



Full Year 2021

Earnings presentation

February 24, 2022



IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS CONCERNING 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") and "Operating Highlights – Risk Factors" on page 11 of AXA's half-year financial report as of June 30, 2021 (the "Half-Year 2021 Financial Report") 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 presentation 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. In particular, we refer herein to the following APMs: (i) Underlying earnings, (ii) Underlying ROE, (iii) Underlying earnings per share, (iv) Debt Gearing, and (v) Combined ratio. In each case, these APMs and any other non-GAAP financial measures used in this presentation are defined in the Glossary set forth on pages 68 to 75 of AXA's 2021 Activity Report. In addition, a reconciliation from the APMs 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 26 and 27 of AXA's 2021 Activity Report, while the APMs Underlying return on equity and Underlying earnings per share are reconciled to the financial statements in the table set forth on page 34 of AXA's 2021 Activity Report. The calculation methodology for Debt gearing is set out on page 29 of AXA's 2021 Activity Report.



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- 





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**FY21 Highlights and
Strategic Priorities**

Thomas Buberl, Group CEO



Full Year 2021 | Our strategy is producing results

€100bn

✓ Revenues

+6% vs FY20
+4% vs FY19

217%

✓ Solvency II ratio

+17pts vs FY20

€6.8bn

✓ Group UE

+61% vs FY20
+9% vs FY20 rebased

€1.2bn

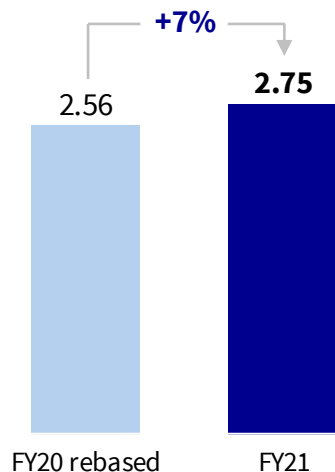
✓ AXA XL UE

Target achieved

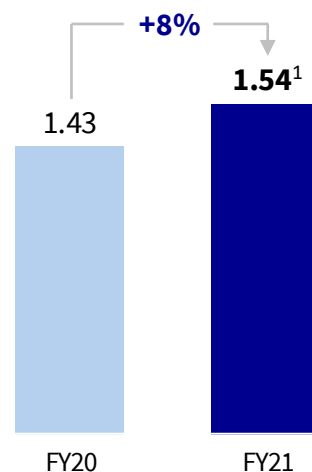
Continued strong performance, across all dimensions

Delivery | Strong earnings and dividend per share growth

Underlying earnings per share



Dividend per share



56%
Payout ratio

Strategic overview | AXA is well positioned for sustained performance

Strategic transformation 2016 – 2021

*“The Group is now simplified and focused, with **>90% earnings from technical and fee-based businesses**¹, a leader in attractive European markets and the leading global insurer for commercial lines, health and employee benefits.”*

Driving Progress 2023

*“AXA delivered an **excellent performance in 2021, across all five strategic actions**, with a strong growth in Health, an excellent start on cost reductions, turnaround completed at AXA XL, leadership in climate and major new initiatives on cash remittance.”*

Climate leadership

*“AXA accelerated on its climate leadership with ambitious actions in 2021, notably chairing the **Net-Zero Insurance Alliance**, taking **new commitments to preserve biodiversity** and extending **Oil & Gas exclusions** to support the energy transition.”*

AXA XL | Successful turnaround, geared for sustained performance

Earnings delivery

€1.2bn

FY21 underlying earnings

Insurance portfolio re-underwritten

-5.1pts

CY combined ratio in 2021



Restored profitability, disciplined growth

Repositioning Reinsurance portfolio

ca. **-40%**

Property Cat exposure¹ on 1 Jan 2022 renewals



Reducing earnings volatility, focusing on non-Cat lines

Earnings target | Clear levers delivering higher earnings growth

✔ Strong revenue growth momentum

P&C Commercial, Health
and Protection

+5%
vs FY20

Unit-Linked and
Asset Management

+24%
vs FY20

✔ Strengthening technical performance

-1.6pts

P&C CY loss ratio ex-Cat in 2021

✔ Enhancing operational efficiency

€-0.3bn

2021 costs vs 2019¹

» Set to deliver towards the
high-end of the target range²

+3% to +7%

Underlying earnings per share
CAGR 2020 rebased – 2023 target

Cash | Higher generation and continued discipline



HoldCo cash

€4.5bn

as at FY21



Share buy-backs

€1.7bn

completed in February¹

€0.5bn

confirmed today²

**Confidence in exceeding
€14bn upstream 2021-2023³**



Focus on
cash generative
business lines



**In-force actions in L&S,
enhanced fungibility in P&C**

**Committed to discipline
on cash deployment**



Disciplined M&A
with high synergies



Share buy-backs
ongoing part of our toolkit

Outlook | The entire Group is well positioned for continued delivery

€100bn

» Revenues

Strong growth momentum

217%

» Solvency II ratio

Excellent balance sheet

3%-7%

» UEPS CAGR

Set to deliver towards the high-end of the target range

>€14bn

» Cash upstream

Confidence in exceeding the target

Excellent outlook across all dimensions



2

FY21 Business performance

Frédéric de Courtois, Group Deputy CEO



Three key operational priorities

Capital management

➤ Enhancing cash fungibility and remittance over time

Nat Cat exposure reduction

➤ Reducing earnings volatility from Cats

Business performance

➤ Excellent performance across all lines in FY21

Capital management | Successful in-force actions in 2021, strong pipeline

In-force actions in 2021 in L&S

Hong Kong

Closed book reinsurance

Switzerland

Annuity transfer

Belgium

Closed book disposal

€-8bn

G/A reserves¹

+5 points

SII impact
by 2023²

€+0.6bn

cash upstream
by 2023³

»» Strong pipeline of further €20-40bn reserves

»» Reduced exposure to financial risks

»» Upstream of released capital over time

Capital management | Enhanced cash fungibility from internal reinsurance

Transforming AXA SA into the Group's internal reinsurer¹

- ✔ **Merging AXA SA** and existing internal reinsurance captive
- ✔ **Quota-share reinsurance treaties²** with several AXA European P&C entities
- **Reduced local capital requirements and increased fungibility**

Additional available cash at Holding³

Euro +2bn

over 2022-2026

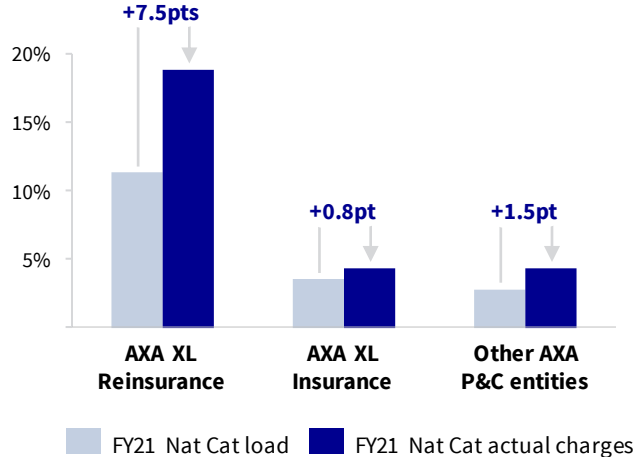
o/w **Euro +1bn by 2023⁴**

from the merger with current captive and accelerated cash remittance

Nat Cat | Reducing earnings volatility from Nat Cats

AXA XL Re is the main source of Cat volatility

Nat Cat actual charges vs load in FY21 (in CoR pts)



Major repositioning of AXA XL Re portfolio in 2022...

AXA XL
Reinsurance

Ca. **-40%**
Average Nat Cat losses¹



...Benefiting the Group's Nat Cat risk profile...

AXA
Group

Ca. **-10%**
Average Nat Cat losses¹



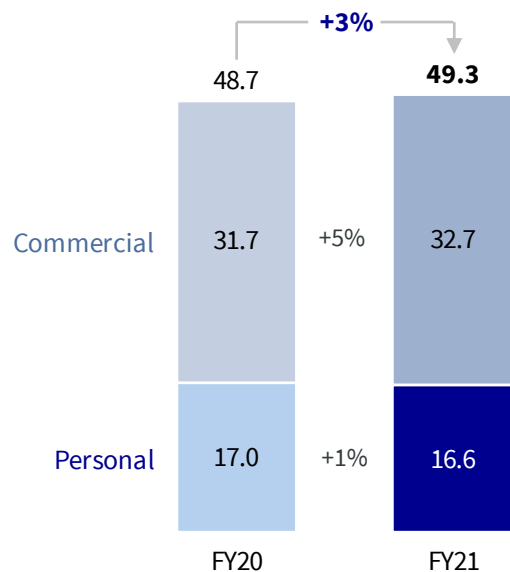
... while preserving AXA XL Re expected earnings

From higher pricing and optimized retrocession

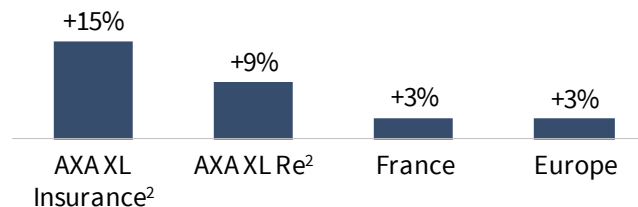
P&C Revenues | Favorable pricing momentum in Commercial lines

In Euro billion

Gross revenues



Commercial lines pricing¹: +7%



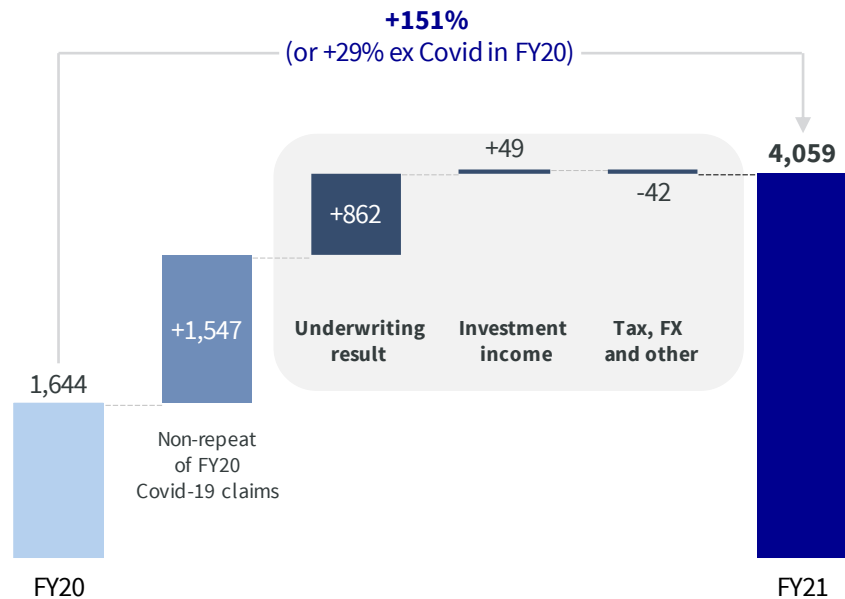
Personal lines pricing¹: stable



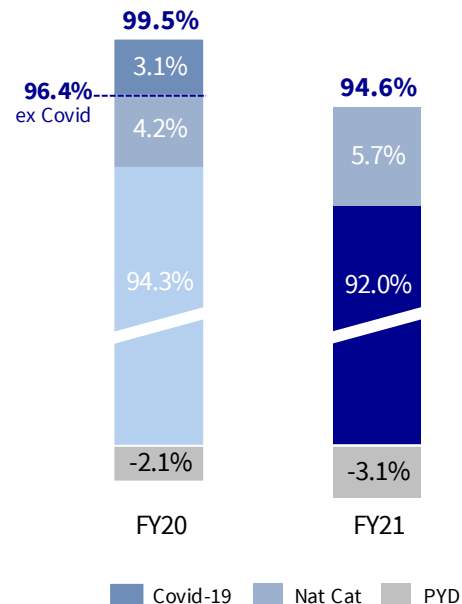
P&C Profitability | Strong underwriting performance

In Euro billion

Underlying earnings



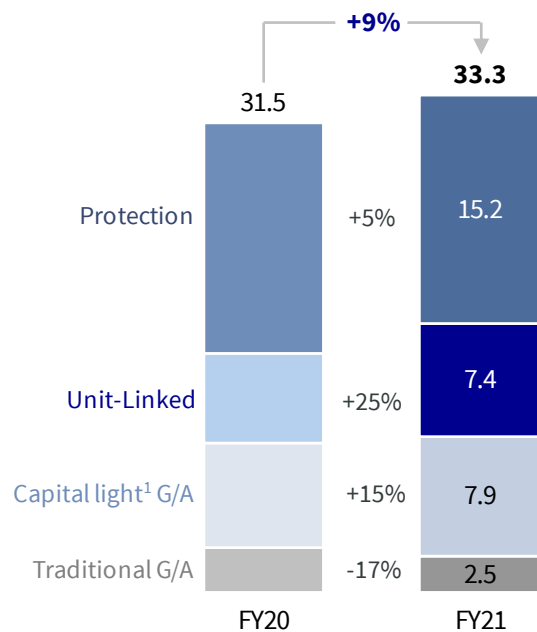
All year combined ratio



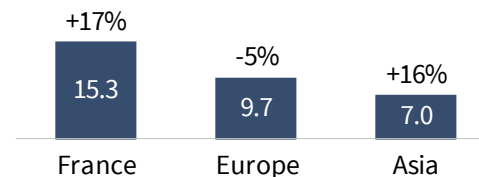
L&S Revenues | Growing across markets, with high quality mix

In Euro billion

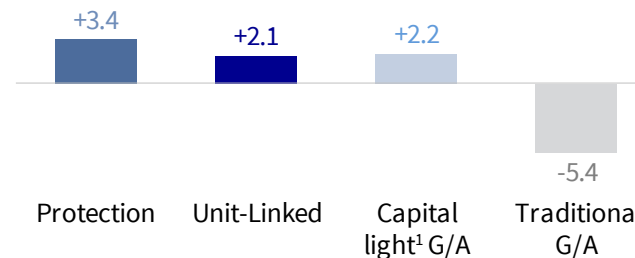
Gross revenues



Revenues by geography

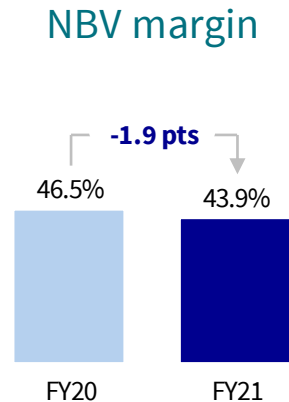
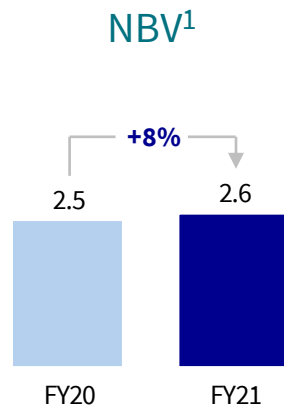
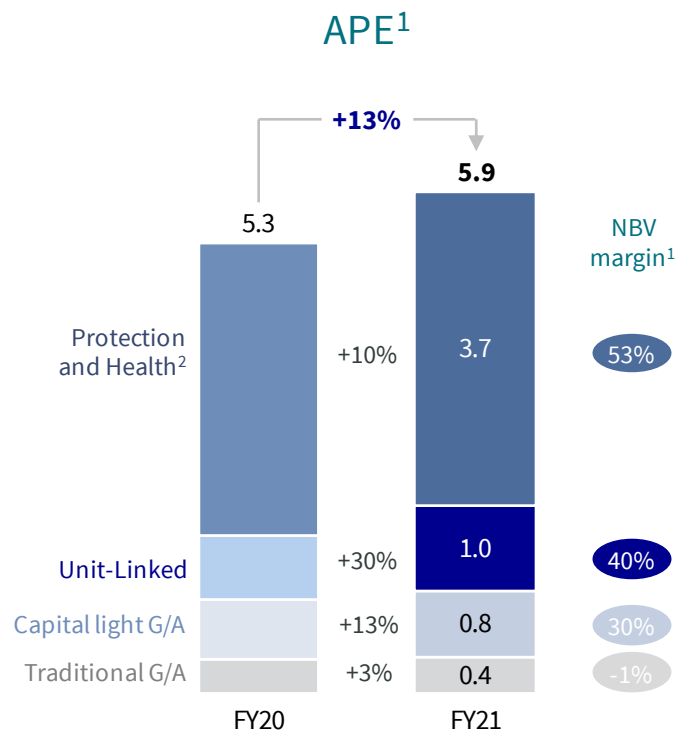


L&S net flows: +2.4bn



APE and NBV | Growing our highly profitable product mix

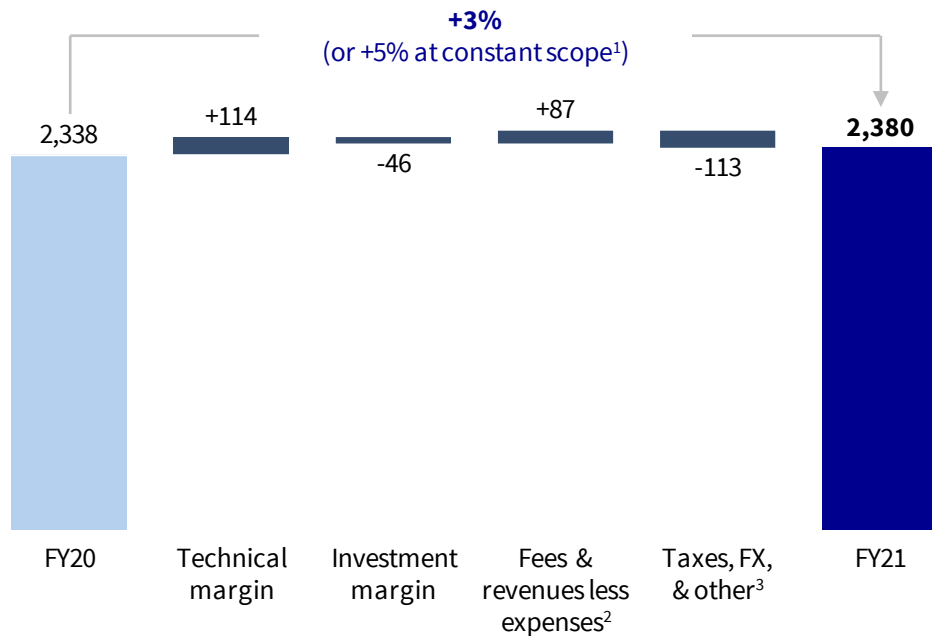
In Euro billion



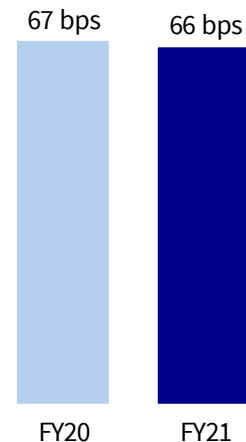
L&S profitability | Resilient investment margin, higher Unit-Linked fees

In Euro million

Underlying earnings



Net investment margin



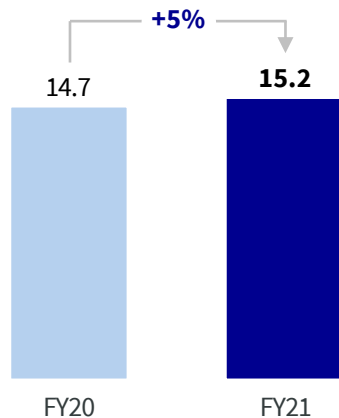
Above guidance of
55 - 65 bps
2021 - 2023E

Health | Continued profitable growth

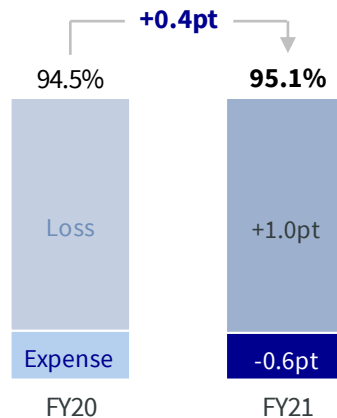
Revenues in Euro billion

Underlying earnings in Euro million

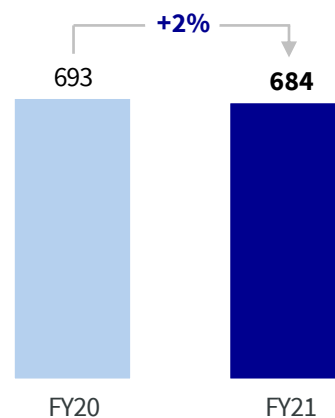
Gross revenues



Combined ratio

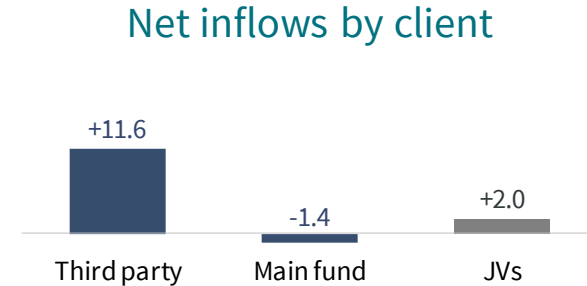
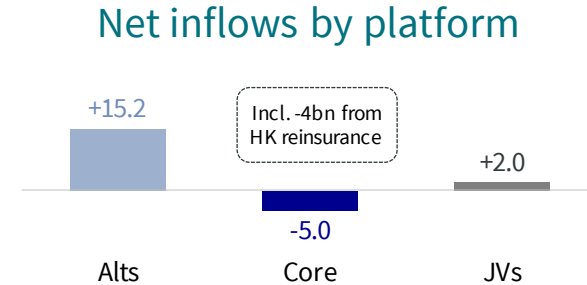
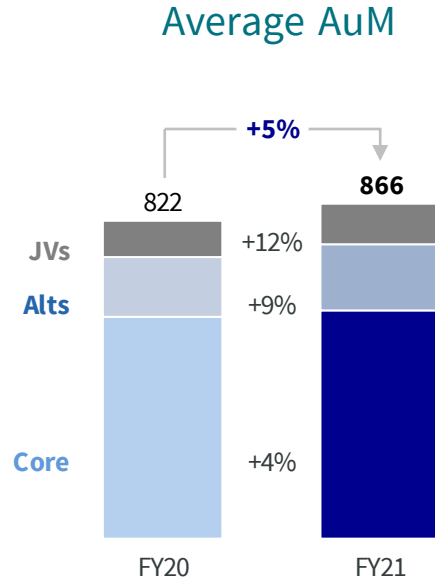


Underlying earnings



Asset Management | Higher AuM with favorable business mix

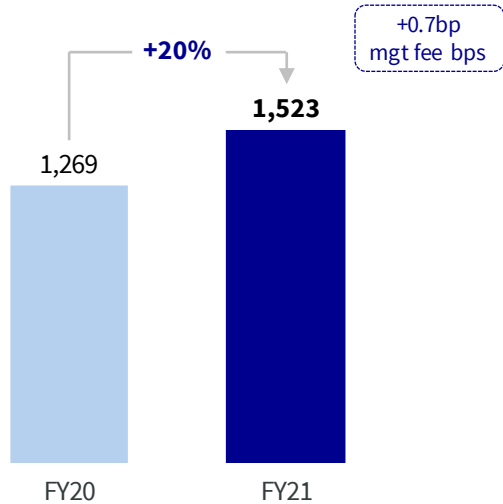
In Euro billion



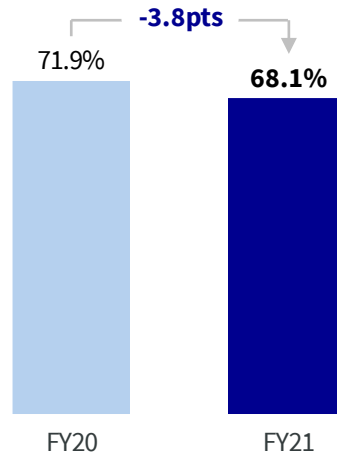
Asset Management | Earnings growth from margin expansion

In Euro million

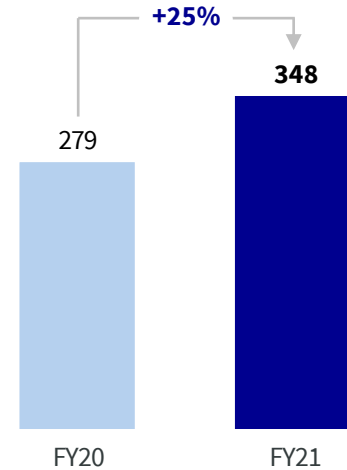
Gross revenues



Cost income ratio

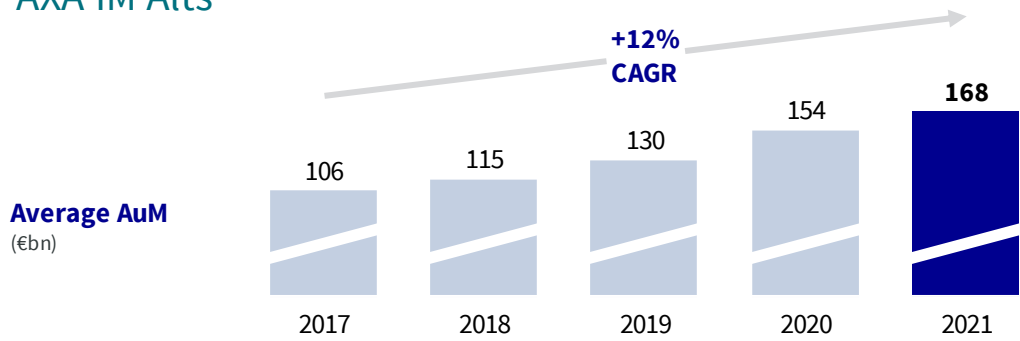


Underlying earnings



Asset Management | Leading European franchise on Alternative assets

AXA IM Alts



	2017	2018	2019	2020	2021
Net New Money	€8bn	€6bn	€12bn	€12bn	€15bn

	2017	2018	2019	2020	2021
Revenues (% of total AXA IM ²)	31%	35%	37%	39%	40%

✓ **Real Assets #1 in Europe**, #5 worldwide¹

✓ **€54bn cumulative NNM** since 2017

✓ **High margin business**

➤ **Strong pipeline** of client commitments



3

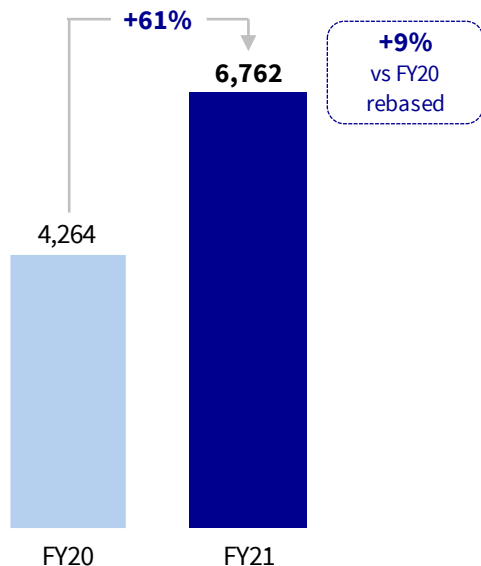
FY21 Financial performance

Alban de Mailly Nesle, Group CFO



Underlying earnings | Strong FY21 performance

In Euro million

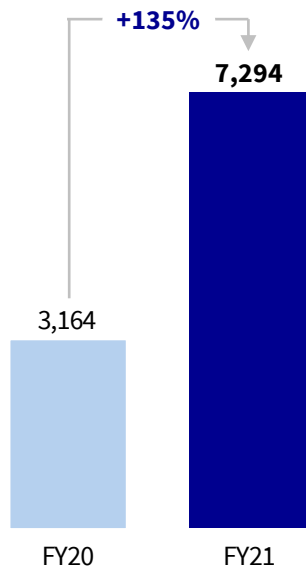


	FY20	FY21	Change
Property & Casualty	1,644	4,059	+151%
Life & Savings	2,338	2,380	+3%
Health	693	684	+2%
Asset Management	279	348	+25%
Holdings & other	-690	-710	-
Underlying earnings	4,264	6,762	+61%

+29% ex. Covid

Net income | Strong growth from UE and favorable market conditions

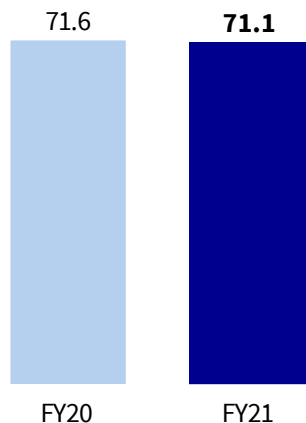
In Euro million



Underlying earnings	6,762
Gains/losses on financial assets	+1,533
<i>o/w Net realized capital gains</i>	+405
<i>o/w Change in fair value and Forex¹</i>	+1,128
Exceptional and discontinued operations	-456
Integration and restructuring costs	-318
Goodwill and related intangibles	-227
Net income	7,294

Shareholders' equity | ROE at 14.7%, at high-end of the target range

In Euro billion



Underlying
ROE

9.5%

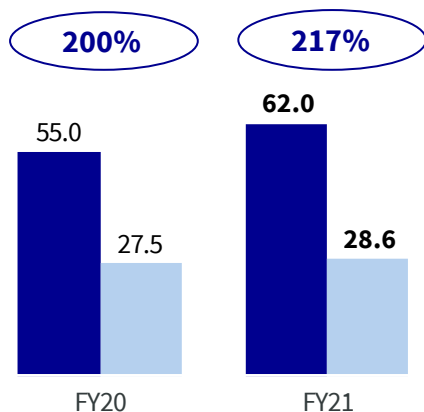
14.7%

FY20 Shareholders' equity	71.6
Change in net unrealized capital gains ¹	-6.1
Net income for the period	+7.3
Dividend (paid in May 2021)	-3.4
Share buy-back	-0.9
Change in pension benefits	+0.6
Forex and other	+2.0
FY21 Shareholders' equity	71.1

Solvency II | Ratio at 217%, up 17pts vs FY20

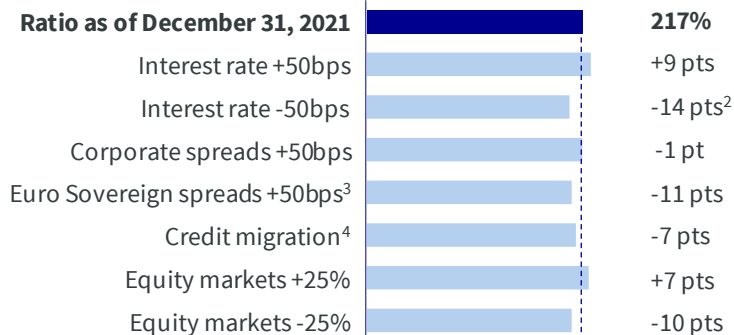
In Euro billion

Solvency II ratio¹



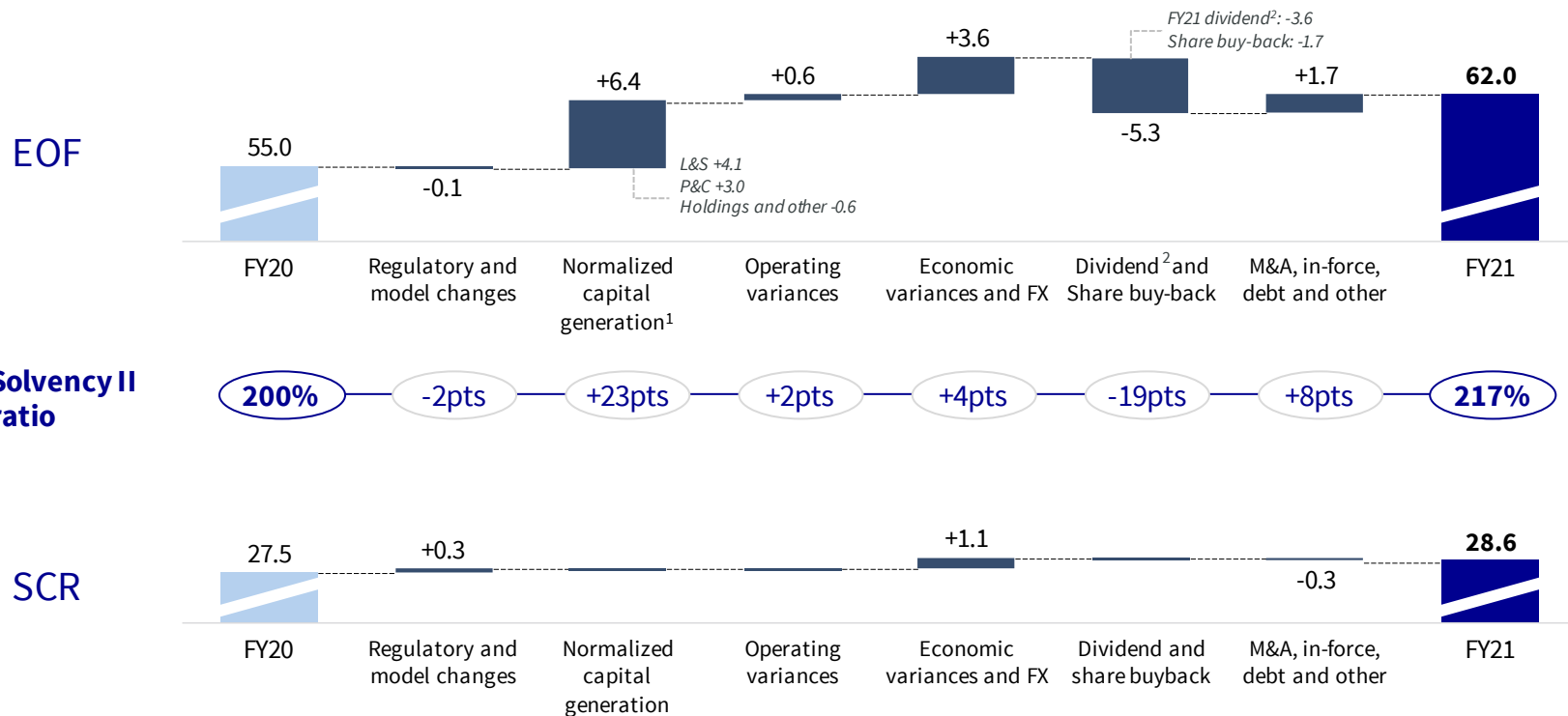
■ Eligible Own Funds (EOF)
■ Solvency Capital Requirement (SCR)

Key sensitivities



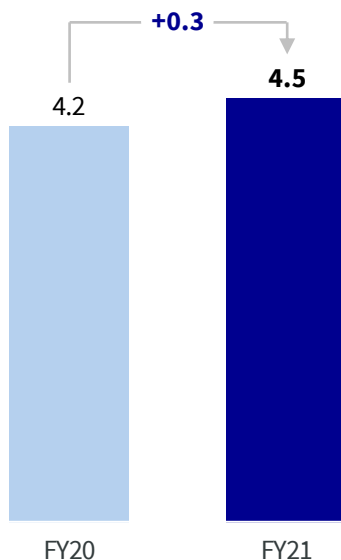
Solvency II | Strong operating capital generation, above guidance

In Euro billion



Cash at Holding | Strong cash position, well above target range

In Euro billion



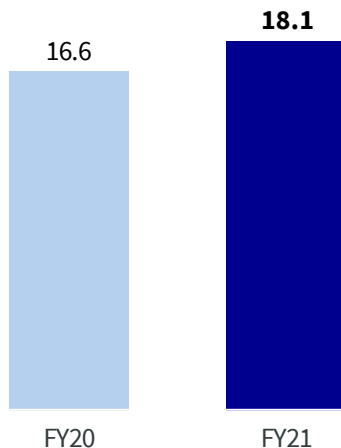
Main drivers of FY21 evolution

FY20	FY21
Net cash remittance from subsidiaries	+4.4
Dividend (paid in May 2021)	-3.4
Share buy-back	-0.9
Holding costs and interests	-1.0
Debt issuance	+0.9
Disposals	+1.4
Other ¹ (incl. internal cash buffer rebuild)	-1.1
FY21	4.5

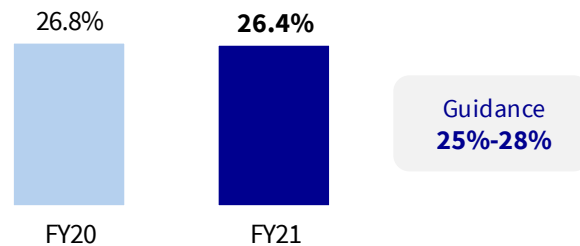
Financial debt | Gearing in line with guidance

In Euro billion

Gross financial debt



Debt gearing

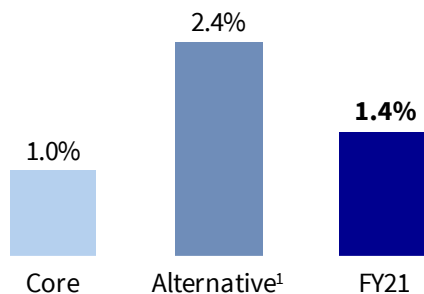


Debt transactions in 2022

- ▶ Redemption of \$850m Tier 1 debt (January 17, 2022)
- ▶ Issuance of €1.25bn Tier 2 debt (January 6, 2022)

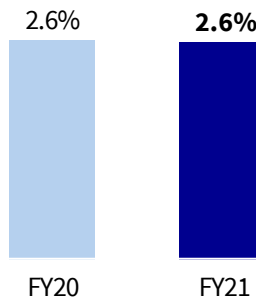
Investments | Resilient yields supported by Alternatives

FY21 Fixed Income reinvestment yield



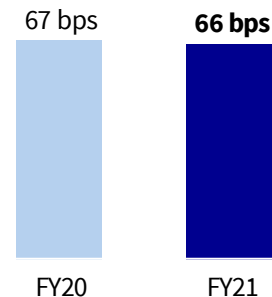
Government bonds Average rating: AA
Corporate bonds Average rating: A
Alternative Average rating: A

P&C yield²



Guidance
10-20 bps
dilution per year

L&S investment margin³



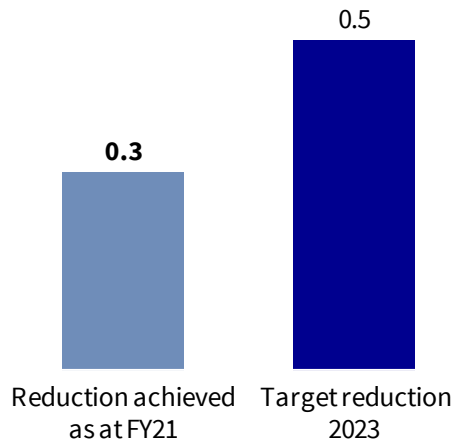
Guidance
55 - 65 bps
2021 - 2023E

Non-commission expenses | Delivering on cost efficiency

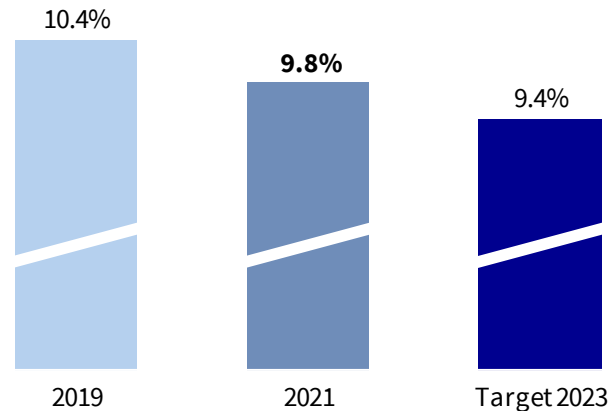
In Euro billion

Non-commission expense reduction¹

vs FY19



Expense ratio²





Conclusion

Thomas Buberl, Group CEO

Conclusion | The entire Group is well positioned for continued delivery

€100bn

» Revenues

Strong growth momentum

217%

» Solvency II ratio

Excellent balance sheet

3%-7%

» UEPS CAGR

Set to deliver towards the high-end of the target range

>€14bn

» Cash upstream

Confidence in exceeding the target

Excellent outlook across all dimensions



Q&A

Full Year 2021 Earnings

February 24, 2022





Meet our management



March 17	Morgan Stanley European Financials Conference	Virtual
April 6	HSBC West Coast Financials Conference	Virtual
May 5	First Quarter 2022 Activity Indicators	Conference call
June 7	Goldman Sachs European Financials Conference	Rome



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Marketing & Corporate Access Manager



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Thank you

Full Year 2021 Earnings

February 24, 2022



Scope and definitions

Scope

- **France:** includes insurance activities, banking activities and holdings in France.
- **Europe:** includes Switzerland (insurance activities), Germany (insurance activities, holding, and banking activities until its disposal on December 31, 2020), Belgium (insurance activities and holdings), United Kingdom and Ireland (insurance activities and holdings), Spain (insurance activities), Italy (insurance activities).
- **AXA XL:** includes insurance activities and holdings.
- **Asia:** includes insurance activities in Japan (including the P&C business which was previously reported under “Asia-Direct” and holding), Hong Kong, Asia High Potentials of which (i) Thailand P&C, Indonesia L&S (excluding the bancassurance entity) and China P&C are fully consolidated, and (ii) China L&S, Thailand L&S, the Philippines L&S and Indonesian L&S bancassurance businesses are consolidated under the equity method and do not contribute to the gross revenues, South Korea - Direct, and Asia Holdings.
- **International:** consists of (i) AXA Mediterranean Holdings, (ii) EME-LATAM, which includes Mexico (insurance activities), Colombia (insurance activities), Turkey (insurance activities and holdings), Poland (insurance activities until September 2020 as disposed on October 15, 2020), the Gulf Region (insurance activities until June 2021 as disposed on September 7, 2021), AXA Bank Belgium (banking activities until December 2021 as disposed on December 31, 2021), Luxembourg (insurance activities and holdings), Brazil (insurance activities and holdings), Czech Republic and Slovakia L&S (insurance activities until September 2020 as disposed on October 15, 2020) and Greece (insurance activities until March 2021 as disposed on May 31, 2021) which are fully consolidated, as well as Russia (Reso) (insurance activities) which is consolidated under the equity method and contributes only to the underlying earnings and net income, and (iii) Africa & Asia, which includes Singapore (insurance activities until December 2021 as disposed on February 11, 2022, and holdings), Morocco (insurance activities and holdings) and Malaysia P&C (insurance activities held for sale) which are fully consolidated, as well as India (P&C insurance activities until June 2021 as disposed on September 8, 2021, L&S insurance activities and holdings) and Nigeria (insurance activities and holdings) which are consolidated under the equity method and contribute only to the underlying earnings and net income.
- **Transversal & Central Holdings:** includes AXA Investment Managers, AXA Assistance, AXA Liabilities Managers, AXA Global Re, AXA Life Europe, Architas (previously reported under “UK & Ireland”), AXA S.A. and other Central Holdings.

Definitions

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

Notes

Page A6

1. Dividend per share of €1.54 that will be proposed at the Annual General Meeting on April 28, 2022 and is expected to be paid on May 10, 2022 with an ex-dividend date of May 6, 2022.

Page A7

1. Based on FY21 underlying earnings pre-tax excluding Holdings. Technical and fee-based lines refer to P&C, Health, Protection, Unit-Linked and Asset Management.

Page A8

1. Expected average losses relating to natural catastrophes under AXA's internal model.

Page A9

1. Costs refer to non-commission expenses, defined as total expenses (acquisition and administrative expenses) excluding (i) commissions, amortization & capitalization of intangibles (DAC/DOC) and policyholder bonus on expenses, (ii) distribution costs that are proportionate to commercial activity and are of commission-type, and (iii) variable compensation at AXA IM. 2021 figures are at 2019 exchange rates, except for Turkey, that is reported at the 2021 average rate.
2. Assuming current operating conditions persist.

Page A10

1. The Group completed, on February 10, 2022, the execution of the €1.7bn share buy-back program announced on November 4, 2021.
2. Up to €0.5bn to neutralize earnings dilution from disposals announced after December 1, 2020. Please refer to the FY21 Earnings press release issued on February 24, 2022 for further details.
3. Assuming current operating conditions persist.

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1. General Account reserves. Reserves relief includes €3bn of legacy G/A reserves in Belgium, €4bn of reinsured G/A Savings reserves in Hong Kong and €2bn of G/A statutory reserves in Switzerland.
2. Solvency 2 ratio relief includes ca. 1pt in Switzerland in 2022, ca. 2pts in Belgium in 2022 (subject to closing conditions) and ca. 2pts in Hong Kong in 2021.
3. Cash upstream of €0.6bn composed of €0.3bn in 2022 and €0.3bn in 2023.

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1. Subject to shareholders and regulatory approvals. Such prior approval of AXA S.A.'s shareholders, which relates to necessary changes to AXA SA's bylaws, is expected to be sought at the shareholders' meeting on April 28, 2022.
2. Expected to be 25% quota-share reinsurance treaties in 2022.
3. Assuming current operating and regulatory conditions.
4. o/w €+0.7bn one-time cash impact, not booked as cash remittance and therefore not impacting "Driving Progress 2023" cash upstream targets.

Page A16

1. Refers to the change in expected average losses relating to natural catastrophes for 2022 under AXA's internal model.

Notes

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1. Price effect is calculated as a percentage of total gross written premiums in the prior year.
2. Price increases on renewals, calculated as a percentage of renewable premiums.

Page A19

1. General Account Savings products which, at inception, create more Eligible Own Funds (EOF) than the economic capital they consume.

Page A20

1. Annual premium equivalent (APE), NBV, and NBV margin are non-GAAP financial measures. APE, NBV, and NBV margin and other non-GAAP financial measures are defined in the Glossary set forth on pages 68 to 75 of AXA's 2021 Activity Report.
2. Include Health "life-like" business.

Page A21

1. Scope adjustments (€-46 m) include the foregone contribution of disposed entities (Central & Eastern Europe and Greece operations, as well as Architas UK Investment business) as well as the recurring impact of the margin related to a closed-book reinsured in Hong Kong in 2H21.
2. 'Fees & revenues' include loadings, amortization of unearned revenues reserves net of capitalization and Unit Linked management fees, net of policyholder bonus. Total expenses (acquisition and administrative expenses) including commissions, amortization & capitalization of intangibles (DAC/DOC) and policyholder bonus on expenses.
3. 'Other' includes: amortization charge of the value of the in-force business (VBI), results from affiliates and scope adjustments related to the disposal of Architas UK Investment business, Central & Eastern Europe and Greece operations as well as the recurring impact of the margin related to a closed-book reinsured in Hong Kong in 2H21.

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1. Source: INREV Fund Manager Survey May 2021.
2. Gross of inter-company elimination.

Page A28

1. Includes the change in fair value of interest rate, equity and foreign exchange economic hedges not eligible for hedge accounting under IAS 39.

Page A29

1. Includes impact of change in fair value of derivatives that qualify to be booked through other comprehensive income (€-1.0bn).

Page A30

1. 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, 2020, available on AXA's website (www.axa.com).
2. Includes -5 points Risk Margin impact. Excluding Risk Margin impact, the sensitivity to interest rate -50bps would decrease to -9pts.
3. Sensitivity to Euro sovereign spreads assumes a 50 bps spread widening of the Euro sovereign bonds vs. the Euro swap curve (applied on sovereign and quasi-sovereign exposures).
4. Sensitivity to credit rating migration assumes 20% of corporate bonds (including private debt) held are downgraded by one full letter (3 notches).

Notes

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1. Normalized capital generation refers to operating capital generation excluding operating variances. L&S includes Life-like Health. P&C includes P&C-like Health.
2. FY21 dividend (€1.54 per share) that will be proposed at the Annual General Meeting on April 28, 2022 and is expected to be paid on May 10, 2022 with an ex-dividend date of May 6, 2022.

Page A32

1. Includes the repayment of €0.3bn short-term commercial paper in 2021. Outstanding commercial paper as at end-2021 was €0.5bn.

Page A34

1. Notably including real estate debt and CLOs.
2. Gross of interests credited and policyholder bonus and excluding Health.
3. Net of interests credited & policyholder bonus, on total G/A reserves within L&S business, excluding Health.

Page A35

1. Non-commission expenses is defined as total expenses (acquisition and administrative expenses) excluding (i) commissions, amortization & capitalization of intangibles (DAC/DOC) and policyholder bonus on expenses, (ii) distribution costs that are proportionate to commercial activity and are of commission-type, and (iii) variable compensation at AXA IM. 2021 figures are at 2019 exchange rates, except for Turkey, that is reported at the 2021 average rate.
2. Expense ratio defined as non-commission expenses divided by gross revenues. The scope was rebased in FY21 to exclude the contribution to non-commission expenses of entities either disposed of in FY21 (Gulf, Greece, Central & Eastern Europe, AXA Bank Belgium and Singapore) or to be disposed of, subject to closing conditions (Malaysia).