million or +2%) from higher sales of a new hybrid product launched in 2H19;
- **Health** (€+13 million or +84%) to €31 million, from continued portfolio growth.

APE increased by €402 million (+126%) to €722 million. On a comparable basis, APE increased by €375 million (+117%) driven by *Group Life* (€+386 million or +164%) due to strong sales of semi-autonomous products including the exceptional acquisition of a significant number of new clients, partly offset by lower new business in *Individual Life* (€-12 million or -14%) in the context of the COVID-19 crisis.

NBV Margin increased by 4.3 points to 50.9%, mainly driven by a favorable business mix within *Individual Life* as a result of shifting sales from pure General Account products towards a new hybrid product launched in 2H19.

Underlying earnings before tax increased by €40 million (+4%) to €1,001 million. On a constant exchange rate basis, underlying earnings before tax increased by €2 million:

- **Property & Casualty** (€+13 million or +2%) to €733 million, as a result of lower attritional losses from lower claims frequency mainly in *Motor* and *Workers' Compensation* combined with more favorable prior year reserve developments and a lower expense ratio from cost savings measures, partly offset by a less favorable large loss development and Business Interruption claims linked to the COVID-19 lockdown;
- **Life & Savings** (€-12 million or -4%) to €284 million, mainly driven by a deterioration of the technical margin resulting from the non-repeat of 2019 longevity assumptions update and a lower investment margin, partly offset by a lower VBI amortization mainly from a less unfavorable update of financial assumptions combined with higher asset management fees in *Group Life* from the off-balance sheet business;
- **Health** remained stable at €-16 million.

Income tax expenses increased by €12 million (+8%) to €-171 million. On a constant exchange rate basis, income tax expenses increased by €6 million (+4%) mainly from a lower positive effect on deferred tax from the decrease in the corporate tax rate from 18.5% to 18.0% (compared to the prior year reduction from 20% to 18.5%).

Underlying earnings increased by €29 million (+4%) to €827 million. On a constant exchange rate basis, underlying earnings decreased by €2 million (0%).

Adjusted earnings increased by €49 million (+6%) to €852 million. On a constant exchange rate basis, adjusted earnings increased by €17 million (+2%) as the decrease in underlying earnings was more than offset by higher net realized capital gains.

Net income increased by €20 million (+3%) to €775 million. On a constant exchange rate basis, net income decreased by €9 million (-1%) as the increase in adjusted earnings and a positive change in the fair value of equity derivatives not eligible for hedge accounting were more than offset by an unfavorable change in the fair value of alternative investments.

EUROPE - GERMANY

(in Euro million, except percentages)	**December 31, 2020**	**December 31, 2019**
Gross revenues [(a)]	**11,025**	**10,862**
Property & Casualty	4,332	4,392
Life & Savings	3,254	3,187
Health	3,429	3,259
Banking	9	25
Underlying earnings before tax	**811**	**834**
Property & Casualty	557	489
Life & Savings	91	174
Health	119	133
Other [(b)]	44	38
Income tax expenses / benefits	(217)	(255)
Minority interests	(12)	(6)
Income from affiliates and associates	-	-
Underlying earnings Group share	**582**	**573**
Net capital gains or losses attributable to shareholders net of income tax	12	1
Adjusted earnings Group share	**594**	**574**
Profit or loss on financial assets (under fair value option) and derivatives	(5)	(83)
Exceptional operations (including discontinued operations)	(26)	(3)
Goodwill and other related intangible impacts	(3)	(4)
Integration and restructuring costs	(47)	(6)
NET INCOME GROUP SHARE	**512**	**479**
Property & Casualty Combined Ratio	91.3%	94.7%
Health Combined Ratio	96.6%	95.9%
Protection Combined Ratio	97.8%	98.1%
New business		
APE	381	375
NBV Margin	59.3%	55.5%

(a) Net of intercompany eliminations.
(b) Other corresponds to banking activities and holding.

Gross revenues increased by €162 million (+1%) to €11,025 million. On a comparable basis, gross revenues increased by €192 million (+2%):

- **Property & Casualty** (€-30 million or -1%) to €4,332 million, driven by **(i)** *Motor* (€-99 million or -7%) reflecting a highly competitive market and lower new business in the context of the COVID-19 crisis, partly offset by **(ii)** *Commercial Non-Motor* (€+45 million or +3%) mainly due to new business and higher average premium in Mid-Market and SME Property as well as in Legal Assistance, and **(iii)** *Personal Non-Motor* (€+26 million or +2%) mainly from tariff increases and new business in *Household*;
- **Life & Savings** (€+67 million or +2%) to €3,254 million, stemming from higher new business in hybrid products (€+84 million or +18%) and in *Pure Protection* (€+27 million or +5%), partly offset by *Unit-Linked* (€-23 million or -5%) and traditional *G/A Savings* products (€-21 million or -1%) in line with the strategy;

- **Health** (€+171 million or +5%) to €3,429 million, driven by tariff increases in full benefit insurance and by the continued growth in the civil servants segment.

APE increased by €6 million (+2%) to €381 million, mainly from *Health* (€+4 million or +4%) as well as from higher new business in hybrid products (€+3 million or +3%).

NBV Margin increased by 3.8 points to 59.3%, mainly in *Health* reflecting the positive impact of the update of interest rates assumptions.

Underlying earnings before tax decreased by €23 million (-3%) to €811 million:

- **Property & Casualty** (€+68 million or +14%) to €557 million, driven by an improved combined ratio (-3.4 points) reflecting lower Natural Catastrophe charges, lower claims frequency in *Motor*, lower expenses due to cost savings, and more favorable prior year reserve developments (€+62 million), partly offset by higher claims in Business Interruption and Event Cancellation as a result of the COVID-19 lockdown, combined with a lower investment result (€-76 million) mainly from lower distribution of investment funds;
- **Life & Savings** (€-82 million or -47%) to €91 million, mainly reflecting a lower investment margin (€-93 million) driven by a lower investment income combined with an increase in policyholder participation, partly offset by lower expenses due to cost savings;
- **Health** (€-14 million or -11%) to €119 million, mainly due to higher profit sharing;
- **Other** (€+6 million or +16%) to €44 million, from *Holdings* mainly due to an exceptional investment result.

Income tax expenses decreased by €38 million (-15%) to €-217 million, driven by lower pre-tax underlying earnings combined with more favorable tax one-offs (€+26 million).

Underlying earnings increased by €9 million (+2%) to €582 million.

Adjusted earnings increased by €20 million (+3%) to €594 million, driven by higher underlying earnings and higher net realized gains on equities.

Net income increased by €33 million (+7%) to €512 million, driven by higher adjusted earnings and a favorable change in the fair value of foreign exchange derivatives not eligible for hedge accounting, partly offset by higher restructuring costs and a negative impact from the disposal of the banking business.

EUROPE - BELGIUM

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [a]	**3,372**	**3,405**
Property & Casualty	2,087	2,100
Life & Savings	1,167	1,201
Health	118	103
Underlying earnings before tax	**504**	**516**
Property & Casualty	215	224
Life & Savings	281	292
Health	6	2
Holding	3	(2)
Income tax expenses / benefits	(113)	(134)
Minority interests	(0)	(0)
Income from affiliates and associates	-	-
Underlying earnings Group share	**391**	**381**
Net capital gains or losses attributable to shareholders net of income tax	30	145
Adjusted earnings Group share	**420**	**526**
Profit or loss on financial assets (under fair value option) and derivatives	(19)	(97)
Exceptional operations (including discontinued operations)	-	4
Goodwill and other related intangible impacts	(2)	(2)
Integration and restructuring costs	(0)	(10)
NET INCOME GROUP SHARE	**399**	**420**
Property & Casualty Combined Ratio	95.4%	96.3%
Health Combined Ratio	96.2%	100.8%
Protection Combined Ratio	97.8%	96.2%
New business		
APE	109	101
NBV Margin	37.3%	52.4%

[a] *Net of intercompany eliminations.*

Gross revenues decreased by €33 million (-1%) to 3,372 million. On a comparable basis, gross revenues decreased by €33 million (-1%):

- **Property & Casualty** (€-13 million or -1%) to €2,087 million, stemming from lower *Commercial lines* (€-25 million or -3%) in the context of the COVID-19 crisis and pruning measures in the Mid-Market segment, partly offset by *Personal lines* (€+12 million or +1%), as the negative impact of the COVID-19 crisis on new business was more than compensated by tariff increases, mainly in Household resulting from the regulatory indexation, and higher retention;
- **Life & Savings** (€-34 million or -3%) to €1,167 million, from *G/A Savings* (€-12 million or -4%) and *Protection with Savings* (€-11 million or -1%) in line with the strategy to exit *Individual Savings* market, and from *Unit-Linked* (€-11 million or -25%) due to a change in business mix towards pure investment products for which premiums are not recognized as gross revenues under IFRS, combined with a slowdown in both self-employed and retail pension segments in the context of the COVID-19 crisis.

- **Health** (€+15 million or +14%) to €118 million, driven by new large corporate contracts.

APE increased by €9 million (+8%) to €109 million, driven by a large *Unit-Linked* Group pension contract, partly offset by a slowdown of the new business in self-employed and retail pension segments in the context of the COVID-19 crisis and the non-repeat of a large Group pension contract in *Protection with Savings*.

NBV Margin decreased by 15.1 points to 37.3%, mainly driven by a less favorable business mix with a higher share of pure investment *Unit-Linked* contracts.

Underlying earnings before tax decreased by €11 million (-2%) to €504 million:

- **Property & Casualty** (€-9 million or -4%) to €215 million, mainly driven by a decrease in the investment income (€-27 million) as a result of lower dividends and a lower reinvestment yield, partly offset by an improved combined ratio (-0.9 point) due to lower claims frequency in the context of the COVID-19 crisis as well as fewer large losses, partly offset by unfavorable prior year reserve developments;
- **Life & Savings** (€-11 million or -4%) to €281 million, driven by higher amortization of deferred acquisition costs due to an update of equity and interest rates assumptions (€-13 million) and lower Unit-Linked management fees (€-7 million), partly offset by a higher investment margin (€+11 million) from decreasing crediting rates;
- **Health** (€+5 million) to €6 million;
- **Holding** (€+4 million) to €3 million, due to an exceptional dividend received from a subsidiary.

Income tax expenses decreased by €21 million (-15%) to €-113 million, driven by lower pre-tax underlying earnings combined with a decrease in the corporate tax rate from 30% to 25%.

Underlying earnings increased by €9 million (+2%) to €391 million.

Adjusted earnings decreased by €105 million (-20%) to €420 million, as the increase in underlying earnings was more than offset by lower realized capital gains (€-59 million) driven by the non-repeat of an exceptional sale of a building in 2019 (€-85 million) and higher impairments (€-62 million) following the financial markets turmoil in the context of the COVID-19 crisis.

Net income decreased by €21 million (-5%) to €399 million, driven by lower adjusted earnings, partly offset by a favorable change in the fair value of equity derivatives not eligible for hedge accounting, in the context of the financial markets turmoil following the COVID-19 crisis.

EUROPE - UNITED KINGDOM & IRELAND

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**5,215**	**5,367**
Property & Casualty	3,457	3,536
Life & Savings	45	40
Health	1,713	1,790
Underlying earnings before tax	**414**	**438**
Property & Casualty	285	265
Life & Savings	(3)	(0)
Health	128	161
Holding	5	12
Income tax expenses / benefits	(59)	(55)
Minority interests	(0)	(0)
Income from affiliates and associates	(1)	-
Underlying earnings Group share	**354**	**383**
Net capital gains or losses attributable to shareholders net of income tax	(9)	2
Adjusted earnings Group share	**346**	**385**
Profit or loss on financial assets (under fair value option) and derivatives	(11)	(61)
Exceptional operations (including discontinued operations)	12	(14)
Goodwill and other related intangible impacts	(4)	(4)
Integration and restructuring costs	(13)	(18)
NET INCOME GROUP SHARE	**331**	**287**
Property & Casualty Combined Ratio	96.2%	97.6%
Health Combined Ratio	93.7%	92.5%

[(a)] *Net of intercompany eliminations.*

Gross revenues decreased by €152 million (-3%) to €5,215 million. On a comparable basis, gross revenues decreased by €52 million (-1%):

- **Property & Casualty** (€-43 million or -1%) to €3,457 million, stemming from *Commercial lines* (€-31 million or -2%) mainly in *Motor* due to lower new business, lower retention and reductions in cover in the context of the COVID-19 crisis, and from *Personal lines* (€-13 million or -1%) due to *Non-Motor* reflecting lower volumes in *Travel* in the context of the COVID-19 crisis, while *Personal Motor* increased (€+11 million or +1%) as the growth in *the United Kingdom* and in *Ireland* was partly offset by premium refunds related to the COVID-19 crisis in *Ireland* (€-16 million);
- **Life & Savings** – Asset Management Platform fees (€+5 million or +12%) to €45 million;
- **Health** (€-14 million or -1%) to €1,713 million, mainly driven by reduced volumes in *the United Kingdom* and in international business in the context of the COVID-19 crisis.

Underlying earnings before tax decreased by €23 million (-5%) to €414 million. On a constant exchange rate basis, underlying earnings before tax decreased by €19 million (-4%):

- **Property & Casualty** (€+22 million or +8%) to €285 million, mainly driven by an improved combined ratio (-1.3 points) as lower claims frequency in *Motor* was partly offset by higher claims in Business Interruption, linked to the COVID-19 lockdowns, higher Natural Catastrophe charges following the Ciara, Dennis and Bella storms, less favorable prior year reserve developments and a lower net investment income;

- **Life & Savings** – Asset Management Platform fees (€-3 million) to €-3 million;
- **Health** (€-31 million or -19%) to €128 million, driven by a deteriorated combined ratio (+1.3 points) mainly due to the non-repeat of an exceptionally favorable claims experience in 2019 combined with the impact of the Customer Promise commitment to payback Individual and SME policyholders excess profitability in 2020 and 2021 over the profit of 2019, and lower net investment income;
- **Holding** (€-7 million) to €5 million, mainly due to lower net investment income.

Income tax expenses decreased by €4 million (-8%) to €-59 million. On a constant exchange rate basis, income tax expenses decreased by €5 million (-9%) driven by lower pre-tax underlying earnings, partly offset by lower tax one-offs.

Underlying earnings decreased by €29 million (-7%) to €354 million. On a constant exchange rate basis, underlying earnings decreased by €25 million (-7%).

Adjusted earnings decreased by €39 million (-10%) to €346 million. On a constant exchange rate basis, adjusted earnings decreased by €36 million (-9%) driven by lower underlying earnings and higher impairments, as a consequence of the financial markets turmoil resulting from the COVID-19 crisis.

Net income increased by €44 million (+15%) to €331 million. On a constant exchange rate basis, net income increased by €47 million (+16%) as the decrease in adjusted earnings, donations to solidarity funds, and the decrease in the fair value of alternative investments, were more than offset by a favorable change in the fair value of equity, interest rate and foreign exchange derivatives not eligible to hedge accounting, the gain on disposal of Architas UK investment business, and the non-repeat of the loss relating to the early redemption of a financing debt in 2019.

EUROPE - SPAIN

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**2,566**	**2,686**
Property & Casualty	1,683	1,719
Life & Savings	650	750
Health	234	217
Underlying earnings before tax	**327**	**264**
Property & Casualty	228	175
Life & Savings	72	75
Health	27	14
Income tax expenses / benefits	(88)	(62)
Minority interests	(0)	(0)
Income from affiliates and associates	-	-
Underlying earnings Group share	**238**	**202**
Net capital gains or losses attributable to shareholders net of income tax	(19)	(2)
Adjusted earnings Group share	**219**	**200**
Profit or loss on financial assets (under fair value option) and derivatives	(12)	(12)
Exceptional operations (including discontinued operations)	(2)	-
Goodwill and other related intangible impacts	(2)	(3)
Integration and restructuring costs	(25)	(16)
NET INCOME GROUP SHARE	**178**	**169**
Property & Casualty Combined Ratio	91.2%	95.4%
Health Combined Ratio	90.1%	94.0%
Protection Combined Ratio	89.0%	92.9%
New business		
APE	97	103
NBV Margin	39.9%	60.3%

[(a)] *Net of intercompany eliminations.*

Gross revenues decreased by €120 million (-4%) to €2,566 million. On a comparable basis, gross revenues decreased by €120 million (-4%):

- **Property & Casualty** (€-36 million or -2%) to €1,683 million, mainly due to lower new business in the context of the COVID-19 crisis, partly offset by higher retention;
- **Life & Savings** (€-100 million or -13%) to €650 million, mainly due to lower sales in traditional *G/A Savings* business (€-57 million or -28%) in line with the strategy, and *Unit-Linked* (€-49 million or -14%) due to the non-renewal of protected *Unit-Linked* campaign, partly offset by *Pure Protection* (€+14 million or +8%);
- **Health** (€+16 million or +8%) to €234 million, driven by higher volumes and tariff increases.

APE decreased by €6 million (-6%) to €97 million, mainly driven by a decrease in traditional *G/A Savings* in line with the strategy and the non-renewal of protected *Unit-Linked* campaign, partly offset by an increase in *Pure Protection.*

NBV Margin decreased by 20.4 points to 39.9%, mainly in *Unit-Linked* driven by updates in lapses assumptions.

Underlying earnings before tax increased by €62 million (+24%) to €327 million:

- **Property & Casualty** (€+54 million or +31%) to €228 million, mainly due to an improved combined ratio (-4.2 points) driven by a better claims experience in *Motor*, partly offset by lower investment income;
- **Life & Savings** (€-4 million or -5%) to €72 million, mainly due to lower investment margin;
- **Health** (€+13 million or +89%) to €27 million, mainly due to higher volumes and a better claims experience.

Income tax expenses increased by €26 million (+42%) to €-88 million, driven by higher pre-tax underlying earnings and negative tax one-offs.

Underlying earnings increased by €36 million (+18%) to €238 million.

Adjusted earnings increased by €19 million (+9%) to €219 million, mainly driven by higher underlying earnings partly offset by higher impairments on equity securities following the financial markets turmoil resulting from the COVID-19 crisis.

Net income increased by €9 million (+5%) to €178 million, driven by higher adjusted earnings partly offset by higher restructuring costs.

EUROPE - ITALY

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [a]	**5,422**	**6,104**
Property & Casualty	1,746	1,746
Life & Savings	3,571	4,266
Health	105	92
Underlying earnings before tax	**434**	**401**
Property & Casualty	255	209
Life & Savings	174	190
Health	5	3
Income tax expenses / benefits	(120)	(109)
Minority interests	(85)	(85)
Income from affiliates and associates	-	-
Underlying earnings Group share	**230**	**207**
Net capital gains or losses attributable to shareholders net of income tax	(13)	11
Adjusted earnings Group share	**217**	**218**
Profit or loss on financial assets (under fair value option) and derivatives	(12)	(6)
Exceptional operations (including discontinued operations)	(0)	-
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	(4)	(4)
NET INCOME GROUP SHARE	**200**	**208**
Property & Casualty Combined Ratio	89.7%	93.3%
Health Combined Ratio	96.1%	99.2%
Protection Combined Ratio	83.6%	79.6%
New business		
APE	347	368
NBV Margin	35.2%	33.2%

[a] *Net of intercompany eliminations.*

Gross revenues decreased by €682 million (-11%) to €5,422 million. On a comparable basis, gross revenues decreased by €682 million (-11%):

- **Property & Casualty** stable at €1,746 million, as the decrease in *Personal lines* (€-30 million or -2%) due to the impact of the COVID-19 crisis on *Motor* and Mortgages insurance was fully offset by *Commercial lines* (€+29 million or + 6 %) reflecting a strong start of the year and a successful renewal campaign mainly in *Property*;
- **Life & Savings** (€-695 million or -16%) to €3,571 million, mainly from decreased revenues in *G/A Savings* and *Unit-Linked* in the context of COVID-19 crisis, combined with a shift in *Unit-Linked* business mix towards pure Investment products for which premiums are not recognized as gross revenues under IFRS;
- **Health** (€+13 million or +14%) to €105 million, as a result of a strong commercial focus.

APE decreased by €20 million (-6%) to €347 million, mainly from lower sales in *G/A Savings* (€-22 million or -12%), in the context of the COVID-19 crisis and in line with the strategy.

NBV Margin increased by 2.1 points to 35.2%, driven by a favorable effect of the update of actuarial assumptions in *Protection* business as well as by the tightening of spreads of Italian government bonds.

Underlying earnings before tax increased by €33 million (+8%) to €434 million:

- **Property & Casualty** (€+46 million or +22%) to €255 million, due to an improvement of the current year combined ratio (-3.4 points) mainly driven by lower frequency in *Motor* and lower Natural Catastrophe charges, partly offset by a lower investment income (€-18 million);
- **Life & Savings** (€-16 million or -8%) to €174 million, mainly due to lower investment margin driven by the decrease in investment yields, partly offset by a higher asset base and lower policyholder participation;
- **Health** (€+3 million) to €5 million, driven by a better claims experience.

Income tax expenses increased by €11 million (+10%) to €-120 million, mainly driven by higher pre-tax underlying earnings.

Minority interests remained stable at €-85 million.

Underlying earnings increased by €22 million (+11%) to €230 million.

Adjusted earnings decreased by €1 million to €217 million, as the increase in underlying earnings was more than offset by higher impairments mainly from equity securities as a consequence of the financial market turmoil resulting from the COVID-19 crisis.

Net income decreased by €8 million (-4%) to €200 million, driven by lower adjusted earnings and an unfavorable change in the fair value of alternative investment funds accounted for under fair value option, in the context of the COVID-19 crisis.

Asia

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [a]	**10,950**	**9,860**
Property & Casualty	2,159	1,353
Life & Savings	6,379	6,350
Health	2,412	2,156
Underlying earnings before tax	**1,349**	**1,278**
Property & Casualty	122	75
Life & Savings	673	687
Health	556	529
Holding	(2)	(12)
Income tax expenses / benefits	(275)	(256)
Minority interests	(8)	(7)
Income from affiliates and associates	181	188
Underlying earnings Group share	**1,247**	**1,204**
Net capital gains or losses attributable to shareholders net of income tax	20	14
Adjusted earnings Group share	**1,267**	**1,218**
Profit or loss on financial assets (under fair value option) and derivatives	(145)	(20)
Exceptional operations (including discontinued operations)	(5)	24
Goodwill and other related intangible impacts	(28)	(15)
Integration and restructuring costs	(33)	(3)
NET INCOME GROUP SHARE	**1,056**	**1,204**
Property & Casualty Combined Ratio	97.4%	97.0%
Health Combined Ratio	78.2%	76.7%
Protection Combined Ratio	89.6%	88.9%
New business		
APE	1,345	1,614
NBV Margin	73.1%	63.1%

[a] *Net of intercompany eliminations.*

ASIA - JAPAN (EXCLUDING AXA DIRECT JAPAN)

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**4,969**	**4,850**
Life & Savings	3,454	3,378
Health	1,515	1,472
Underlying earnings before tax	**789**	**761**
Life & Savings	295	290
Health	495	484
Holding	(1)	(12)
Income tax expenses / benefits	(222)	(215)
Minority interests	(7)	(7)
Income from affiliates and associates	-	-
Underlying earnings Group share	**559**	**540**
Net capital gains or losses attributable to shareholders net of income tax	21	4
Adjusted earnings Group share	**580**	**543**
Profit or loss on financial assets (under fair value option) and derivatives	(168)	(25)
Exceptional operations (including discontinued operations)	(2)	-
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	(27)	-
NET INCOME GROUP SHARE	**383**	**518**
Health Combined Ratio	69.6%	69.3%
Protection Combined Ratio	90.4%	90.3%
New business		
APE	521	531
NBV Margin	133.1%	120.3%
Average exchange rate: € 1.00 = Japanese Yen	*122*	*122*

[(a)] Net of intercompany eliminations.

Gross revenues increased by €120 million (+2%) to €4,969 million. On a comparable basis, gross revenues increased by €66 million (+1%):

- **Life & Savings** (€+47 million or +1%) to €3,454 million, mainly from in-force growth and new business in *Protection with Unit-Linked* (€+267 million or +34%), partly offset by the discontinuation of a capital light *Single Premium Whole Life* product (€-199 million or -88%) as a consequence of the decrease in interest rates;
- **Health** (€+19 million or +1%) to €1,515 million, mainly from in-force growth and new business of *Medical Whole Life* products.

APE decreased by €10 million (-2%) to 521 million. On a comparable basis, APE decreased by €23 million (-4%) mainly driven by lower sales of tax savings products impacted by a tax rule change (€-56 million or -61%) and the discontinuation of a capital light *Single Premium Whole Life* product (€-20 million or -89%). Excluding the decrease in sales of tax savings products, APE increased by €33 million (+7%) following strong sales of *Protection with Unit-Linked* products (€+72 million or +28%) despite severe sales restrictions in the context of the COVID-19 crisis.

NBV Margin increased by 12.8 points to 133.1%. On a comparable basis, NBV Margin increased by 13.5 points mainly driven by a favorable product mix shift towards *Protection with Unit-Linked*, *Medical Whole Life*, and *Term* products. The NBV Margin only partially reflects the lower tarification applied at the end of 2020 to the *Protection with Unit-Linked* products in order to maintain the leading position against peers.

Underlying earnings before tax increased by €28 million (+4%) to €789 million. On a constant exchange rate basis, underlying earnings before tax increased by €26 million (+3%):

- **Life & Savings** (€+5 million or +2%) to €295 million, mainly driven by a favorable mortality experience as well as costs reduction, partly offset by higher commissions reflecting a change in business mix;
- **Health** (€+10 million or +2%) to €495 million, mainly by a favorable morbidity experience;
- **Holding** (€+11 million or +89%) to €-1 million, mainly due to lower expenses combined with the non-repeat of 1H19 registration tax costs linked to the establishment of a holding company (€+5 million).

Income tax expenses increased by €8 million (+4%) to €-222 million. On a constant exchange rate basis, income tax expenses increased by €8 million (+4%) driven by higher pre-tax underlying earnings.

Underlying earnings increased by €20 million (+4%) to €559 million. On a constant exchange rate basis, underlying earnings increased by €19 million (+3%).

Adjusted earnings increased by €37 million (+7%) to €580 million. On a constant exchange rate basis, adjusted earnings increased by €36 million (+7%) driven by higher underlying earnings and higher net realized capital gains.

Net income decreased by €135 million (-26%) to €383 million. On a constant exchange rate basis, net income decreased by €135 million (-26%) as the increase in adjusted earnings was more than offset by an unfavorable change in the fair value of equity and credit derivatives as a consequence of the financial markets turmoil resulting from the COVID-19 crisis, as well as restructuring costs resulting from a pre-retirement plan.

ASIA - HONG KONG

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [a]	**3,801**	**3,829**
Property & Casualty	257	271
Life & Savings	2,877	2,917
Health	667	640
Underlying earnings before tax	**488**	**463**
Property & Casualty	44	29
Life & Savings	380	393
Health	63	41
Income tax expenses / benefits	(32)	(29)
Minority interests	-	(0)
Income from affiliates and associates	-	-
Underlying earnings Group share	**455**	**434**
Net capital gains or losses attributable to shareholders net of income tax	3	1
Adjusted earnings Group share	**458**	**435**
Profit or loss on financial assets (under fair value option) and derivatives	(4)	7
Exceptional operations (including discontinued operations)	(2)	(14)
Goodwill and other related intangible impacts	(12)	(14)
Integration and restructuring costs	-	(1)
NET INCOME GROUP SHARE	**439**	**413**
Property & Casualty Combined Ratio	88.4%	94.7%
Health Combined Ratio	90.5%	93.6%
Protection Combined Ratio	87.8%	86.8%
New business		
APE	277	486
NBV Margin	46.5%	44.4%
Average exchange rate: € 1.00 = Hong Kong Dollar	*8.85*	*8.77*

[a] Net of intercompany eliminations.

Gross revenues decreased by €28 million (-1%) to €3,801 million. On a comparable basis, gross revenues increased by €9 million (0%):

- **Property & Casualty** (€-11 million or -4%) to €257 million, mainly due to lower volumes notably in *Travel* and *Workers' Compensation* in the context of the COVID-19 crisis, partly offset by higher volumes in *Motor* and pricing actions in *Property*;
- **Life & Savings** (€-13 million or 0%) to €2,877 million, mainly driven by lower new business in the context of the COVID-19 crisis, partly offset by in-force growth in *Protection with Savings*;
- **Health** (€+33 million or +5%) to €667 million, mainly driven by tariff increases in both *Individual* and *Group businesses*, combined with higher volumes in *Group business*.

APE decreased by €208 million (-43%) to €277 million. On a comparable basis, APE decreased by €206 million (-42%) driven by lower sales in the context of the COVID-19 crisis.

NBV Margin increased by 2.1 points to 46.5%, mainly driven by a favorable change in business mix towards *Health*.

Underlying earnings before tax increased by €24 million (+5%) to €488 million. On a constant exchange rate basis, underlying earnings before tax increased by €29 million (+6%):

- **Property & Casualty** (€+16 million or +55%) to €44 million, mostly from a better claims experience mainly driven by lower claims severity notably in *Commercial lines*, combined with lower expenses;
- **Life & Savings** (€-9 million or -2%) to €380 million, mainly driven by lower new business, partly offset by lower expenses combined with in-force growth;
- **Health** (€+23 million or +56%) to €63 million, primarily driven by a better claims experience from lower frequency in the context of the COVID-19 crisis, combined with volumes growth.

Income tax expenses increased by €3 million (+10%) to €-32 million. On a constant exchange rate basis, income tax expenses increased by €3 million (+11%) driven by higher pre-tax underlying earnings.

Underlying earnings increased by €21 million (+5%) to €455 million. On a constant exchange rate basis, underlying earnings increased by €26 million (+6%).

Adjusted earnings increased by €23 million (+5%) to €458 million. On a constant exchange rate basis, adjusted earnings increased by €28 million (+6%) mainly driven by higher underlying earnings.

Net income increased by €26 million (+6%) to €439 million. On a constant exchange rate basis, net income increased by €31 million (+8%) mainly driven by higher adjusted earnings.

ASIA - HIGH POTENTIALS

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**1,098**	**163**
Property & Casualty	823	67
Life & Savings	48	55
Health	228	41
Underlying earnings before tax	**(11)**	**7**
Property & Casualty	(6)	(0)
Life & Savings	(2)	4
Health	(2)	3
Income tax expenses / benefits	2	2
Minority interests	(0)	0
Income from affiliates and associates	181	188
Underlying earnings Group share	**173**	**197**
Net capital gains or losses attributable to shareholders net of income tax	0	11
Adjusted earnings Group share	**173**	**208**
Profit or loss on financial assets (under fair value option) and derivatives	31	(7)
Exceptional operations (including discontinued operations)	(0)	38
Goodwill and other related intangible impacts	(16)	-
Integration and restructuring costs	(4)	(2)
NET INCOME GROUP SHARE	**184**	**238**
Property & Casualty Combined Ratio	104.5%	102.9%
Health Combined Ratio	103.5%	95.0%
Protection Combined Ratio	122.1%	111.0%
New business		
APE	547	598
NBV Margin	29.4%	27.5%

[(a)] *Net of intercompany eliminations.*

Scope: (i) The Property & Casualty subsidiary in Thailand, the non bancassurance Life & Savings subsidiary in Indonesia and the Property & Casualty subsidiary in China (AXA Tianping) are fully consolidated (since December 31, 2019, for AXA Tianping); **(ii)** the bancassurance Life & Savings subsidiaries in China, Thailand, Indonesia and the Philippines are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income.

Gross revenues increased by €935 million to €1,098 million. On a comparable basis, gross revenues increased by €77 million (+7%):

- **Property & Casualty** (€-63 million or -7%) to €823 million, in *China* (€-84 million or -10%) mainly due to lower volumes in *Motor* following the COVID-19 crisis and the price deregulation implemented in September 2020, partly offset by *Thailand* (€+21 million or +32%) mainly driven by higher new business in *Personal Motor*;
- **Life & Savings** (€-5 million or -9%) to €48 million, notably from lower volumes in *Protection with Unit-Linked* in *Indonesia* (€-7 million or -22%);
- **Health** (€+145 million) to €228 million, driven by higher volumes in *China* from new partnerships.

APE decreased by €51 million (-9%) to €547 million. On a comparable basis, APE decreased by €94 million (-14%):

- *China* (€-38 million or -11%) mainly driven by lower sales of *G/A Savings* products during the Chinese New Year in the context of the COVID-19 crisis;
- *Thailand* (€-37 million or -27%) mainly driven by lower sales of traditional products in *Protection with G/A Savings* (€-32 million) and *G/A Savings* (€-9 million);
- *The Philippines* (€-12 million or -24%) mainly driven by lower regular premiums from *Protection with Unit-Linked* products (€-12 million) in the context of the COVID-19 crisis;
- *Indonesia* (€-7 million or -6%) driven by lower sales in the context of the COVID-19 crisis, partly offset by new *Unit-Linked* contracts.

NBV Margin increased by 1.9 points to 29.4%. On a comparable basis, NBV Margin increased by 4.1 points mainly driven by lower volumes of low margin *Protection with G/A Savings* products in *Thailand*.

Underlying earnings decreased by €25 million (-12%) to €173 million. On a constant exchange rate basis, underlying earnings decreased by €21 million (-11%):

- *China* (€-8 million or -26%) to €23 million, mainly driven by the non-repeat of favorable tax one-offs in 2019, partly offset by an improved current year combined ratio in *Property & Casualty* from a lower expense ratio, and higher fees & revenues in *Life & Savings*;
- *Thailand* (€-8 million or -10%) to €73 million, mainly driven by lower technical margin in *Life & Savings*, partly offset by *Property & Casualty* as the increase in acquisition expenses was more than offset by an improved loss ratio from both lower frequency and tariff increases in *Personal Motor*;
- *Indonesia* (€-5 million or -10%) to €45 million, mainly driven by lower fees & revenues in *Life & Savings*;
- *The Philippines* (€+1 million or +4%) to €32 million.

Adjusted earnings decreased by €35 million (-17%) to €173 million. On a constant exchange rate basis, adjusted earnings decreased by €32 million (-15%) driven by lower underlying earnings and lower net realized capital gains in *China*.

Net income decreased by €53 million (-23%) to €184 million. On a constant exchange rate basis, net income decreased by €49 million (-21%) mainly driven by lower adjusted earnings combined with the non-repeat of the positive accounting impact related to the full consolidation of *AXA Tianping*, and the amortization of intangible assets related to distribution networks in *China*, partly offset by a favorable change in the fair value of financial assets.

AXA XL

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**18,530**	**18,741**
Property & Casualty Insurance	13,681	14,064
Property & Casualty Reinsurance	4,665	4,489
Life & Savings	184	188
Underlying earnings before tax	**(1,296)**	**634**
Property & Casualty Insurance	(1,104)	382
Property & Casualty Reinsurance	(108)	330
Life & Savings	13	13
Holding	(98)	(91)
Income tax expenses / benefits	(108)	(125)
Minority interests	6	0
Income from affiliates and associates	-	(2)
Underlying earnings Group share	**(1,398)**	**507**
Net capital gains or losses attributable to shareholders net of income tax	(12)	78
Adjusted earnings Group share	**(1,410)**	**585**
Profit or loss on financial assets (under fair value option) and derivatives	(110)	(16)
Exceptional operations (including discontinued operations)	(157)	(51)
Goodwill and other related intangible impacts	(52)	(39)
Integration and restructuring costs	(190)	(307)
NET INCOME GROUP SHARE	**(1,919)**	**173**
Property & Casualty Combined Ratio	112.2%	101.5%

[(a)] *Net of intercompany eliminations.*

Gross revenues decreased by €211 million (-1%) to €18,530 million. On a comparable basis, gross revenues increased by €567 million (+3%) mainly driven by higher revenues in *Property & Casualty Insurance* mostly from tariff increases (+17%), partly offset by the impact of the COVID-19 crisis both in *Property & Casualty Insurance* and *Reinsurance*. As the crisis resulted in worldwide lockdowns, AXA XL's clients operating in acutely impacted sectors such as Aviation, Marine, Energy, Travel & Leisure, Events, Art and Construction saw a significant reduction in their activity, thus driving expected exposure adjustments which resulted in lower contractual premiums written.

- **Property & Casualty Insurance** (€+589 million or +4%) to €13,681 million, mainly driven by **(i)** *Financial lines* (€+708 million or +30%) across North America Professional lines (€+488 million or +34%) primarily stemming from tariff increases and volumes growth as well as in International Financial lines (€+171 million or +25%) primarily due to tariff increases, and **(ii)** *Property* (€+204 million or +7%) in both North America Property (€+123 million or +20%) and International Property (€+90 million or +6%) mainly from significant tariff increases partly offset by the effect of selective underwriting, partly offset by **(iii)** *Casualty* (€-254 million or -6%) mainly in the context of the COVID-19 crisis combined with the effect of selective underwriting, partly offset by tariff increases, and **(iv)** *Specialty* (€-68 million or -2%) mainly from exposure adjustments in the context of the COVID-19 crisis and the effect of selective underwriting, partly offset by tariff increases;
- **Property & Casualty Reinsurance** (€-22 million) to €4,665 million, driven by **(i)** *Specialty and Other lines* (€-45 million or -2%) mainly due to exposure adjustments in the context of the COVID-19 crisis, partly

offset by **(ii)** *Property Cat* (€+11 million or +1%) and *Property Treaty* (€+12 million or +1%) both primarily from tariff increases almost fully offset by the effect of a selective underwriting;

- **Life & Savings** remained stable at €184 million.

Underlying earnings before tax decreased by €1,930 million to €-1,296 million. On a constant exchange rate basis, underlying earnings before tax decreased by €1,956 million:

- **Property & Casualty** (€-1,947 million) to €-1,212 million, mostly in the context of **(i)** the COVID-19 crisis (€-1,725 million) that adversely impacted incurred losses, mainly in Property & Business Interruption, Event Cancellation and certain Long-tail lines, **(ii)** higher frequency of natural catastrophe events (€-170 million) mostly in the Atlantic (30 named storms) as well as in the US Midwest, and **(iii)** adverse attritional claims experience notably in certain Long-tail lines as well as in *Property* due to civil unrest in North America, partly offset by **(iv)** significant tariff increases, and **(v)** lower large losses;
- **Life & Savings** remained stable at €13 million;
- **Holding** (€-8 million) to €-98 million.

Income tax expenses decreased by €17 million (-13%) to €-108 million. On a constant exchange rate basis, income tax expenses decreased by €14 million (-12%) driven by lower pre-tax underlying earnings, partly offset by an unfavorable change in the geographical mix as well as negative tax one-offs (€-49 million).

Underlying earnings decreased by €1,905 million to €-1,398 million. On a constant exchange rate basis, underlying earnings decreased by €1,933 million driven by the impact of the COVID-19 crisis and higher natural catastrophe losses.

Excluding COVID-19 losses (€-1.7 billion), Natural Catastrophe charges in excess of the normalized level (€-0.5 billion) and the impact of civil unrest in North America (€-0.1 billion) and the associated tax impact from the geographical distribution of these losses, AXA XL underlying earnings stood at €1.0 billion.

Adjusted earnings decreased by €1,995 million to €-1,410 million. On a constant exchange rate basis, adjusted earnings decreased by €2,024 million driven by lower underlying earnings combined with higher impairments on alternative investments.

Net income decreased by €2,093 million to €-1,919 million. On a constant exchange rate basis, net income decreased by €2,131 million driven by **(i)** lower adjusted earnings, **(ii)** the exceptional impact related to the exit of unprofitable lines of business within International Financial lines (Management Liability and Financial Institutions) from both the United Kingdom and Lloyd's (€-156 million), as well as **(iii)** an unfavorable change in the fair value of derivatives and foreign exchange impacts (€-97 million), partly offset by **(iv)** lower integration and restructuring costs (€+112 million) combined with **(v)** the non-repeat of the loss related to the repurchase of financing debt early in 2019 (€+45 million).

International

(in Euro million, except percentages)	**December 31, 2020**	**December 31, 2019**
Gross revenues [(a)]	**6,398**	**7,078**
Property & Casualty	3,407	3,888
Life & Savings	1,113	1,328
Health	1,562	1,550
Banking	317	313
Underlying earnings before tax	**582**	**577**
Property & Casualty	443	410
Life & Savings	51	78
Health	29	32
Other [(b)]	59	58
Income tax expenses / benefits	(143)	(153)
Minority interests	(71)	(61)
Income from affiliates and associates	100	103
Underlying earnings Group share	**469**	**466**
Net capital gains or losses attributable to shareholders net of income tax	(3)	(9)
Adjusted earnings Group share	**465**	**457**
Profit or loss on financial assets (under fair value option) and derivatives	87	12
Exceptional operations (including discontinued operations)	(118)	(599)
Goodwill and other related intangible impacts	(23)	(23)
Integration and restructuring costs	(17)	(16)
NET INCOME GROUP SHARE	**394**	**(169)**
Property & Casualty Combined Ratio	95.3%	97.2%
Health Combined Ratio	99.6%	99.3%
Protection Combined Ratio	99.6%	99.1%
New business		
APE	181	254
NBV Margin	36.2%	43.9%

[(a)] Net of intercompany eliminations.
[(b)] Other corresponds to banking activities and holding.

Scope: (i) Mexico, the Gulf Region, Colombia, Singapore, Turkey, Morocco, AXA Bank Belgium, Malaysia Property & Casualty, Luxembourg, Greece and Brazil are fully consolidated; (ii) Russia (Reso), India and Nigeria are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income. AXA Bank Belgium, India Property & Casualty, the Gulf Region and Greece are held for sale.

The Central and Eastern Europe entities (Poland, the Czech Republic and the Slovak Republic) were sold in October 2020. As a consequence, the earnings contribution in 2020 corresponds to 9 months of activity.

Gross revenues decreased by €680 million (-10%) to €6,398 million. On a comparable basis, gross revenues increased by €72 million (+1%):

- **Property & Casualty** (€-22 million or -1%) to €3,407 million, mainly driven by *Commercial lines* (€-19 million or -1%) to €2,044 million and *Personal lines* (€-3 million or 0%) to €1,362 million:

   - *Mexico* (€-106 million or -12%) mainly driven by lower volumes in *Commercial Motor* following the COVID-19 crisis as well as the non-repeat of large multi-year accounts in *Commercial Property*,
   - *Singapore* (€-22 million or -12%) mainly in *Travel* and *Personal Motor* following the COVID-19 crisis,
   - *Brazil* (€-11 million or -8%) mainly due to the non-renewal of a large contract in *Commercial Non-Motor*,
   - *Turkey* (€+54 million or +10%) mainly from *Commercial Property* and positive price effects combined with higher volumes in *Commercial Motor*,
   - *Colombia* (€+34 million or +7%) driven by higher renewals in *Commercial Property* and *Liability*, and higher volumes in *Personal Non-Motor*,
   - *Poland* (€+16 million or +5%) from *Personal Motor* and *Commercial Non Motor*,
   - *Morocco* (€+9 million or +3%) from higher volumes in *Motor*;
- **Life & Savings** (€-73 million or -6%) to €1,113 million as the decrease in **(i)** *G/A Savings* (€-74 million or -21%) to €269 million mainly due to a portfolio put in run-off in *Colombia* (€-85 million or -73%) and **(ii)** *Unit-Linked* (€-28 million or -19%) to €117 million mainly from the non-repeat of a large Group account in 2019 in *Luxembourg* (€-38 million or -58%), was partly offset by **(iii)** *Pure Protection* (€+26 million or +9%) to €290 million mainly in *Poland* (€+13 million or +22%) and *Mexico* (€+10 million or +11%) both due to higher volumes;
- **Health** (€+163 million or +10%) to €1,562 million, with growth across the board from price increases combined with higher volumes, notably in **(i)** *Mexico* (€+113 million or +14%) in both *Individual* and *Group businesses*, **(ii)** *Turkey* (€+23 million or +38%), and **(iii)** *the Gulf Region* (€+7 million or +2%);
- **Banking** (€+4 million or +1%) to €317 million at *AXA Bank Belgium*.

APE decreased by €73 million (-29%) to €181 million. On a comparable basis, APE decreased by €41 million (-17%) as a consequence of the COVID-19 crisis, mainly in **(i)** *Singapore* (€-28 million or -32%), **(ii)** *India* (€-9 million or -21%), and **(iii)** *Poland* (€-7 million or -27%).

NBV Margin decreased by 7.7 points to 36.2%. On a comparable basis, NBV Margin decreased by 6.4 points mainly in **(i)** *Mexico* and **(ii)** *India* both due to unfavorable assumption updates and lower interest rates.

Underlying earnings before tax increased by €4 million (+1%) to €582 million. On a constant exchange rate basis, underlying earnings before tax increased by €46 million (+8%):

- **Property & Casualty** (€+68 million or +17%) to €443 million, mainly from **(i)** *the Gulf Region* (€+27 million or +58%) due to more favorable prior year reserve developments, **(ii)** *Mexico* (€+25 million or +33%) mainly driven by more favorable prior year reserve developments, as well as lower frequency in *Motor* in the context of the COVID-19 crisis, partly offset by higher large losses and Natural Catastrophe charges, and **(iii)** *Singapore* (€+9 million) driven by a lower frequency in *Motor* as a consequence of the COVID-19 crisis;
- **Life & Savings** (€-24 million or -31%) to €51 million, mainly from **(i)** the disposal of *the Czech Republic & Slovak Republic* (€-12 million or -30%) and *Poland* (€-6 million or -65%), combined with **(ii)** *Singapore* (€-9 million or -53%) driven by a lower mortality margin;
- **Health** (€+1 million or +2%) to €29 million;
- **Other** (€+1 million or +2%) to €59 million, from *AXA Bank Belgium* (€+3 million or +4%) partly offset by *Holdings* (€-2 million).

Income tax expenses decreased by €10 million (-6%) to €-143 million. On a constant exchange rate basis, income tax expenses increased by €1 million (+1%) driven by higher pre-tax underlying earnings, partly offset by the non-repeat of 2019 negative tax one-offs.

Minority interests increased by €9 million (+15%) to €-71 million. On a constant exchange rate basis, minority interests increased by €13 million (+22%) driven by higher underlying earnings in *the Gulf Region*.

Income from affiliates and associates decreased by €3 million (-2%) to €100 million. On a constant exchange rate basis, income from affiliates and associates increased by €3 million (+3%).

Underlying earnings increased by €2 million (+1%) to €469 million. On a constant exchange rate basis, underlying earnings increased by €34 million (+7%). Excluding the contribution of the Central and Eastern Europe entities in 4Q19, underlying earnings increased by €50 million (+11%).

Adjusted earnings increased by €9 million (+2%) to €465 million. On a constant exchange rate basis, adjusted earnings increased by €39 million (+9%) mainly driven by higher underlying earnings.

Net income increased by €563 million to €394 million. On a constant exchange rate basis, net income increased by €600 million mainly driven by higher adjusted earnings combined with lower negative impact related to the loss on the future disposal of *AXA Bank Belgium* as well as a more favorable foreign exchange impact on financial assets, partly offset by the loss on the future disposals of *the Gulf Region* and *Greece* operations.

Transversal & Central Holdings

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [a]	**2,921**	**2,959**
Property & Casualty	1,238	1,319
Life & Savings	221	230
Health	194	184
Asset Management	1,269	1,225
Underlying earnings before tax	**(557)**	**(662)**
Property & Casualty	33	91
Life & Savings	58	71
Health	6	(6)
Other [b]	(653)	(819)
Income tax expenses / benefits	202	219
Minority interests	(6)	(7)
Income from affiliates and associates	18	21
Underlying earnings Group share	**(343)**	**(429)**
Net capital gains or losses attributable to shareholders net of income tax	116	(16)
Adjusted earnings Group share	**(227)**	**(445)**
Profit or loss on financial assets (under fair value option) and derivatives	256	(621)
Exceptional operations (including discontinued operations)	(148)	(831)
Goodwill and other related intangible impacts	(29)	(1)
Integration and restructuring costs	(29)	(35)
NET INCOME GROUP SHARE	**(177)**	**(1,932)**
Property & Casualty Combined Ratio	101.5%	98.5%
Health Combined Ratio	97.6%	102.8%

[a] Net of intercompany eliminations.
[b] Other corresponds to asset management activities and holding.

AXA INVESTMENT MANAGERS ("AXA IM")

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [(a)]	**1,269**	**1,225**
Underlying earnings before tax	**362**	**348**
Income tax expenses / benefits	(94)	(97)
Minority interests	(7)	(7)
Income from affiliates and associates	18	20
Underlying earnings Group share	**279**	**264**
Net capital gains or losses attributable to shareholders net of income tax	-	-
Adjusted earnings Group share	**279**	**264**
Profit or loss on financial assets (under Fair Value option) and derivatives	2	(15)
Exceptional operations (including discontinued operations)	(5)	1
Goodwill and other related intangibles impacts	(1)	(1)
Integration and restructuring costs	(7)	(4)
NET INCOME GROUP SHARE	**269**	**245**
Average Assets under Management (in Euro billion)	729	673
Asset management fee bps	16.1	16.5
Underlying cost income ratio	71.9%	72.0%

[(a)] Net of intercompany eliminations. Gross revenues amounted to €1,599 million before intercompany eliminations as of December 31, 2020.

Assets under Management ("AUM") increased by €57 billion from December 31, 2019, to €858 billion at the end of December 31, 2020, mainly driven by **(i)** positive net inflows (€+40 billion) from Third-Party clients (€+18 billion) driven by the success of both *Alts* and *Core* platforms, from Main Fund (€+13 billion) of which €+12 billion linked to the transfer of assets from AB, and from Asian joint ventures (€+10 billion) mainly in China, **(ii)** positive market effects resulting from the good momentum of the last months (€+21 billion), partly offset by unfavorable foreign exchange rate impacts (€-11 billion), and **(iii)** the integration of Quadrant, a US based real estate advisor, in 1Q20 (€+8 billion).

Management fee bps decreased by 0.4 bps to 16.1 bps, due to a change in product mix stemming from higher asset values on fixed income products.

Gross revenues increased by €44 million (+4%) to €1,269 million. On a comparable basis, gross revenues increased by €46 million (+4%) mainly driven by higher management fees (€+58 million) as a consequence of higher average assets under management, as well as higher transaction fees (€+5 million) in real estate, partly offset by lower performance fees (€-13 million).

Underlying earnings before tax increased by €14 million (+4%) to €362 million. On a constant exchange rate basis, underlying earnings before tax increased by €13 million (+4%) as a result of higher revenues and cost discipline.

The underlying cost income ratio decreased by 0.2 point to 71.9%. On a constant exchange rate basis, the underlying cost income ratio remained stable.

Income tax expenses decreased by €3 million (-3%) to €-94 million. On a constant exchange rate basis, income tax expenses decreased by €3 million (-3%) as the increase in pre-tax underlying earnings was more than offset by a positive tax one-off and a lower corporate tax rate in France.

Income from affiliates and associates decreased by €2 million (-12%) to €18 million. On a constant exchange rate basis, income from affiliates and associates decreased by €2 million (-10%).

Underlying earnings and **adjusted earnings** increased by €15 million (+6%) to €279 million. On a constant exchange rate basis, underlying earnings and adjusted earnings increased by €15 million (+6%).

Net income increased by €24 million (+10%) to €269 million. On a constant exchange rate basis, net income increased by €23 million (+9%) mainly driven by higher adjusted earnings combined with a favorable change in the fair value of alternative investments.

AXA ASSISTANCE

(in Euro million, except percentages)	December 31, 2020	December 31, 2019
Gross revenues [a]	**1,355**	**1,415**
Property & Casualty	1,160	1,231
Health	194	184
Underlying earnings before tax	**(37)**	**6**
Property & Casualty	(42)	12
Health	6	(6)
Income tax expenses / benefits	(6)	(9)
Minority interests	0	(0)
Income from affiliates and associates	1	1
Underlying earnings Group share	**(41)**	**(2)**
Net capital gains or losses attributable to shareholders net of income tax	(0)	0
Adjusted earnings Group share	**(42)**	**(2)**
Profit or loss on financial assets (under fair value option) and derivatives	(4)	(4)
Exceptional operations (including discontinued operations)	2	(10)
Goodwill and other related intangible impacts	(28)	-
Integration and restructuring costs	(6)	(5)
NET INCOME GROUP SHARE	**(77)**	**(21)**
Property & Casualty Combined Ratio	103.7%	99.5%
Health Combined Ratio	97.6%	102.8%

[a] *Net of intercompany eliminations.*

Gross revenues decreased by €60 million (-4%) to €1,355 million. On a comparable basis, gross revenues decreased by €31 million (-2%):

- **Property & Casualty** (€-67 million or -5%) to €1,160 million, driven by the impact of the COVID-19 crisis on volumes from existing partnerships in both *Motor* and *Non-Motor* notably in Travel, partly offset by new partnerships across lines of business.
- **Health** (€+36 million or +21%) to €194 million, mainly driven by higher volumes from existing partnerships.

Underlying earnings before tax decreased by €43 million to €-37 million:

- **Property & Casualty** (€-54 million) to €-42 million, mainly reflecting a higher current year combined ratio (+2.8 points) due to the COVID-19 impacts on volumes combined with investments related to both customer experience improvement and simplification;
- **Health** (€+11 million) to €6 million, in line with volumes growth.

Income tax expenses decreased by €4 million to €-6 million, driven by lower pre-tax underlying earnings partly offset by an unfavorable change in country mix.

Underlying earnings decreased by €39 million to €-41 million.

Adjusted earnings decreased by €40 million to €-42 million, mainly driven by lower underlying earnings.

Net income decreased by €56 million to €-77 million, mainly driven by lower adjusted earnings combined with higher charges related to intangible assets.

AXA SA

(in Euro million)	December 31, 2020	December 31, 2019
Underlying earnings Group share	**(714)**	**(810)**
Net capital gains or losses attributable to shareholders net of income tax	3	36
Adjusted earnings Group share	**(711)**	**(774)**
Profit or loss on financial assets (under fair value option) and derivatives	183	(587)
Exceptional operations (including discontinued operations)	(145)	(556)
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	(5)	(11)
NET INCOME GROUP SHARE	**(678)**	**(1,928)**

Underlying earnings increased by €95 million to €-714 million, mainly driven by **(i)** higher dividends received (mainly from the remaining stake in *Equitable Holdings, Inc.* related to the EQH shares to be delivered on redemption of the *AXA SA* bonds mandatorily exchangeable into EQH shares, maturing in May 2021), **(ii)** lower general expenses, **(iii)** lower financial charges following the reimbursement of debt in 2020, and **(iv)** lower tax paid related to dividends received from subsidiaries.

Adjusted earnings increased by €62 million to €-711 million, driven by higher underlying earnings, partly offset by the non-repeat of the 2019 positive impact from derivatives set up to reduce the Group exposure to equities.

Net income increased by €1,250 million to €-678 million, mainly due to **(i)** higher adjusted earnings, **(ii)** a favorable change in the fair value of derivatives not eligible for hedge accounting (€+770 million) mainly from equity derivatives in the context of the strong equity market turmoil resulting from the COVID-19 crisis as well as from the significant decrease of the exposure to interest rates risk, and **(iii)** the non-repeat of the 2019 negative impact linked to the deconsolidation of Equitable Holdings, Inc. (€+445 million).

Outlook

AXA proved its resilience through the COVID-19 crisis in 2020, fulfilling its role in supporting society through solidarity measures and investing into future economic recovery, and serving its clients, with empowered distributors and employees. AXA intends to continue to do so, as long as the pandemic and the related uncertainties continue.

AXA plans to capture post COVID-19 growth in a hardening pricing cycle for Property & Casualty Commercial lines and a growing Health market, while remaining resilient to the continued low interest rate environment.

In its new 3-year plan "Driving Progress 2023", AXA is focusing on five strategic actions: **(i)** expand Heath and Protection, including through services and across all geographies; **(ii)** simplify customer experience and accelerate efficiency, particularly in Europe and France; **(iii)** strengthen underwriting performance, notably at AXA XL; **(iv)** sustain our climate leadership position in shaping the climate transition; and **(v)** grow cash-flows across the Group through continued life in-force management and Group simplification, and disciplined capital management.

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

Glossary

This glossary includes definitions of non-GAAP financial measures, or alternative performance measures ("APMs"), indicated by an asterisk (*), that Management believes are useful to understand the Group's business and analyze the Group's performance. The scope of the following definitions of APMs remains unchanged compared to prior periods, except that the scope of certain definitions was updated to take into account **(i)** the deconsolidation of EQH on March 31, 2019; **(ii)** the impact of the issuance by AXA of bonds mandatorily exchangeable into shares of EQH (the "MEBs") in May 2018, which were recorded in "shareholders' equity - Minority interests" and "financial debt" and subsequently reclassified from "shareholders' equity" components to "financing debt" starting 1Q19; and **(iii)** changes to the calculation formula that we will use effective starting with 2021 financial period to calculate the Return on Equity and the APM Underlying Return on Equity. As announced in the press release dated December 1, 2020, a new APM "Underlying Return on Equity" has been introduced and will be effective starting with 2021 financial period; this new APM will replace the APM "Adjusted Return on Equity" that has been used previously.

Scope and comparable basis

SPLIT BY GEOGRAPHY

The split by geography is detailed below:

- **France** (insurance and banking activities, and holdings);
- **Europe**, consisting of:
  - Switzerland (insurance activities),
  - Germany (insurance and banking activities, and holdings),
  - Belgium (insurance activities and holdings),
  - United Kingdom and Ireland (insurance activities and holdings),
  - Spain (insurance activities),
  - Italy (insurance activities);
- **Asia**, consisting of:
  - Japan (insurance activities and holdings),
  - Hong Kong (insurance activities),
  - Asia High Potentials, consisting of:
    - Thailand (insurance activities),
    - Indonesia (insurance activities),
    - China (insurance activities),
    - The Philippines (insurance activities),
  - Asia - Direct, consisting of:
    - Direct Japan (insurance activities),
    - Direct South Korea (insurance activities),
  - Asia Holdings;

- **AXA XL** (insurance activities and holdings);
- **United States** (insurance activities, AB and holdings) until year-end 2019;
- **International**, consisting of:
  - AXA Bank Belgium (banking activities held for sale),
  - Brazil (insurance activities and holdings),
  - Colombia (insurance activities),
  - Czech Republic and Slovak Republic (insurance activities) until September 2020 (disposed on October 15, 2020),
  - Greece (insurance activities held for sale),
  - The Gulf Region (insurance activities held for sale, and holdings),
  - India (Property & Casualty activities held for sale, Life & Savings activities and holdings),
  - Luxembourg (insurance activities and holdings),
  - Malaysia (insurance activities),
  - AXA Mediterranean Holdings,
  - Mexico (insurance activities),
  - Morocco (insurance activities and holdings),
  - Nigeria (insurance activities and holdings),
  - Poland (insurance activities) until September 2020 (disposed on October 15, 2020),
  - Russia (Reso) (insurance activities),
  - Singapore (insurance activities and holdings),
  - Turkey (insurance activities and holdings);
- **Transversal & Central Holdings**, consisting of:
  - AXA Investment Managers,
  - AXA Assistance,
  - AXA Liabilities Managers,
  - AXA Global Re,
  - AXA Life Europe,
  - AXA SA and other Central Holdings.

CURRENT ENGINES AND HIGH POTENTIALS

The split between current engines and high potentials is detailed below:

- **Current Engines:** Belgium, France, Germany, Hong Kong, Italy, Japan, Spain, Switzerland, UK & Ireland and AXA XL;
- **High Potentials:** Brazil, China, Indonesia, Mexico, the Philippines and Thailand.

COMPARABLE BASIS FOR REVENUES, ANNUAL PREMIUM EQUIVALENT AND NBV MARGIN

“On a comparable basis” means the following:

- data for the current period were restated using the prevailing foreign currency exchange rates for the same period of 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**).

Earnings and Capital

ADJUSTED EARNINGS*

Adjusted Earnings represent the net income (Group share) as disclosed in the table set forth on pages 25 to 26 of this report, before the impact of the following items net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- integration and restructuring costs related to material newly acquired companies as well as restructuring and associated costs related to productivity improvement plans;
- goodwill, impairments and amortization of intangibles related to customers and distribution;
- exceptional operations (primarily change in scope and discontinued operations); and
- profit or loss on financial assets accounted for under fair value option (excluding assets backing liabilities for which the financial risk is borne by the policyholder), foreign exchange impacts on assets and liabilities, and derivatives related to invested assets and liabilities.

Derivatives related to invested assets:

- include all foreign exchange derivatives, except the ones related to currency options in earnings hedging strategies which are included in underlying earnings;
- exclude derivatives related to insurance contracts evaluated according to the “selective unlocking” accounting policy; and
- exclude derivatives involved in the economic hedging of realized gains and impairments of equity securities backing General Account and shareholders’ funds, for which cost at inception, intrinsic value and pay-off flow through adjusted earnings, and only time value flows through net income when there is no intention to sell the derivatives in the short term (if not, flows through adjusted earnings).

UNDERLYING EARNINGS*

Underlying Earnings correspond to Adjusted Earnings without the following elements net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- realized gains and losses and change in impairment valuation allowances (on assets not designated under fair value option or trading assets); and
- cost at inception, intrinsic value and pay-off of derivatives used for the economic hedging of realized gains and impairments of equity securities (other than the funds backing contracts where the financial risk is borne by policyholders).

EARNINGS PER SHARE

Earnings per share (**EPS**) represent AXA's consolidated earnings (net of financial charges related to undated subordinated debt recorded through shareholders' equity, preferred shares and mandatory exchangeable bonds up to the date of deconsolidation of Equitable Holdings, Inc.), divided by the weighted average number of outstanding ordinary shares.

Diluted earnings per share (**diluted EPS**) represent AXA's consolidated earnings (net of financial charges related to undated subordinated debt recorded through shareholders' equity, preferred shares and MEBs up to the date of the deconsolidation of EQH), divided by the weighted average number of outstanding ordinary shares, 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).

Underlying Earnings per share* correspond to Underlying Earnings (net of financial charges related to undated subordinated debt recorded through shareholders' equity, preferred shares and mandatory exchangeable bonds up to the date of deconsolidation of Equitable Holdings, Inc.), divided by the weighted average number of outstanding ordinary shares.

RETURN ON EQUITY

The **Return on Equity ("RoE") presented herein and in the Universal Registration Document** is calculated as earnings divided by the weighted average shareholders' equity. The weighted average shareholders' equity is based on opening shareholders' equity adjusted for weighted average impacts of capital flows (including dividends).

- for underlying RoE and adjusted RoE*:
    - reserves relating to the change in the fair value through shareholders' equity are excluded from the average shareholders' equity,
    - undated subordinated debts are treated as financing debt, thus excluded from the average shareholders' equity,
    - and earnings include interest charges on undated subordinated debts, on preferred shares, and on shareholders' equity component of the mandatory exchangeable bonds up to the date of deconsolidation of Equitable Holdings, Inc.;
- for net income RoE: calculation is based on Consolidated Financial Statements, *i.e.*
    - average shareholders' equity including undated subordinated debts and reserves relating to the change in the fair value through shareholders' equity,
    - and net income.

As we announced in connection with the presentation of our "Driving Progress 2023" strategic plan, the **new Return on Equity ("RoE") measure that we will use effective starting with 2021 financial period** will be calculated as earnings net of interest charges related to undated subordinated debts divided by the average of opening and closing shareholders' equity both excluding:

- for underlying RoE:
    - reserves relating to the change in the fair value through shareholders' equity,
    - undated subordinated debts since they are treated as financing debt;
- for net income RoE:
    - reserves relating to the change in the fair value of available for sale fixed income securities through shareholders' equity,

- undated subordinated debts since they are treated as financing debt.

The new APM, “Underlying Return on Equity”, will replace the APM “Adjusted Return on Equity” starting from 2021 financial period.

Compared to the Underlying Return on Equity measure provided in previous financial periods, the new definition of Underlying Return on Equity applicable from 2021 has been simplified and is more directly reconcilable to the Consolidated Financial Statements, as noted in our Press Release dated December 1, 2020.

Please refer to the table set forth on page 34 of this report for a comparison as of December 31, 2020, of APM Underlying ROE calculated as per the new definition, *versus* the Underlying ROE under the former definition.

FREE CASH FLOWS

Free Cash Flows are defined as a measure of dividend capacity calculated as the sum of earnings and required capital change.

EOF (ELIGIBLE OWN FUNDS)

Surplus derived from a Solvency II balance sheet. It is defined as the excess of market value of assets over best estimate liabilities and Risk Margin as per Solvency II regulation.

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 ensuring that insurers and reinsurers are able to meet their obligations towards policyholders and beneficiaries over the next 12 months, with a 99.5% probability. The Solvency Capital Requirement can be calculated either based on the standard formula or an internal model. The Group is using an internal model.

The Solvency II ratio is estimated primarily using AXA’s internal model calibrated based on an adverse 1/200 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, 2019, available on AXA’s website (www.axa.com). Pursuant to the authorization from AXA’s lead supervisor (the “ACPR”), the contribution of entities that were part of the XL Group (“XL entities), and are now part of the AXA XL division, to the Group Solvency II ratio is, as from December 31, 2020 on, calculated with the AXA Group internal model. In compliance with the prior decision from ACPR, the XL entities contributed to the Group’s solvency capital requirement as of December 31, 2019 using the Solvency II standard formula.

DEBT GEARING*

Debt Gearing refers to the level of a company's debt related to its equity 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 the gross debt (financing debt and undated subordinated debt) by total capital employed (consolidated shareholders’ equity excluding undated subordinated debt and reserves relating to the change in the fair value of financial instruments and of hedge accounting derivatives plus the gross debt). Furthermore, following the deconsolidation of EQH, mandatory exchangeable bonds issued by AXA in May 2018 were excluded from Debt Gearing.

Activities

INSURANCE

LIFE & SAVINGS HYBRID AND G/A CAPITAL LIGHT PRODUCTS

Hybrid products: Savings products allowing clients to invest in both Unit-Linked and General Account funds.

G/A capital light products: General Account Savings products which, at inception, create more EOF than the economic capital they consume.

LIFE & SAVINGS NET INFLOWS

Life & Savings Net Inflows are defined as the collected premiums (including risk premiums, fees and revenues), net of surrenders, maturities, claims paid and other benefits paid. This definition is applicable to all Life & Savings products as well as Life-like Health products, with the exception of Mutual Funds products.

NEW BUSINESS APE (NEW BUSINESS ANNUAL PREMIUM EQUIVALENT)

New business APE represents 100% of new regular premiums plus 10% of single premiums, in line with EEV methodology. APE is Group share.

NBV (NEW BUSINESS VALUE)

The value of newly issued contracts during the current year. It consists of the present value of future profits after the costs of acquiring business, less **(i)** an allowance for the time value of financial option and guarantees, and **(ii)** cost of capital and non-financial risks. AXA calculates this value net of tax.

NBV MARGIN (NEW BUSINESS VALUE MARGIN)

New Business Value Margin is the ratio of:

- New Business Value representing the value of newly issued contracts during the current year; to
- Annual Premium Equivalent.

This ratio represents the profitability of the new business.

MARGIN ANALYSIS

The Margin Analysis is presented on an underlying earnings basis.

Even though the presentation of the Margin Analysis is not the same as the Statement of Income (underlying basis), it is based on the same GAAP measures as used to prepare the Statement of Income in accordance with IFRS.

Underlying investment margin includes the following items:

- net investment income; and
- interests and bonuses credited to policyholders and unallocated policyholder bonuses (and the change in specific reserves purely linked to invested assets returns) related to the net investment income as well as the unwind of the discount rate used in calculating technical reserves.

Underlying fees & revenues include:

- revenues derived from mutual fund sales (which are part of consolidated revenues);

- loadings charged to policyholders (or contractual charges) on premiums of all Life & Savings products;
- loadings on deposits received on all Life & Savings products and fees on funds under management for separate account (Unit-Linked) business;
- deferred income such as capitalization net of amortization of URR (Unearned Revenue Reserve) and UFR (Unearned Fee Reserve); and
- other fee revenues, e.g. fees received on financial planning or sales of third party products.

Underlying net technical margin includes the following components:

- mortality and morbidity margin: the difference between income or earned premiums for assuming risk and the cost of benefits and claims charges directly linked to the claims experience or its anticipation (death or disability);
- surrender margin: the difference between the benefit reserve and the surrender value paid to the policyholder in the event of early contract termination;
- GMxB (Variable Annuity guarantees) active financial risk management: the net result from GMxB lines corresponding to explicit charges related to these types of guarantees less cost of hedging. It also includes the unhedged business result;
- policyholder bonuses if the policyholders participate in the risk margin;
- ceded reinsurance results;
- other changes in claims and insurance reserves: all the reserve strengthening or release coming from changes in valuation assumptions, claims experience, additional reserves for mortality risk and other technical impacts such as premium deficiencies net of derivatives if any; and
- claims handling costs.

Expenses include the following components:

- acquisition expenses, including commissions and general expenses allocated to new business;
- capitalization of acquisition expenses linked to new business: Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF;
- amortization of Deferred Acquisition Costs (DAC) and net rights to future management fees for investment contracts without DPF, including the impact of interest capitalized;
- administrative expenses; and
- policyholder bonuses if the policyholder participates in the expenses of the Company.

Underlying VBI amortization includes VBI (Value of Purchased Life Business In-force) amortization related to underlying margins.

There are certain material differences between the detailed line-by-line presentation in the Statement of Income and the components of Life & Savings Margin Analysis as set out below:

- For insurance contracts and investment contracts with Discretionary Participation Features (DPF):
    - gross premiums (net of deposits), fees and other revenues are allocated in the Margin Analysis based on the nature of the revenue between “Fees & Revenues” and “Net Technical Margin”,
    - policyholders’ interest in participating contracts is reflected as a change in insurance benefits in the Statement of Income. In the Margin Analysis, it is allocated to the related margin, *i.e.* primarily “Investment Margin” and “Net Technical Margin”,

  - the "Investment margin" represents the net investment result in the Statement of Income and is adjusted to consider the related policyholder participation (see above) as well as changes in specific reserves linked to invested assets' returns and to exclude the fees on (or contractual charges included in) contracts with the financial risk borne by policyholders, which are included in "Fees & Revenues",
  - change in URR (Unearned Revenue Reserve – capitalization net of amortization) is presented in the line "Change in unearned premiums net of unearned revenues and fees" in the underlying Statement of Income, whereas it is located in the line "Fees & Revenues" in the Margin Analysis;
- For investment contracts without DPF:
  - deposit accounting is applied. As a consequence, fees and charges related to these contracts are presented in the Underlying Statement of Income within Gross Consolidated Revenues on a separate line, and in Margin Analysis in the lines "Fees & Revenues" and "Net Technical Margin",
  - change in UFR (Unearned Fee Reserve - capitalization net of amortization) is presented in the line "Change in unearned premiums net of unearned revenues & fees" in the Underlying Statement of Income, whereas it is located in the line "Fees & Revenues" in the Margin Analysis.

INSURANCE RATIOS (APPLICABLE TO PROPERTY & CASUALTY, HEALTH AND PROTECTION ACTIVITIES)

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

- current year claims charge gross of reinsurance + claims handling costs + result of reinsurance ceded on current accident year, excluding for the discounted reserves the unwind of the discount rate used in calculating technical reserves; to
- earned revenues gross of reinsurance.

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

- all accident years claims charge gross of reinsurance + claims handling costs + result of reinsurance ceded on all accident years, excluding the unwind of the discount rate used in calculating technical reserves; to
- earned revenues gross of reinsurance.

Expense ratio is the ratio of:

- expenses (excluding claims handling costs, including changes in VBI amortization); to
- earned revenues gross of reinsurance.

Expenses include two components: expenses (including commissions) related to the acquisition of contracts (with the related **acquisition expense ratio**) and all other expenses excluding claims handling costs (with the related **administrative expense ratio**). Expenses exclude customer intangible amortization, but include the impact from the changes in VBI amortization.

The **Combined ratio*** is the sum of the all accident year loss ratio and the expense ratio.

ASSET MANAGEMENT

Net inflows: 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.

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) are defined as the assets whose management 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.

BANKING

Operating net banking revenues are disclosed before intercompany eliminations and before realized capital gains/losses or changes in fair value of “fair-value-P&L” assets and hedging derivatives.