



Half Year 2023

Earnings presentation

August 3, 2023

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, 2022 (the "2022 Universal Registration Document") and "Operating Highlights – Risk Factors" on page 9 of AXA's Half-Year Activity Report as of June 30, 2023 (the "Half-Year 2023 Activity Report") for a description of certain important factors, risks and uncertainties that may affect AXA's business and/or results of operations. AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise, except as required by applicable laws and regulations.

In addition, this 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. Underlying Earnings, Underlying Earnings per Share, Underlying Return on Equity and Combined Ratio are APMs as defined in ESMA's guidelines and the AMF's related position statement issued in 2015. A reconciliation from APMs Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 16 and 17 of AXA's Half-Year 2023 Activity Report. APMs Underlying Return on Equity and Underlying Earnings per Share are reconciled to the financial statements in the table set forth on page 29 of AXA's Half-Year 2023 Activity Report. The above mentioned and other non-GAAP financial measures used in this presentation are defined in the Glossary set forth on pages 31 to 36 of AXA's Half-Year 2023 Activity Report. The treatment of certain non-GAAP financial measures in this presentation for these purposes may change over time in connection with the development of IFRS 17/9 reporting practices.

AXA's half-yearly financial information as of and for the six months ended June 30, 2023 was subject to a limited review by AXA's statutory auditors, whose report was issued on August 3, 2023.

IMPORTANT CAUTIONARY STATEMENTS CONCERNING 2023 TARGET

This presentation sets out management's expectations for the Group Underlying Earnings Target for 2023, which was initially published on AXA's website on May 15, 2023, in the press release "AXA publishes 1H22 and FY22 financial information under IFRS17 and IFRS9 accounting standards and provides 2023 Group Underlying Earnings Target," following the implementation of IFRS17/9 accounting standards, which became effective on January 1, 2023. The Group Underlying Earnings Target for 2023 (the "2023 Target") is subject to important assumptions that are supplemented by those included in the press release "Half Year 2023 Earnings" published on AXA's website on August 3, 2023. Because the 2023 Target has been provided exceptionally to enable analysts and investors to better assess the Group's underlying earnings trajectory in 2023 in connection with the implementation of IFRS17/9, it is not expected or intended that similar guidance will be issued in future periods beyond 2023, nor that such guidance will be updated, except as required by law. The 2023 Target and all information related thereto (including but not limited to its assumptions) are expressly qualified by the cautionary statements above concerning forward-looking statements, and no such information, financial or otherwise, has been audited.



Table of contents

- | | | |
|----|---|------|
| 1. | 1H23 Highlights
Thomas Buberl, Group CEO | p.4 |
| 2. | 1H23 Business Performance
Frédéric de Courtois, Group Deputy CEO | p.8 |
| 3. | 1H23 Financial Performance
Alban de Mailly Nesle, Group CFO | p.12 |



1

1H23 Highlights

Thomas Buberl, Group CEO

Half Year 2023 | Continued strong delivery

€4.1bn

Group UE

+5% vs. 1H22 IFRS4

+8%

Group UEPS¹

vs. 1H22 IFRS4

16.6%

ROE

1H23

235%

Solvency II ratio

+20pts vs. FY22

**Confident to exceed
Euro 7.5 billion²
underlying earnings
in 2023**

1. 1H23 UEPS increased by +23% vs 1H22 restated under IFRS17/9 2. Based on normalized natural catastrophe charges and assuming current operating and market conditions persist. Please see the "Outlook" section of the "Half Year 2023 Earnings" press release dated August 3rd, 2023 for important updated assumptions and qualifications. See Glossary for terminology and important qualifying information

Simple business, well-positioned in the current environment

~ 50% Commercial

**Global leader in
Commercial lines insurance**

P&C Commercial lines (~40%)

*Rising prices and volumes, sustaining
excellent technical results*

Employee Benefits (~10%)

Benefiting from growing health focus

~ 50% Retail

**Leading positions in Western Europe,
Japan, Hong Kong and select emerging markets**

P&C Retail lines (~20%)

*Pricing and claims management actions
to support technical margins*

Retail Life & Health and AM (~30%)

*Maintaining quality L&H business mix, leveraging
our strong proprietary distribution networks*

Acquisition of Laya Healthcare

- ▶ **Leading Health player in Ireland, with 28% market share¹ (#2) in a fast-growing market**
- ▶ **Highly digital platform, wide direct distribution & strong brand recognition**
- ▶ **Capital-light business**

€+0.8 billion
top line²

€650 million
consideration, 11x P/E³

A strong addition to our European and Health franchise

**AXA
Ireland**

Complementing **#1 P&C position in Ireland** with **strong cross-selling potential**

**AXA
Health**

+5% addition to Group Health revenues⁴, adding **digital & Health services** capabilities to the Group



2

1H23 Business Performance

Frédéric de Courtois, Group Deputy CEO

Business delivering strong results in the current environment

1H23 environment

- Favorable pricing in P&C
- High interest rates and inflation
- Benign Nat Cat

€4.1 billion¹ Group Underlying Earnings in 1H23

(+5% vs 1H22 under IFRS4)

France	Europe	AXA XL	Asia, EME-LATAM & Africa	Asset Management
€1.0bn	€1.5bn	€0.9bn	€0.8bn	€0.2bn
(+8%)	(-2%)	(+35%)	(-2%)	(-7%)

- ▶ Execution focused on organic growth and technical margins
- ▶ Managing volatility to deliver attractive & sustainable results through pricing and prudent reserving

Change at constant FX vs 1H22 under IFRS4

1. Includes Central holdings (€-0.4bn)

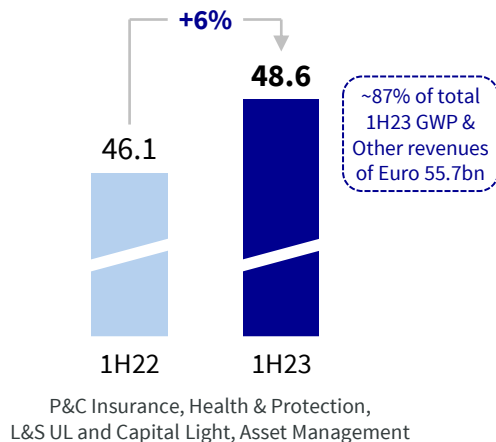
See Glossary for terminology and important qualifying information

Fundamentals in place to drive earnings growth

In Euro billion

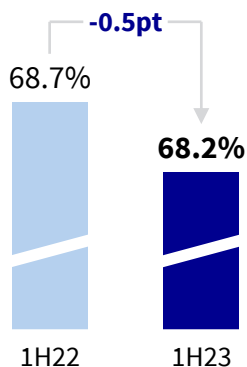
Growing attractive business mix

Organic top line growth¹



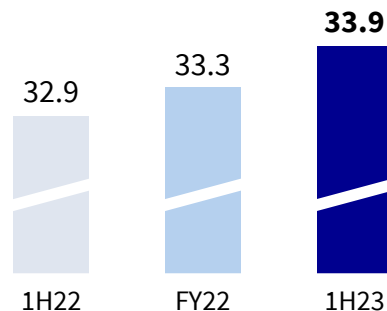
Excellent and sustainable P&C underwriting margins

P&C undiscounted current year loss ratio (ex Nat Cat)²



Continued growth in stock of L&H future profits

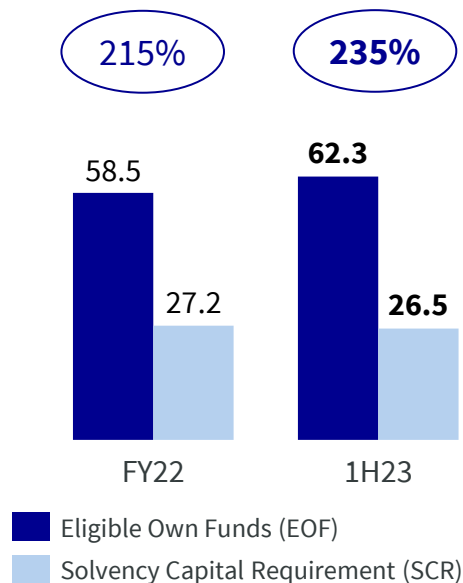
L&H CSM, net of CSM release



A capital-efficient business

In Euro billion

Solvency II Ratio



- ▶ **Strong operating capital generation**
- ▶ **Lower capital requirement**
 - ✓ **Shift in our Life business** toward capital light products
 - ✓ **Actions to further reduce the Group's duration gap**
- ▶ **Reduced interest rate sensitivities**
- ▶ **Improved confidence in cash remittance**





3

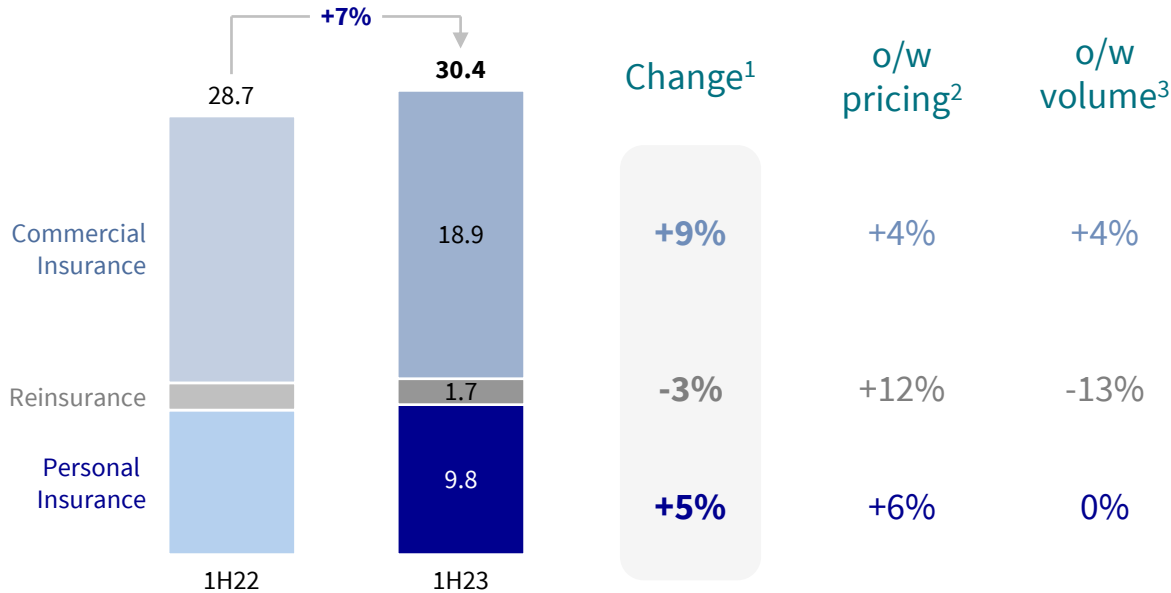
1H23 Financial Performance

Alban de Mailly Nesle, Group CFO

P&C | Focused on profitable growth, maintaining pricing discipline

In Euro billion

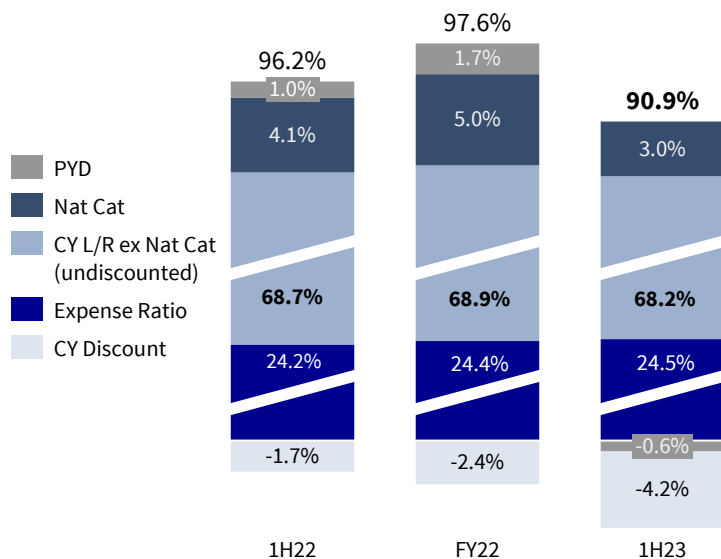
GWP & Other Revenues



- ▶ Pricing holding up well, above loss trend
- ▶ AXA XL renewal price at 4% or +7% excluding NA Professional, with strong reacceleration in short-tail lines
- ▶ Strong customer demand even with hard market conditions
- ▶ Reduction in Prop Cat, in line with strategy
- ▶ Pricing accelerating to counter inflation
- ▶ Remain focused on profitability

P&C | High level of technical profitability

IFRS17 Combined ratio



Higher technical margin from strong business fundamentals

- ▶ **Benefiting from strong skew towards Commercial lines**
- ▶ **Disciplined pricing**

Managing volatility

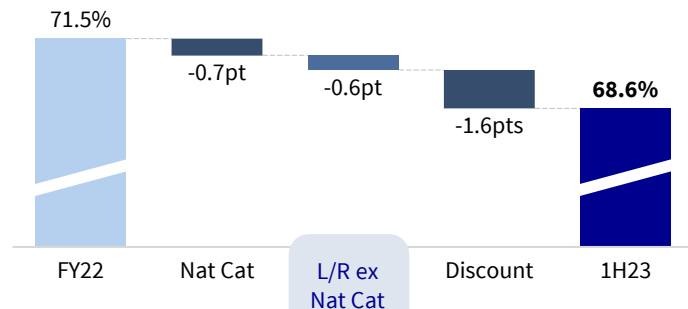
- ▶ **Benign Nat Cat experience**, below 4pts load
- ▶ **High discounting benefit**

mitigated by

- ▶ **PYD release at the lower end of 0.5 to 2pts guidance**
- ▶ **Prudent current year reserving**

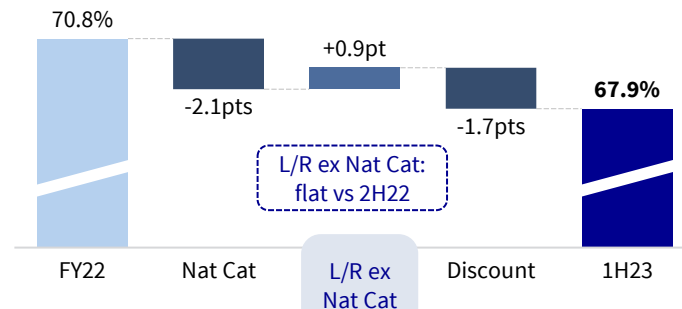
P&C | Confident in maintaining attractive margins across lines

Commercial lines (68% of P&C GWP¹) current year loss ratio²



- ▶ Favorable environment with pricing above loss trends and strong demand
- ▶ Non-repeat of impact of the war in Ukraine, offset by elevated large losses in 1H23 including French riots
- ▶ Prudent reserving

Personal lines (32% of P&C GWP¹) current year loss ratio²



- ▶ Strong pricing actions since 2H22 to offset inflation
- ▶ Increase in Motor frequency in Germany and Ireland in 1H23, resulting in further pricing actions
- ▶ Continued discipline on non-commission expenses to support overall combined ratio

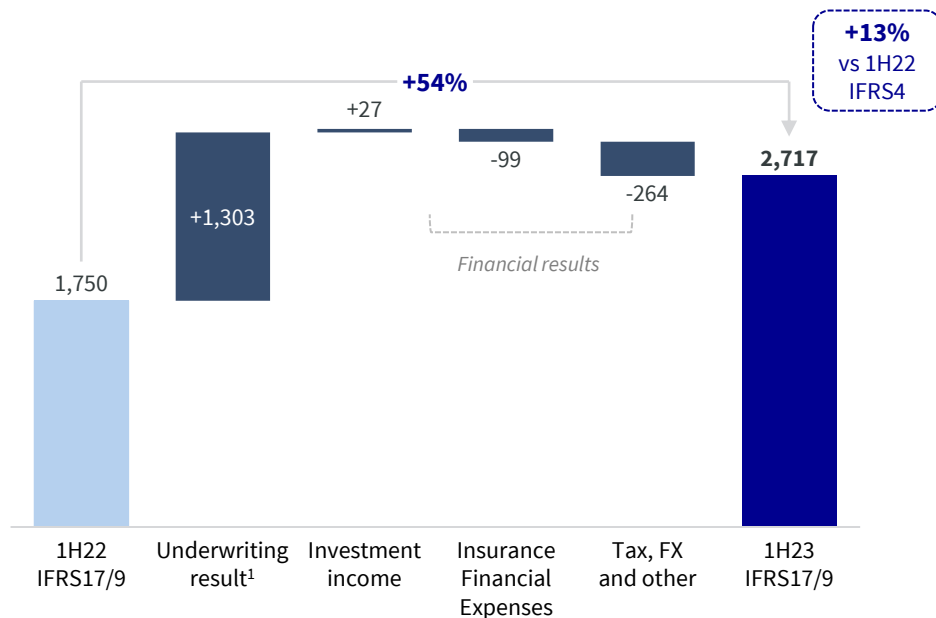
AXA XL Re (6% of P&C GWP¹)

-4.4pts vs FY22 undiscounted current year loss ratio² (ex Nat Cat) from strong pricing (1H23 all year combined ratio at 80.8%)

P&C | Strong earnings growth from higher revenues and technical margin

In Euro million

Underlying Earnings

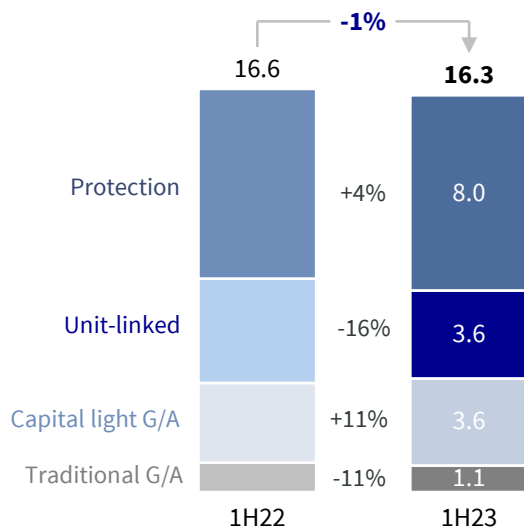


- ▶ **Excellent underwriting results**, driven by growth in revenues and a 90.9% combined ratio
- ▶ **Insurance finance expenses of Euro -0.3 billion** from unwind of discount of claims reserves

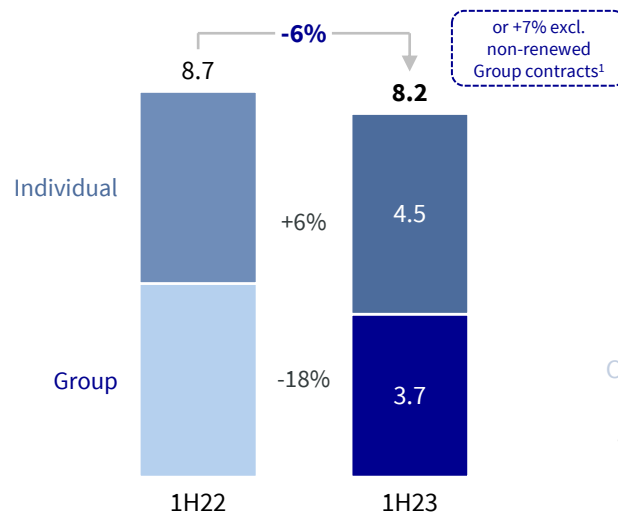
Life & Health | High quality net flows, Unit-linked impacted by volatile market conditions

In Euro billion

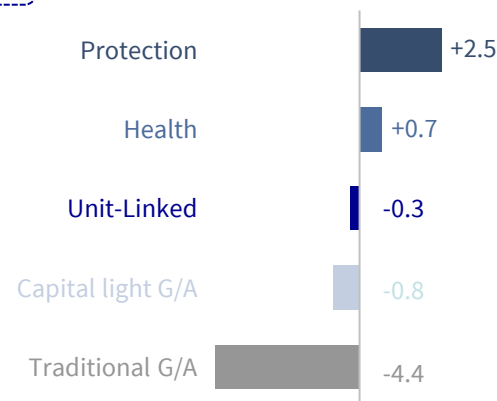
Life GWP & Other Revenues



Health GWP & Other Revenues

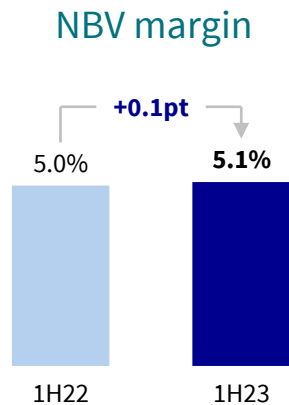
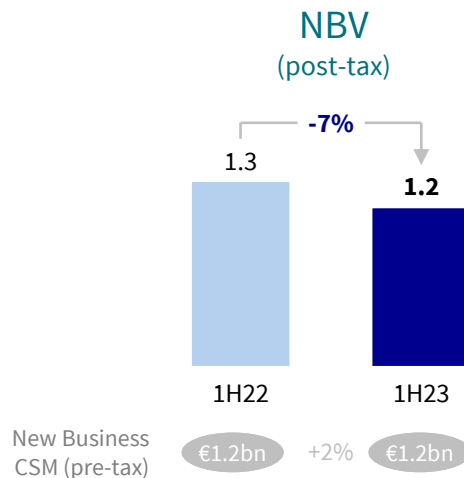
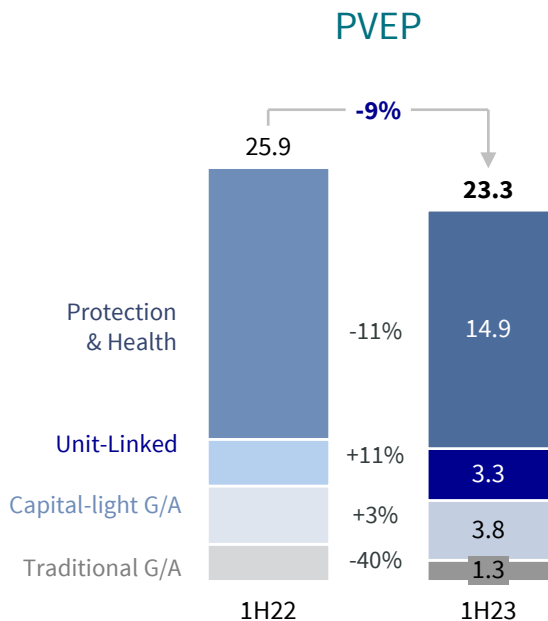


Net flows



Life & Health | Attractive NBV margin, broadly unaffected by market conditions

In Euro billion



Life & Health | Sustainable CSM growth fueled by new business

In Euro billion

Contractual Service Margin rollforward

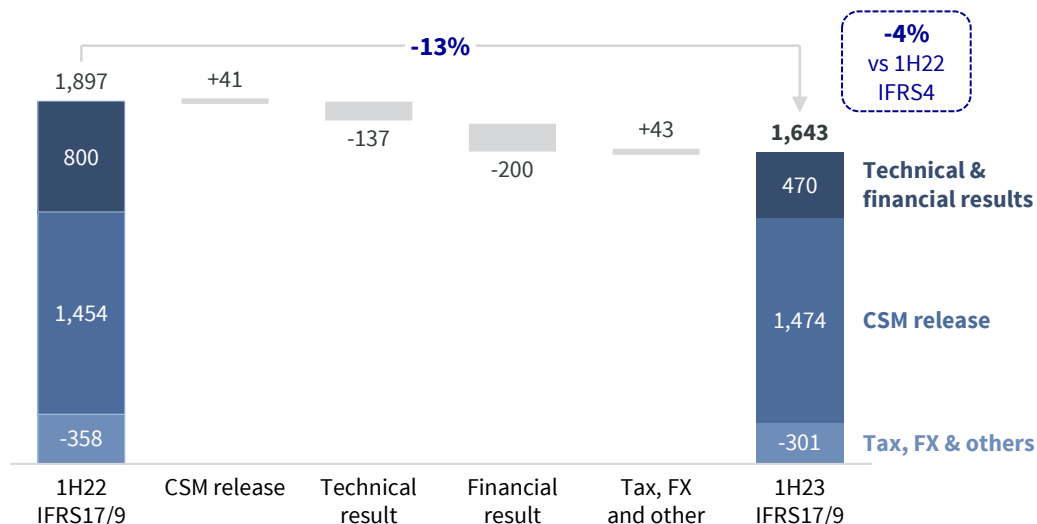


- ▶ **Underlying return on inforce** reflecting unwind and a spread over risk-free rate
- ▶ **CSM release ratio¹ of 9% and 7%** for Life and Health, respectively, in line with expectations
- ▶ **Positive economic variance** from better equity performance, lower implied volatility and tightening of spreads
- ▶ **Unfavorable FX** mostly from JPY depreciation

Life & Health | Resilient Life earnings, Health impacted by higher claims in the UK

In Euro million

Underlying Earnings



- ▶ **L&H underlying earnings** driven by a **predictable CSM release**
- ▶ **Technical result** reflecting elevated Health claims frequency in the UK
- ▶ **Financial result** impacted by lower investment income including from the non-repeat of high fund distributions

o/w Life 1.5

1.4

o/w Health 0.4

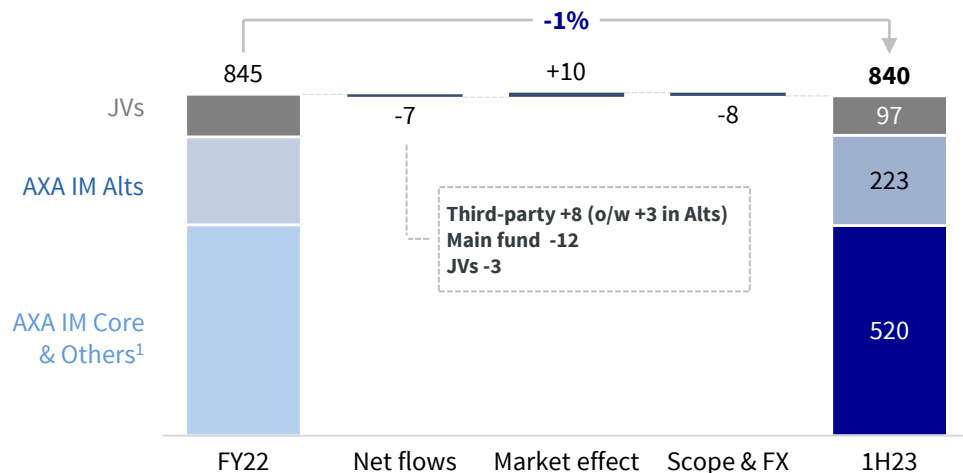
0.2

Asset Management | Robust third-party net flows, revenues impacted by market conditions

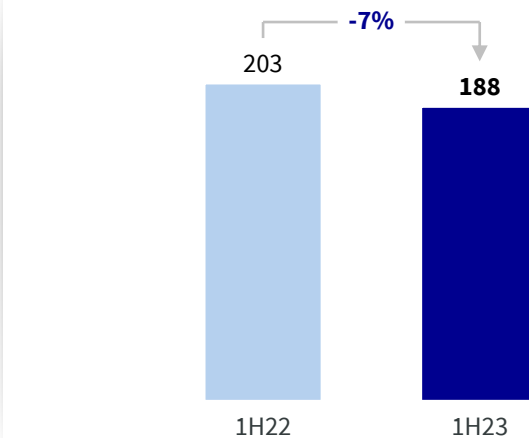
Assets under management and Gross revenues in Euro billion

Underlying earnings in Euro million

Assets under management



Underlying earnings



Average AuM²

751

736

Management fees
bps²

18.2

18.1

Gross revenues

0.8

-5%

0.7

Cost income ratio

64.7%

+3.7pts

68.7%

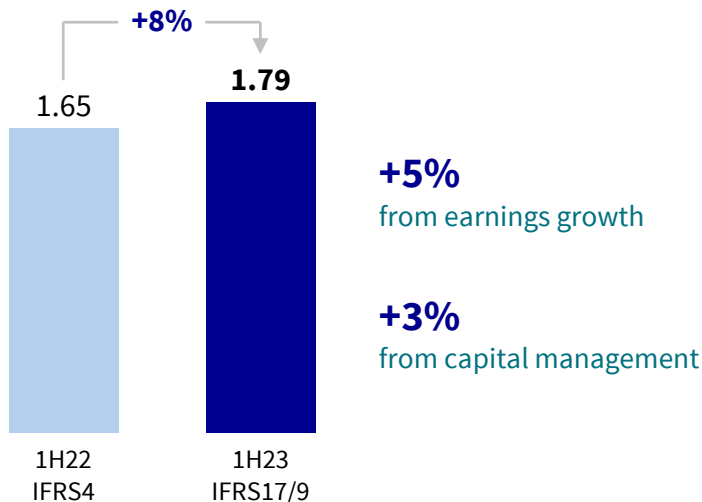
Strong growth in UEPS, change in net income reflects IFRS17/9 transition and market effects

In Euro billion

	1H22 under IFRS4	1H23 under IFRS17/9	Change
Property & Casualty	2.4	2.7	+13%
Life & Health	1.7	1.6	-4%
Asset Management	0.2	0.2	-7%
Holdings & other	-0.4	-0.4	-
Underlying earnings	3.9	4.1	+5%
<i>Non-financial flows</i>	-0.3	-0.2	
<i>Financial flows (incl. RCG)</i>	+0.5	-0.1	
Net income	4.1	3.8	-7%

Underlying earnings per share¹

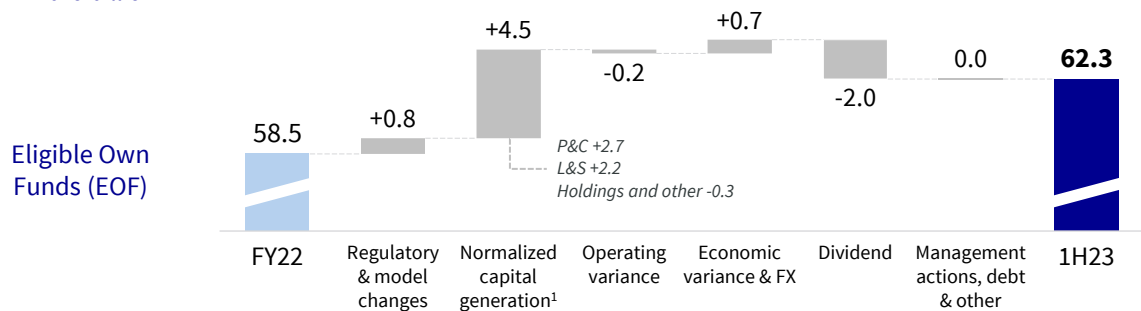
In Euro



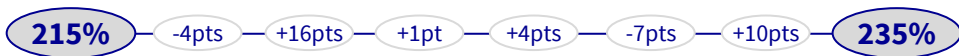
22 Change at constant FX for underlying earnings and net income. On reported basis for underlying earnings per share.
 1. 1H23 UEPS increased by +23% vs 1H22 restated under IFRS17/9
 See Glossary for terminology and important qualifying information

Solvency II at 235%, supported by strong capital generation and positive management actions

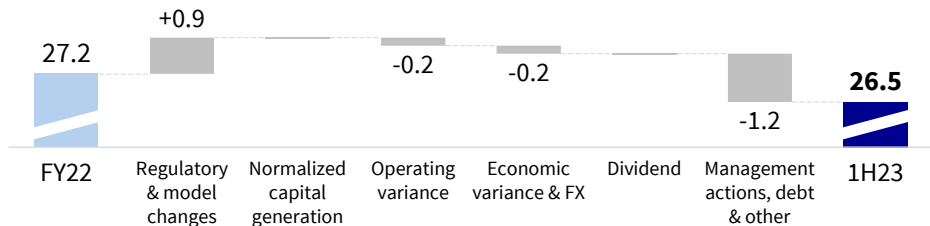
In Euro billion



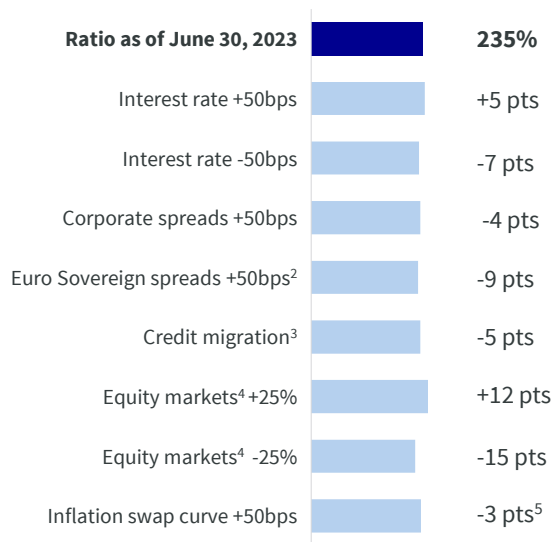
Solvency II ratio



Solvency Capital Requirement (SCR)



Key sensitivities





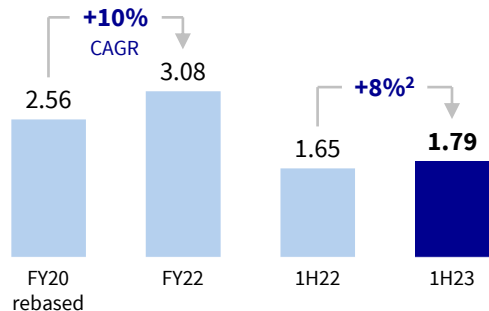
Conclusion

Thomas Buberl, Group CEO

Strong execution, confident to deliver Driving Progress 2023 key targets

Underlying earnings per share¹

In Euro



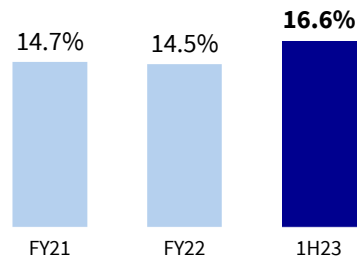
Driving Progress 2023



3% - 7%
UEPS CAGR
2020-2023E

**Set to exceed
the targeted
range³**

Return on Equity¹

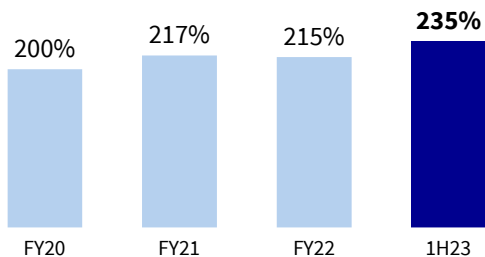


Driving Progress 2023



13% - 15%
2021-2023E

Solvency II ratio



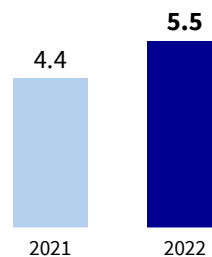
Driving Progress 2023



190%
target capital
level

Cash remittance

In Euro billion



Driving Progress 2023



€14bn
cumulative
2021-2023E

**Set to exceed
the target³**





Q&A session



Appendices

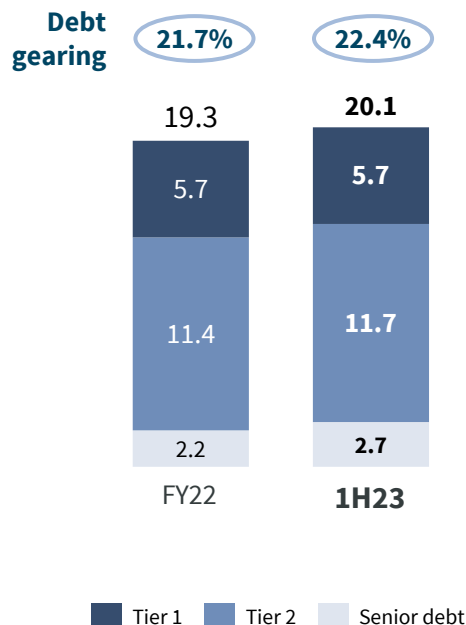
Table of contents

	1. Debt and Invested Assets	p.29	
	2. Additional IFRS17 disclosures	p.33	

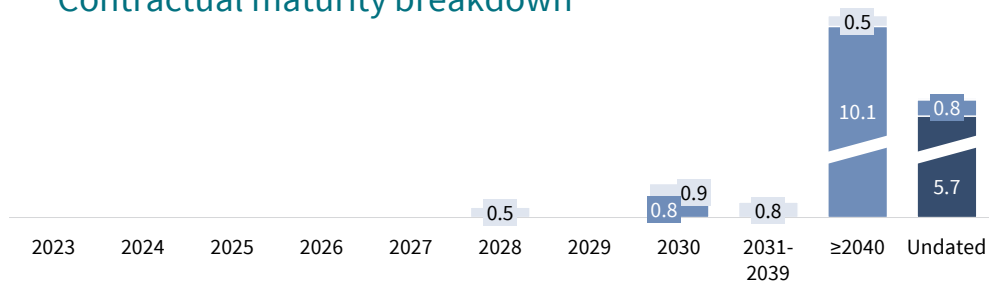
Gross financial debt and maturity breakdown as at June 30th, 2023

In Euro billion

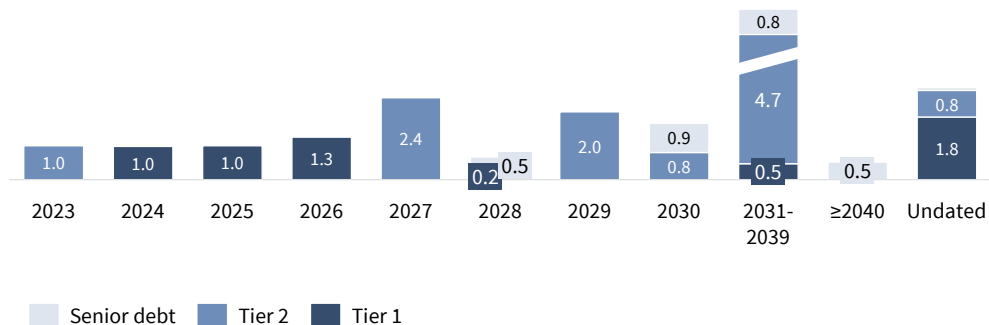
Gross financial debt



Contractual maturity breakdown

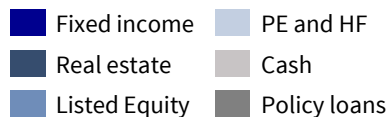
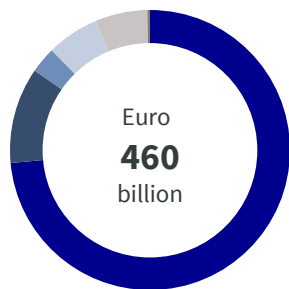


Economic maturity breakdown¹



General Account Invested Assets

1H23 Total General Account invested assets Duration gap at ca. 0.2 year¹



Invested assets (100%) In Euro billion	1H23	%
Fixed income	337	73%
<i>o/w Government bonds and related</i>	166	36%
<i>o/w Corporate bonds</i>	124	27%
<i>o/w Other fixed income¹</i>	47	10%
Real estate ²	52	11%
Listed equities	14	3%
Private equity and hedge funds ³	29	6%
Cash	27	6%
Policy loans	2	0%
Total Insurance Invested Assets⁴	460	100%

- Other fixed income includes Asset Backed Securities (Euro 18 billion), Residential Loans (Euro 14 billion), Commercial & Agricultural Loans (Euro 11 billion) and Agency Pools (Euro 4 billion)
- Includes Infrastructure Equities (Euro 8 billion)
- Includes Private Equity (Euro 18 billion), Hedge Funds (Euro 4 billion) and Non-listed Equities (Euro 6 billion)
- Please refer to the financial supplement for more details.

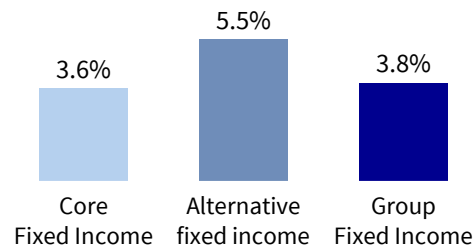
Investment portfolio | Fixed Income reinvestment

1H23 Fixed Income reinvestment



- Government bonds & related (46%) - Average rating: AA
- Investment grade (45%) - Average rating: A
- ABS (5%)
- BIG credit (4%)

1H23 Fixed Income reinvestment yield



- ▶ **Euro 18 billion fixed income invested at 3.8%**
 - Maintaining quality: AA- average rating
 - Average duration of 9 years
 - Includes Euro 2.1 billion of Alternatives invested at 5.5% (mainly Real Estate debt, CLOs and Private HY)
- ▶ **Further Euro 1 billion in non-Fixed Income¹**
 - Mainly Infrastructure and Private Equity

Table of contents

1. Debt and Invested Assets p.29

2. Additional IFRS17 disclosures p.33

P&C | Margin Analysis

Technical Result

In Euro million (pre-tax)

	1H23	Change
Undiscounted Technical Margin	1,219	+702
Gross Earned Premiums	25,254	+3%
All Year Undiscounted Combined Ratio	95.2%	-2.7pts
<i>o/w Nat Cats</i>	3.0%	-1.0pt
<i>o/w PYD</i>	-0.6%	-1.6pts

	1H23	Change
Current Accident Year Discounting	1,068	+641
Discounting Ratio (in Combined Ratio points)	-4.2%	-2.5pts
Current Year Net Claims reserves	€9.0bn	
Duration	3.7 years	
Current Accident Year Discount rate	3.0%	

More details on page 34

Financial Result

In Euro million (pre-tax)

	1H23	Change
Investment Income	1,532	-
1H23 Average Assets	€107bn	
Asset book yield	3.0%	
1H23 Reinvestment yield	4.1%	

	1H23	Change
Insurance Finance Expenses	-339	-95
FY22 Reserves at locked-in rate	€74bn	
Liability book yield	0.9%	

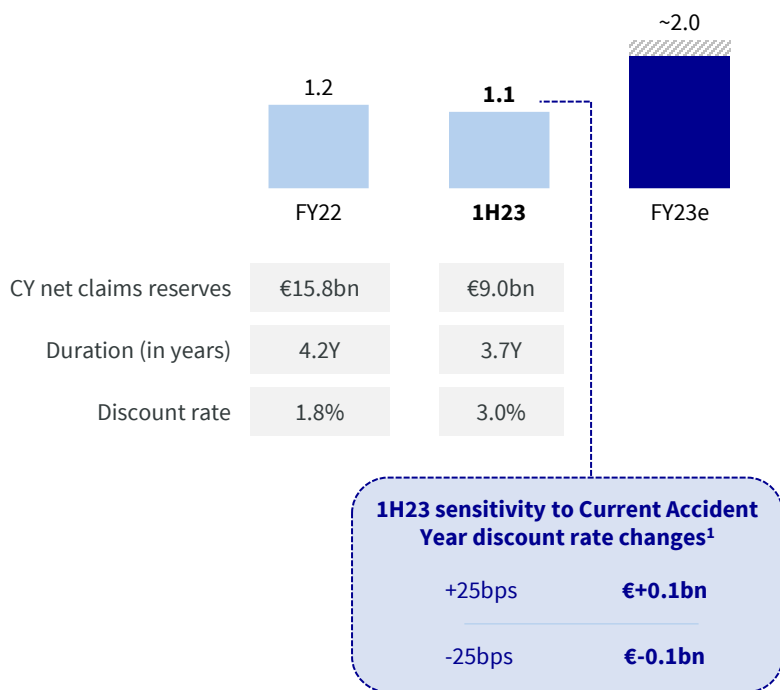
More details on page 35

	1H23	Change
Underlying Earnings before tax	3,480	+1,248
Tax	-761	-307
Affiliates, Minority interests & Other	-2	+25
Underlying Earnings	2,717	+968
<i>Growth vs. 1H22 (at constant FX)</i>		+54%

P&C | Current Accident Year Discounting

Current Accident Year Discounting Impact

In Euro billion, pre-tax



- ▶ Only **unpaid net claims reserves** at the end of the period are **discounted**
- ▶ At half year, discount rate is based on **market rate curves** of the **last 2 quarters** (last 4 quarters at full year), by **currency**, and including an **illiquidity premium**
- ▶ **Slight seasonality** in **discounting**, as:
 - There is usually a lower proportion of claims paid at half year
 - Reserves at half year have a shorter duration given our business mix
 - The combination of both factors results in a slight seasonality in the impact of discounting on the current accident year loss ratio, of ca. - 0.1pt at half year.

Illustrative FY23e Current Accident Year discount impact based on FY22 net claims reserves, assuming current market conditions prevail. This information is presented only for illustrative purposes in the context of our implementation of IFRS 17/9 and is subject to this presentation's disclaimer on forward-looking statements

P&C | Insurance Finance Expenses

Insurance Finance Expenses

In Euro billion, pre-tax

Accident Year	Accident Year discount impact	Unwind		
		2022	2023e	2024e
2017 & prior	n.a.	-0.0	-0.0	-0.0
2018	0.4	-0.1	-0.0	-0.0
2019	0.4	-0.1	-0.1	-0.0
2020	0.5	-0.1	-0.1	-0.1
2021	0.6	-0.2	-0.2	-0.2
2022	1.2		-0.3	-0.3
2023e	~2.0			-0.5

Illustrative unwind of discount **-0.5** **~-0.7** **~-1.1**

Sensitivity of 2024e unwind to changes in 2023 current AY Discount

+25bps **~€-50m**

-25bps **~€+50m**

- ▶ The **stock of discount** of past accident year claims reserves **unwinds** over the **duration** of claims **reserves** (4 years' average up to 2023)
- ▶ **Limited sensitivity of unwind of the discount of prior year reserves** to changes in interest rates, as mitigated by the pattern of gradual run- off of claims reserves

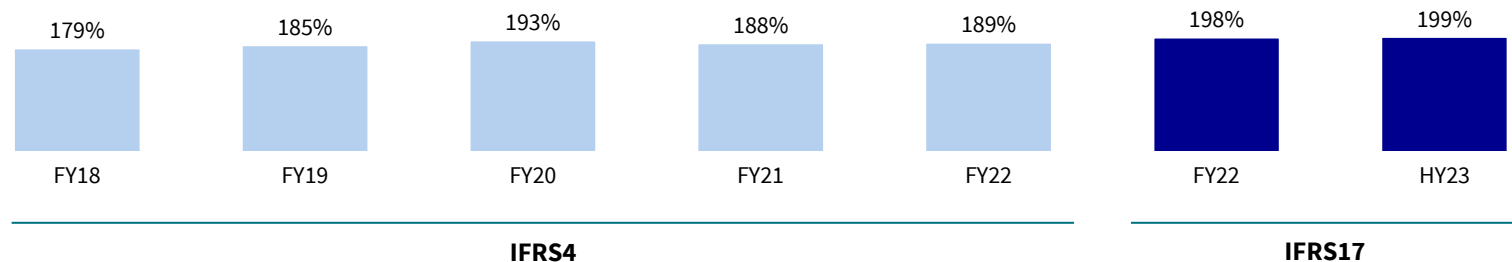
Illustrative FY24e unwind of discount charge based on estimates of FY23e current accident year reserves discounting, and assuming current market conditions prevail. This information is presented only for illustrative purposes in the context of our implementation of IFRS 17/9 and is subject to this presentation's disclaimer on forward-looking statements



P&C | Focus on Reserves

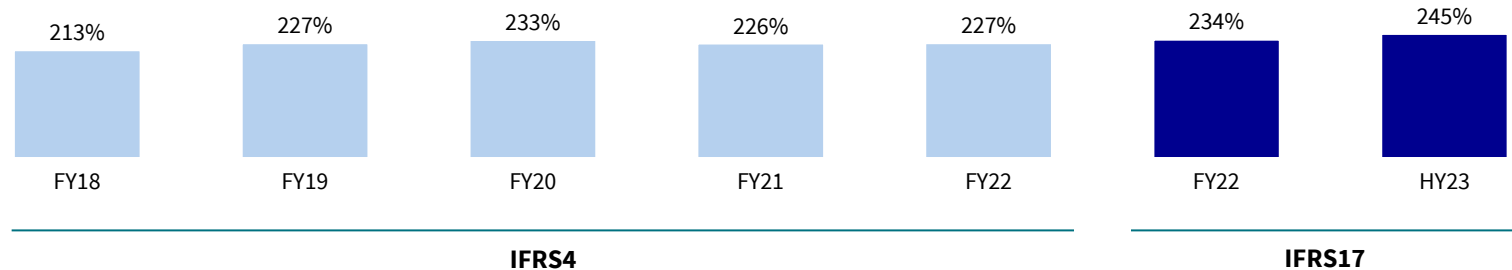
Claims reserves ratio

(Net claims reserves/Net earned premiums)



Technical reserves ratio

(Net technical reserves¹/Net earned premiums)



L&H | Margin Analysis

Technical Results

In Euro million, pre-tax

	1H23	Change
Short-term Technical Margin	80	-161
Gross Earned Premiums	7,142	-505
All Year Combined Ratio	98.9%	+2pts

	1H23	Change
Long-term Technical Margin	1,433	+44
CSM release	1,474	+19
Technical experience	-41	+25

Financial Results

In Euro million, pre-tax

	1H23	Change
Investment Income (non-VFA only)	1,222	-159
1H23 Average Assets	€105bn	
Asset book yield	2.5%	
1H23 Reinvestment yield	3.5%	

	1H23	Change
Insurance Finance Expenses	-791	-35
1H23 Reserves	€61bn	
Liability book yield	2.5%	

	1H23	Change
Underlying Earnings before tax	1,944	-311
Tax	-381	+57
Affiliates, Minority interests & Other	81	+1
Underlying Earnings	1,643	-254
<i>Growth vs. 1H22 (at constant FX)</i>		<i>-13%</i>

Scope

- **France:** includes insurance activities, banking activities and holdings.
- **Europe:** includes Switzerland (insurance activities), Germany (insurance activities and holding), Belgium (insurance activities and holding), Luxemburg (insurance activities and holding), United Kingdom and Ireland (insurance activities and holding), Spain (insurance activities), Italy (insurance activities) and AXA Life Europe (insurance activities).
- **AXA XL:** includes insurance and reinsurance activities and holdings.
- **Asia, Africa & EME-LATAM:** includes (i) insurance activities and holding in Japan, insurance activities in Hong Kong, Thailand P&C, Indonesia L&S (excluding the bancassurance entity), China P&C and Malaysia P&C (insurance activities until June 2022 as disposed on August 30 2022), South Korea, and Asia Holding which are fully consolidated, and China L&S, Thailand L&S, the Philippines L&S and P&C, Indonesian L&S and India (L&S insurance activities and holding) bancassurance businesses which are consolidated under the equity method and contribute only to NBV, PVEP, the underlying earnings and net income, (ii) Morocco (insurance activities and holding) and Nigeria (insurance activities and holding) which are fully consolidated, (iii) Mexico (insurance activities), Colombia (insurance activities), Turkey (insurance activities and holding) and Brazil (insurance activities and holding) which are fully consolidated, as well as Russia (Reso) (insurance activities) which is consolidated under the equity method and contribute only to the underlying earnings and net income, (iv) AXA Mediterranean Holding.
- **Transversal & Central Holdings:** AXA Assistance, AXA Liabilities Managers, AXA S.A. and other Central Holdings.
- **AXA Investment Managers:** includes AXA Investment Managers and Architas

Unless otherwise specified, all comparative figures for prior periods in this press release are 1H22 or FY22 figures (as applicable) restated under the IFRS17/9 accounting standards that became effective on January 1, 2023.

Glossary (1/2)

- **Asset Management net flows:** represent inflows of client money less outflows of client money. Net inflows are used by the Management to measure the impact of sales efforts, product attractiveness (mainly dependent on performance and innovation), and the general market trend in investment allocation.
- **Asset Management cost income ratio:** ratio of general expenses excluding distribution-related expenses to gross revenues excluding distribution fees received.
- **Assets under management (AUM):** the assets the management of which has been delegated by their owner to an asset management company such as AXA Investment Managers. AUM only include funds and mandates which generate fees and exclude double counting.
- **Average assets under management (Average AUM):** an annual measure of the assets during the period, taking into account net flows, market effect and foreign exchange to compute the year-to-date average. It also excludes assets held in joint venture companies which are consolidated under the equity method.
- **Building Block Approach (BBA):** also referred to as ‘General Measurement Model’, compulsory measurement model for long-term non-participating business.
- **Capital-light G/A products:** encompass all products with no guarantees, with guarantees at maturity only or with guarantees equal to or lower than 0%.
- **Contractual Service Margin (CSM):** a component of the carrying amount of asset or liability for a group of insurance contracts representing the unearned profit to be recognized as services are provided to policyholders.
- **CSM release:** a portion of CSM stock net of reinsurance at the end of the defined period flowing through profit and loss representing the estimated profit earned by the insurer for providing insurance services during the reporting period.
- **CSM release ratio:** ratio of (i) CSM release to (ii) sum of opening CSM stock and all the movements of the rollforward (excluding CSM release).
- **Economic variance:** the experience variance observed over the current year compared to the management case scenario on expected financial conditions for the current year at the end of the previous year.
- **Eligible Own Funds (“EOF”):** represents the surplus derived from a Solvency II balance sheet. EOF is defined as the excess of market value of assets over best estimate liabilities and risk margin as per Solvency II regulation
- **Financial result:** consists of investment income on assets backing BBA and PAA contracts as well as assets backing shareholder’s equity, net of the insurance finance expenses (IFE) defined as the unwind of the present value of future cash flow and risk adjustment.
- **FY 2020 rebased:** FY20 underlying earnings rebased includes actual underlying earnings restating for “Covid-19 claims” and natural catastrophes in excess of normalized. AXA Group normalized level of Natural Catastrophe charges expected for 2020 at ca. 3% of Gross Earned Premiums. Natural Catastrophe charges include natural catastrophe losses regardless of event size. “Covid-19 claims” includes P&C, Life and Health net claims related to Covid-19, as well as the impacts from solidarity measures and from lower volumes net of expenses, linked to Covid-19. “Covid-19 claims” 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.
- **G/A:** General Account.
- **Gross Written Premiums and Other Revenues (GWP & Other Revenues):** represent the insurance premium collected during the period (including risk premiums, premiums from pure investment contracts with no discretionary participating features, fees and revenues, net of commissions paid on assumed reinsurance business). Other Revenues represent premiums and fees collected on activities other than insurance (i.e., services, asset management and banking activities).

Glossary (2/2)

- **New Business Value (NBV):** the value of newly issued contracts during the current year. It consists of the sum of (i) the new business contractual service margin, (ii) the present value of the future profits of short-term newly issued contracts during the period, carried by Life entities, considering expected renewals, (iii) the present value of the future profits of pure investment contracts accounted for under IFRS 9, net of (iv) the cost of reinsurance, (v) taxes and (vi) minority interests.
- **New Business Contractual Service Margin (NB CSM):** a component of the carrying amount of the asset or liability for newly issued insurance contracts during the period, representing the unearned profit the entity will recognize as it provides insurance contract services.
- **New Business Value margin (NBV margin):** ratio of (i) New Business Value representing the value of newly issued contracts during the current year to (ii) Present Value of Expected Premiums.
- **Operating variance (net of reinsurance):** the variation of the year-end CSM vs the expected at opening due to (i) the differences between realized and expected operational assumptions, (ii) changes in assumptions such as mortality, longevity, lapses and expenses, and (iii) impact of model changes.
- **P&C Insurance:** total P&C excluding AXA XL Reinsurance.
- **Premium Allocation Approach (PAA):** optional measurement model for short-term business.
- **Price effect:** a percentage of total gross written premiums in the prior year.
- **Price increases on renewals:** a percentage of renewed premiums.
- **Present value of expected premiums (PVEP):** represents the new business volume, equal to the present value at time of issue of the total premiums expected to be received over the policy term. PVEP is net of reinsurance and presented Group share.
- **Solvency II ratio** is estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. It includes a theoretical amount for dividends accrued for the first six months of 2023, based on the full-year dividend of Euro 1.70 per share paid in 2023 for FY22. Dividends are proposed by the Board, at its discretion, based on a variety of factors described in AXA's 2022 Universal Registration Document, and are then submitted to AXA's shareholders for approval. This estimate should not be considered in any way to be an indication of the actual dividend amount, if any, for the 2023 financial year. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (www.axa.com).
- **Solvency II sensitivities** are subject to important qualifications and assumptions. Please refer to Section C – Risk profile – Preliminary information - Sensitivity analyses of the AXA Group Solvency II ratio of AXA's Solvency and Financial Condition Report (SFCR) for the reporting period ended December 31, 2022 available on the AXA Group website (www.axa.com).
- **Technical experience:** consists of the impacts of (i) the difference between the expected and incurred cash-flows of the defined period, (ii) the risk adjustment release, (iii) the changes in onerous contracts and (iv) the other long-term elements which are mainly composed of non-attributable expenses.
- **Underlying earnings per share (UEPS) growth vs 1H22 restated under IFRS17/9:** underlying earnings 2022 P&C underlying earnings restated under IFRS17/9 reflects notably the non-recognition of the release of excess reserves, which contributed to 2022 underlying earnings under IFRS4. The IFRS17/9 balance sheet is on a best estimate basis and does not recognize excess reserves. The change to IFRS17/9 standards did not impact the count of outstanding shares used in the calculation of UEPS.
- **Underlying return on inforce:** reflects the release of Time Value of Options & Guarantees (TVOG) plus the unwind of CSM at the reference rate plus the underlying financial over-performance.



Thank you

Half Year 2023 Earnings

August 3, 2023