



Half Year 2024

Earnings Presentation

August 2, 2024

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, and other information that is not historical information. Forward-looking statements are generally identified by words and expressions such as “expects”, “anticipates”, “may”, “plan” or any variations or similar terminology of these words and expressions, or conditional verbs such as, without limitations, “would” and “could”. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties, many of which are outside AXA’s control, and can be affected by other factors that could cause AXA’s actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. Readers are therefore cautioned that a variety of factors could influence and cause actual results to differ from those anticipated or implied in any forward-looking statements, in some instances materially. Each forward-looking statement speaks only at the date of this presentation. Please refer to Part 5 - “Risk Factors and Risk Management” of AXA’s Universal Registration Document for the year ended December 31, 2023 (the “2023 Universal Registration Document”) for a description of certain important factors, risks and uncertainties that may affect AXA’s business and/or results of operations. AXA specifically disclaims and 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. This presentation is not intended to and does not contain or constitute an offer to purchase or sell AXA’s securities.

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”, “combined ratio” and “debt gearing” are APMs as defined in ESMA’s guidelines and the AMF’s related position statement issued in 2015. AXA provides a reconciliation of such APMs to the most closely related line item, subtotal, or total in the financial statements of the corresponding period (and/or their calculation methodology, as applicable) in its Half Year Financial Report as of June 30, 2024, on the pages indicated under the heading “IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS AND THE USE OF NON-GAAP AND ALTERNATIVE PERFORMANCE MEASURES”. For further information on the above-mentioned and other non-GAAP financial measures used in this presentation, see the Glossary set forth in AXA’s 2023 Universal Registration Document.

AXA’s Half Year Financial Report as of June 30, 2024 is available on the AXA Group website (www.axa.com).

AXA’s half-yearly financial statements for the six months ended June 30, 2024, were examined by the Board of Directors on August 1, 2024, and were subject to a limited review by AXA’s statutory auditors, whose report was issued on August 1, 2024.



Table of contents

- | | | |
|----|---|------|
| 1. | 1H24 Highlights
Thomas Buberl, Group CEO | p.4 |
| 2. | 1H24 Business Performance
Frédéric de Courtois, Group Deputy CEO | p.8 |
| 3. | 1H24 Financial Performance
Alban de Mailly Nesle, Group CFO | p.12 |



1

1H24 Highlights

Thomas Buberl, Group CEO

Half Year 2024 | Solid start to the *Unlock the Future* strategic plan, confident on execution

+7%

Revenue
vs. 1H23

+4%

Group UEPS
vs. 1H23

16.6%

ROE
1H24

227%

Solvency II ratio
stable vs. FY23

Confident to achieve FY24 UEPS growth

in line with Plan target range of 6%-8% CAGR 2023-2026E¹

- ▶ **Strategic decision to sell² AXA Investment Managers, entering into a long-term partnership with BNP Paribas**
- ▶ **Share buyback to offset related earnings dilution³**
- ▶ **Acquisition of Nobis⁴ to expand P&C operations in Italy**

1. Based on normalized natural catastrophe charges of 4.5 points of combined ratio in 2024 and assuming current operating and market conditions persist.

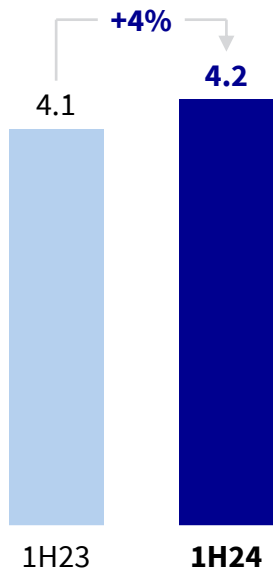
2. The completion of the proposed transaction is subject to customary closing conditions, including the information and consultation of employees' representative bodies, followed by the signing of the Share Purchase Agreement and the receipt of regulatory approvals, and is expected to be finalized by the second quarter of 2025.

3. To be launched after the expected closing of the proposed transaction. 4. Completion of the proposed transaction is subject to customary closing conditions, including the receipt of regulatory approvals.

Predictable business model delivering consistent earnings growth, even in an uncertain environment

In Euro billion

Underlying earnings



Consistent performance in operating businesses

Investments in technology and growth initiatives at Group holding

Further earnings momentum in 2H24

+7% earnings growth¹ across P&C, Life & Health and Asset Management

In line with Plan, to remain at current run rate in 2025 & 2026

Additional margin improvement² expected from pricing and underwriting actions in P&C Personal lines and Health and sustained margins in P&C Commercial lines

Change at constant FX.

1. Underlying earnings growth for operating businesses excludes Holdings.

2. Based on normalized natural catastrophe charges of 4.5 points of combined ratio in 2024 and assuming current operating and market conditions persist.

Strategic decision to sell AXA IM and entering into a long-term investment management partnership with BNP Paribas



Strategic decision to exit Asset Management

- ✓ Group strategy to **simplify its business model** and **focus on core insurance business**
- ✓ **Need for scale** in a rapidly consolidating and highly competitive industry
- ✓ **Limited weight in Group underlying earnings** with 5% contribution in 1H24

Attractive valuation

€5.4 billion

Total cash consideration¹
(15x FY23 earnings multiple)

Strategic partnership

Long-term investment management agreement

Financial discipline

Share buyback²

to neutralize earnings dilution, currently estimated at €3.8bn

✓ **Continued access to high performing strategies**

✓ **Retaining full authority over investment decisions and product design**

✓ **‘Unlock the Future’ key financial targets³ affirmed**

1. Consideration for 100% share capital of AXA IM, of which 98% is owned by the AXA Group (67% by AXA SA and 31% by other AXA entities), subject to price adjustment mechanism. The completion of the transaction is subject to customary closing conditions, including the information and consultation of employees' representative bodies, followed by the signing of the Share Purchase Agreement and the receipt of regulatory approvals, and is expected to be finalized by the second quarter of 2025. 2. To be launched after the closing of the sale of AXA Investment Managers to BNP Paribas. 3. Please refer to the Strategic plan 2024-2026 press release dated February 22nd, 2024.





2

1H24 Business Performance

Frédéric de Courtois
Group Deputy CEO

Delivering organic growth, across a well diversified Group

1H24 revenues vs. 1H23

By line of business

+7%

Group revenues

+7%

P&C

+7%

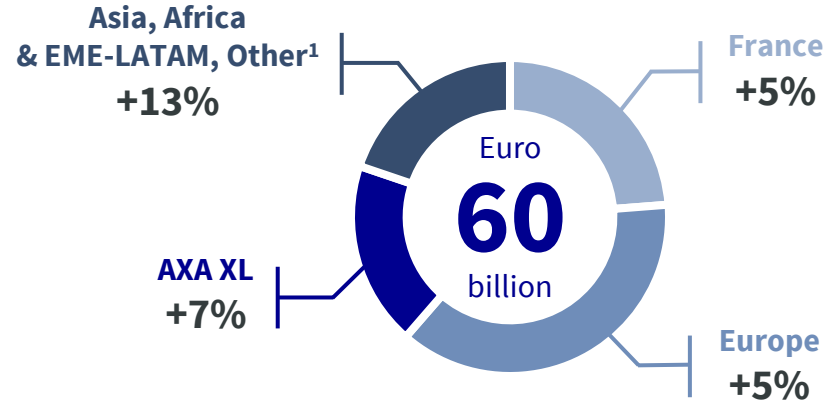
Life

+7%

Health

o/w +9% Employee Benefits

By geography



Good progress on technical margins since launch of the plan

	1H24 vs. FY23	Plan assumptions by 2026 ¹	
Sustaining margins in P&C Commercial lines	-0.6 pt P&C CL Undiscounted CY LR (ex-nat cat)	Small improvement	<ul style="list-style-type: none">▶ Continued supportive backdrop for SME & mid-market▶ AXA XL pricing in line with loss trends, including exposure change
Improving margins in P&C Personal	-1.7 pts P&C PL Undiscounted CY LR (ex-nat cat)	-2.5 pts Expected recovery ²	<ul style="list-style-type: none">▶ Conducive environment in Europe▶ Germany and UK benefiting from strong repricing actions and underwriting measures
Recovery in short-term Life & Health	-1.3 pts All year combined ratio	-3.0 pts	<ul style="list-style-type: none">▶ UK Health recovery from pricing & claims initiatives▶ Favorable pricing across geographies

Change on a reported basis.

1. Please refer to Reasonability Assessment section of the Strategic plan 2024-2026 presentation dated February 22nd, 2024.

2. Expected recovery of -2.5 points deterioration in P&C Personal lines undiscounted current year loss ratio (ex-nat cat) in FY23. Corresponds to improvement shown in the Reasonability Assessment section of the Strategic plan 2024-2026 presentation dated February 22nd, 2024.

Disciplined capital management

- ▶ **Completion of €1.8bn Share buy-back program**
€1.1bn annual share buy-back¹, €0.7bn share buy-back to neutralize earnings dilution
- ▶ **Disciplined use of proceeds from the expected sale of AXA IM** including a share buy-back currently estimated at €3.8bn
- ▶ **Clear M&A framework**, with a focus on acquisitions that will strengthen our insurance business
- ▶ **Solvency II ratio at 227%**
with +16pts normalized capital generation in 1H24

Acquisition of Nobis Group



- ▶ **Predominantly P&C insurance company, improving AXA Italy's position from #5 to #4**
- ▶ **Well-diversified distribution channels, including car dealerships and multi-tied agents**

Total consideration **€0.5 billion²**
11x P/E



3

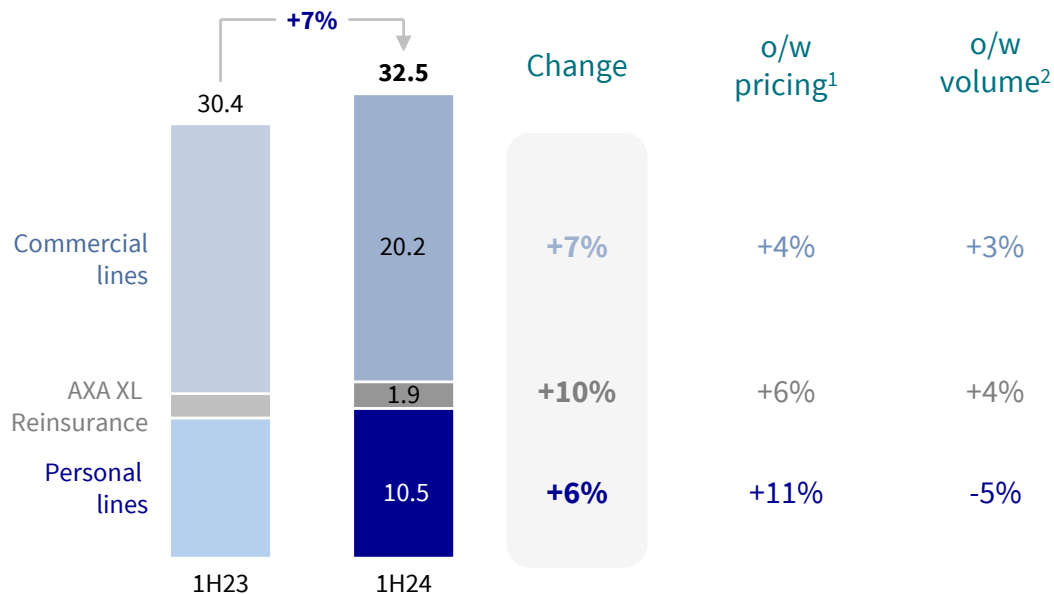
1H24 Financial Performance

Alban de Mailly Nesle
Group CFO

P&C | Delivering organic growth in Commercial lines, maintaining pricing discipline in Personal lines

In Euro billion

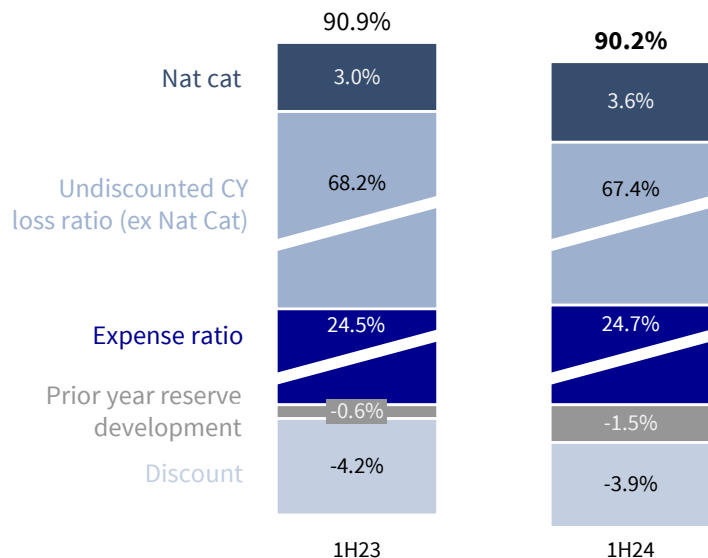
GWP & Other Revenues



- ▶ AXA XL Insurance benefitting from continued favorable pricing and strong new business, and retention in Property and in Casualty lines, notably in North America
- ▶ Ability to pass higher prices in SME and mid-market across France and Europe
- ▶ Continued favorable pricing momentum
- ▶ Strong demand despite hard market conditions
- ▶ Strong pricing and underwriting actions notably in the UK and Germany to restore profitability
- ▶ Favorable pricing and volume trends in France, Italy, and Switzerland

P&C | Attractive combined ratio at 90.2%

Combined ratio

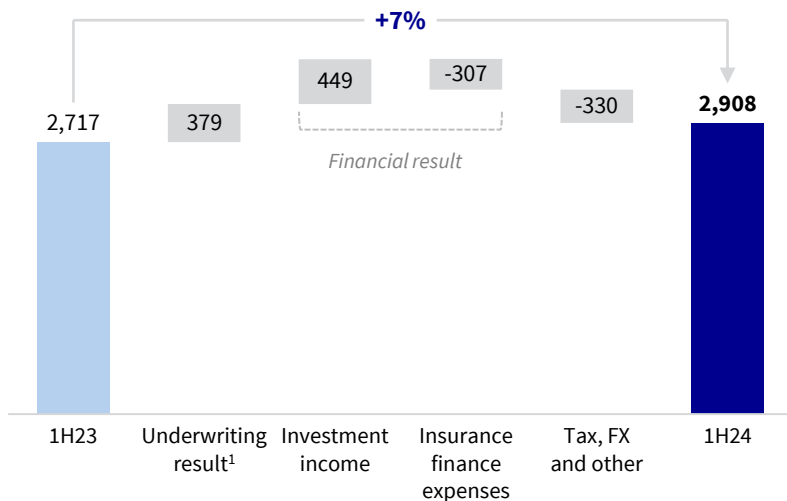


- ▶ **Favorable evolution of undiscounted current year loss ratio excluding Nat Cat**, with large losses in line with expectations
 - Commercial lines: margins improved by -0.9pt vs. 1H23
 - Personal lines: margins slightly better than 1H23 (-0.1pt) and significantly improved vs. FY23 (-1.7pts)
- ▶ **Nat Cat charges below normalized load** even with an active 2Q24
- ▶ **Expense ratio increase** reflecting change in business mix, with non-commission expense ratio slightly down
- ▶ **Favorable prior year reserve development** reflecting our prudent approach to reserving

P&C | Earnings growth from higher underwriting result and investment income

In Euro million

Underlying Earnings

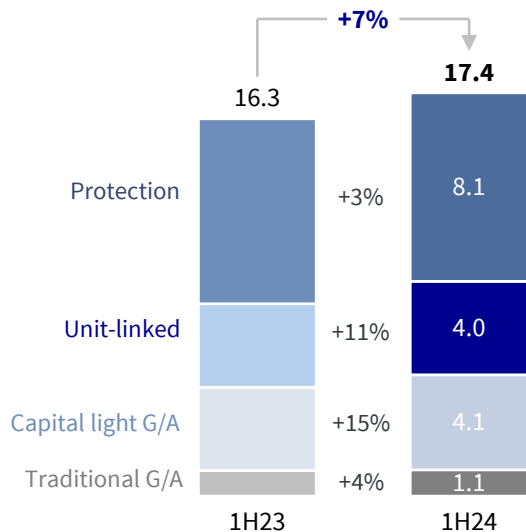


- ▶ **Better underwriting result** from strong revenue growth and improved all-year combined ratio
- ▶ **Increase in investment income** reflecting higher reinvestment yields
- ▶ **Higher unwind of discount** of claims reserves, in line with expectations
- ▶ **Higher tax** mainly due to higher pre-tax underlying earnings and OECD tax impact

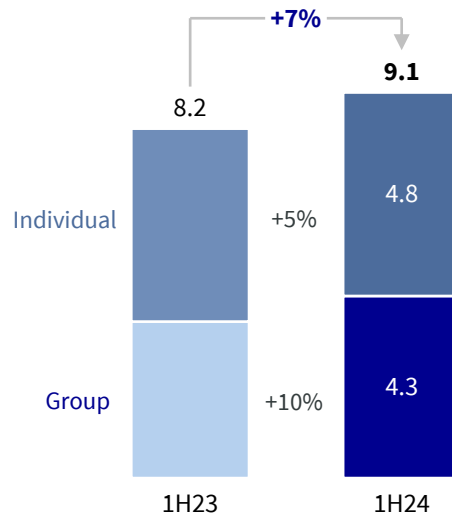
Life & Health | Growth across all segments, positive net flows in Protection & Health

In Euro billion

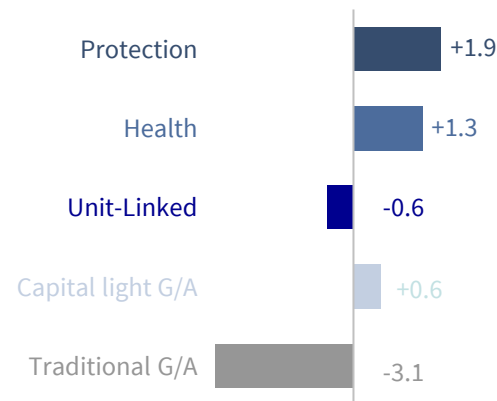
Life GWP & Other Revenues



Health GWP & Other Revenues



Net flows

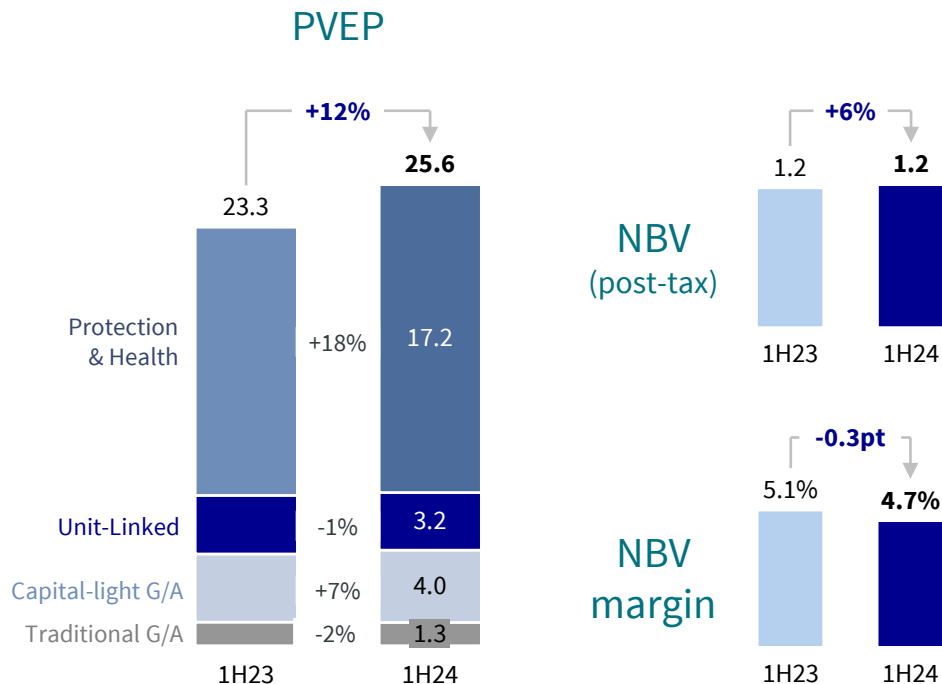


*o/w 1H24 Employee Benefits
Euro 6.7 billion (+9% vs. 1H23)*



Life & Health | Higher new business volumes, NBV margin impacted by change in business mix

In Euro billion

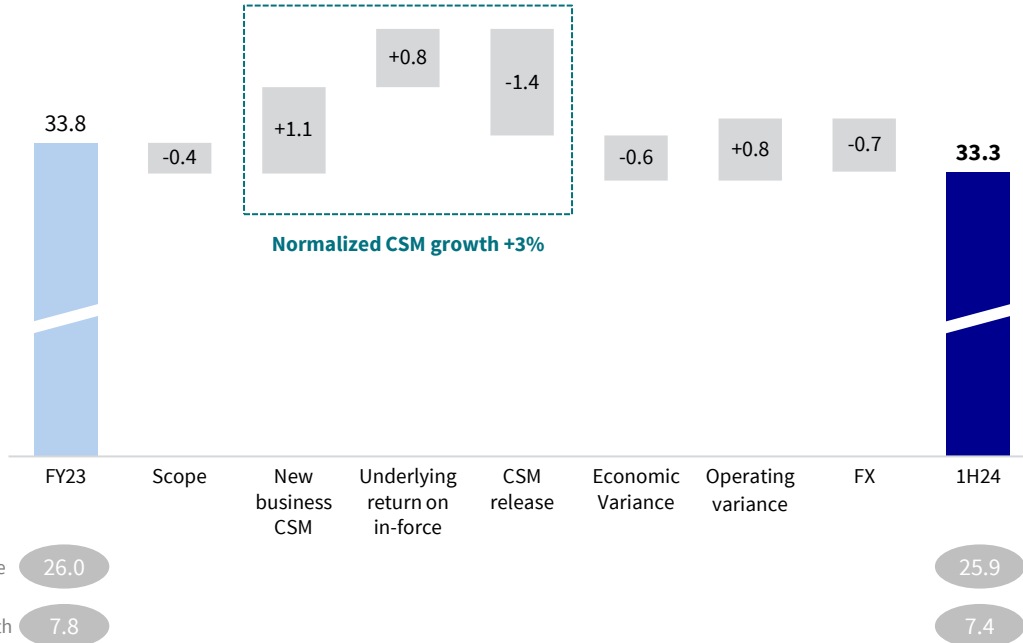


- **Higher PVEP** from higher volumes in Life, particularly in France and Japan, and in Health in France, as well as favorable changes in actuarial assumptions in Group Protection and Health in France
- **Higher NBV** mainly reflecting higher volumes in Protection mainly in France and Japan
- **NBV margin** impacted by a less favorable business mix, driven by Japan

Life & Health | New business driving sustainable normalized CSM growth

In Euro billion

Contractual Service Margin rollforward



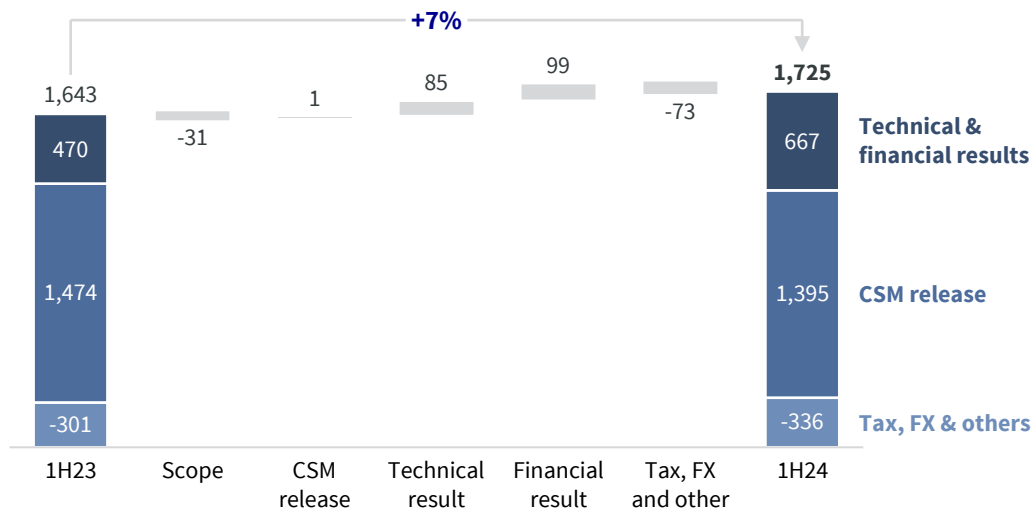
- ▶ **Unfavorable scope impact** from in-force transactions in France and AXA Life Europe (€-0.6bn), partly offset by termination of AXA Germany in-force deal (€+0.2bn)
- ▶ **Normalized CSM growth at +3%** reflecting high quality recurring new business
- ▶ **Unfavorable economic variance** mainly due to government spreads widening notably in France
- ▶ **Positive operating variance** reflecting better profitability
- ▶ **Unfavorable FX** mainly from Japanese Yen weakening



Life & Health | Recovery in UK Health on track, resilient Life earnings despite negative impact from in-force transactions

In Euro million

Underlying Earnings



- ▶ **Negative scope impact** related to Life in-force transactions, partly offset by inclusion of Laya
- ▶ **Stable CSM release** reflecting attractive new business in 1H24 offset by impact from outflows in 2H23. **Growth expected to be >3% in FY24**
- ▶ **Higher technical result** mainly reflecting ongoing margin recovery in UK Health
- ▶ **Financial result** benefiting from higher fund distributions and reinvestment yields
- ▶ **Higher taxes** mainly due to higher pre-tax earnings in the UK

in billions

o/w Life

1.4

1.4

+1% vs. 1H23
or +3% excl. impact of reinsurance treaties¹

o/w Health

0.2

0.3

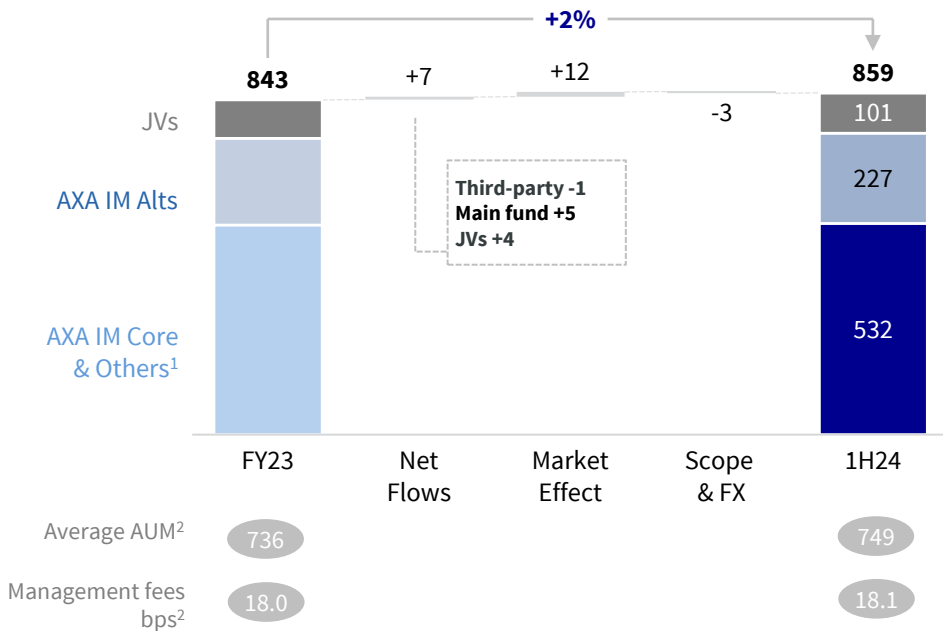
+42% vs. 1H23
or +38% excl. impact of Laya

Asset Management | Higher earnings from increase in management fees

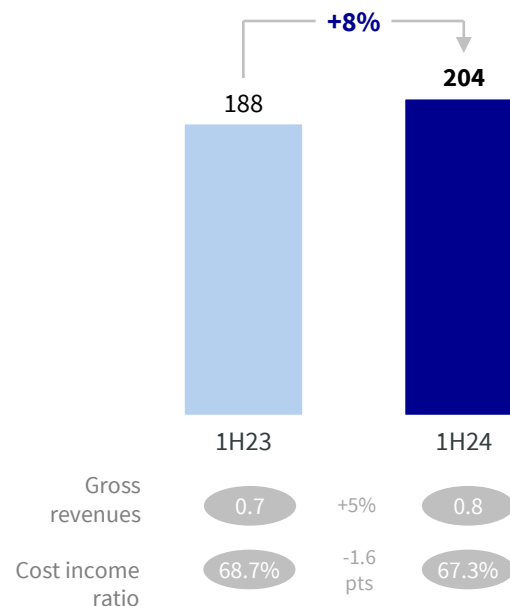
Assets under management and Gross revenues in Euro billion

Underlying earnings in Euro million

Assets under management



Underlying earnings



Change at constant scope and FX for Gross revenues and at constant FX for underlying earnings and cost income ratio.

1. Includes contribution from Select and intercompany eliminations. 2. Includes contribution from Select. Excludes contribution from joint ventures and Capza, which are accounted for under the equity method.

Growth in net income reflecting higher earnings and realized capital gains, UEPS growth at 4%

In Euro billion

	1H23	1H24	Change
Property & Casualty	2.7	2.9	+7%
Life & Health	1.6	1.7	+7%
Asset Management	0.2	0.2	+8%
Holdings & other	-0.4	-0.6	-
Underlying earnings	4.1	4.2	+4%
<i>Financial flows (incl. RCG)</i>	-0.1	0.1	
<i>Non-financial flows</i>	-0.2	-0.3	
Net income	3.8	4.0	+6%

Underlying earnings

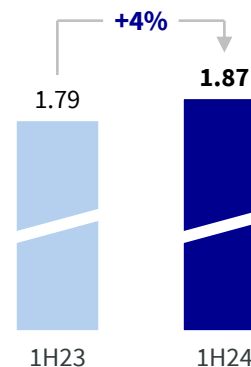
- ▶ **Continued strong performance from our operating businesses**
- ▶ **Higher Holding cost** from investments in technology and growth initiatives, **to remain at current run rate in 2025 & 2026**

Net Income

- ▶ **Positive net realized capital gains** at €0.1bn
- ▶ **Exceptional items impacted by** impairments linked to Reso Garantia

Underlying earnings per share

In Euro



+4% from earnings growth

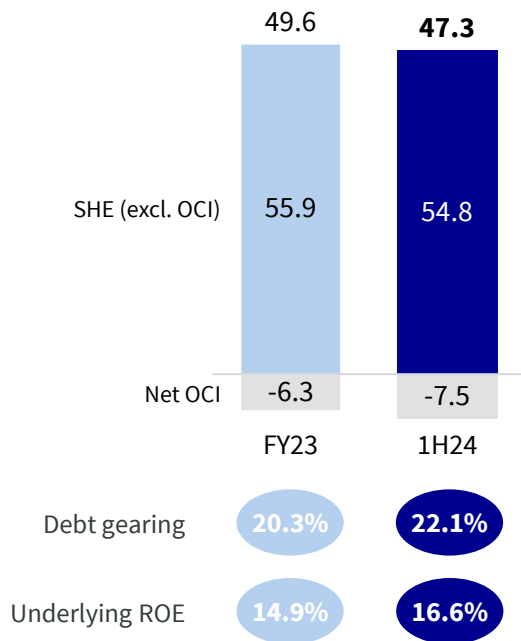
+2% from capital management

-1% from Forex & higher undated debt expenses

Shareholders' Equity reflecting payment of dividends and execution of share buy backs in 1H24

In Euro billion

Shareholders' equity¹

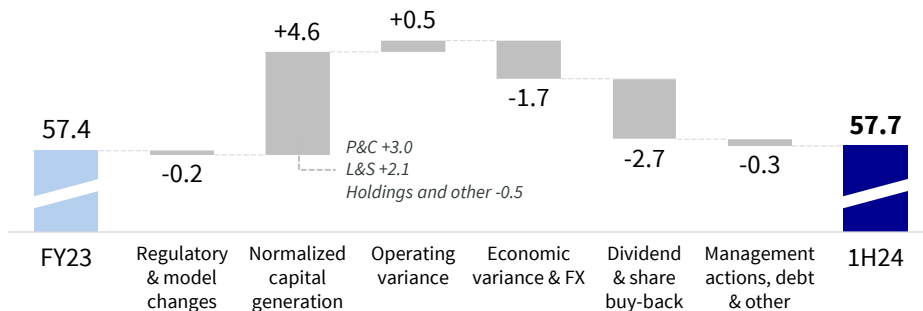


FY23 Shareholders' equity	49.6
Change in Net OCI	-1.1
Net income for the period	4.0
Dividend (paid in 1H24)	-4.4
Share buy-back	-1.8
Undated and deeply subordinated debt repayment	0.3
Forex and other	0.7
1H24 Shareholders' equity	47.3

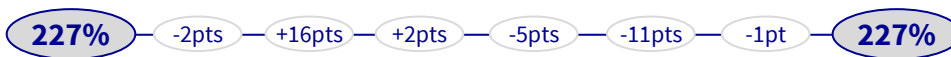
Solvency II at 227%, supported by strong capital generation

In Euro billion

Eligible Own Funds (EOF)



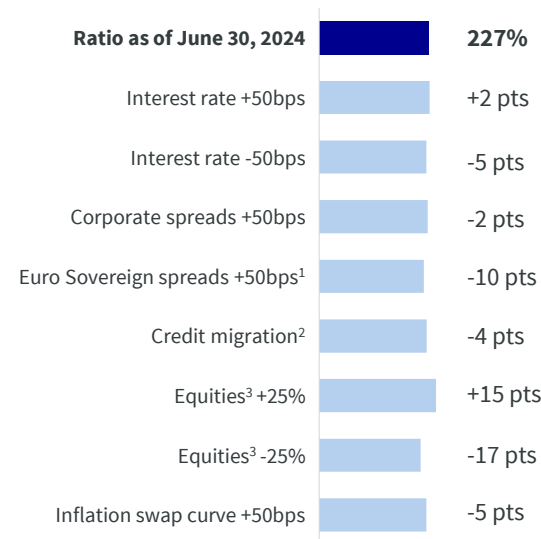
Solvency II ratio



Solvency Capital Requirement (SCR)



Key sensitivities





Conclusion

Thomas Buberl
Group CEO

Confident outlook for 2024, focus on execution



Simple and diversified business delivering predictable results



Strong organic growth across all lines of business



Progress on margin improvement, sustained investment for long-term growth



Quality balance sheet and rigorous capital management



Q&A Session



Thank you

Half Year 2024 Earnings
August 2, 2024



Appendices

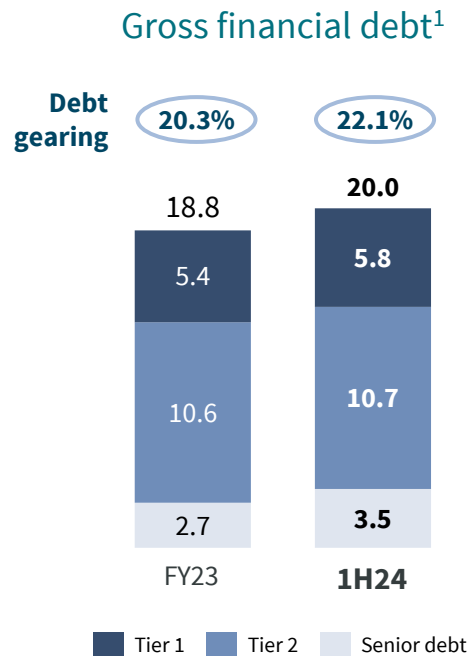
Table of contents

1. Debt and Invested Assets p.29
2. Additional IFRS17 disclosures p.33
3. Sustainability p.37

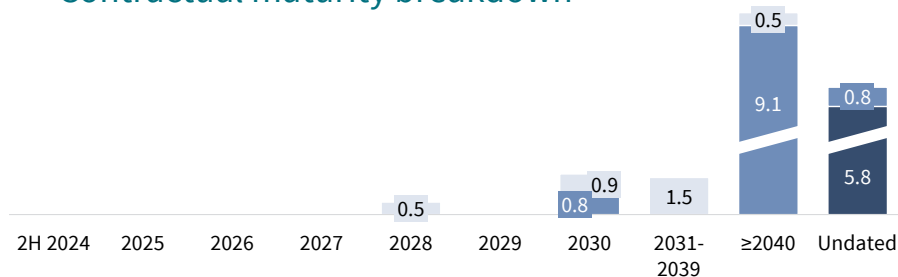


Gross financial debt and maturity breakdown as at June 30th, 2024

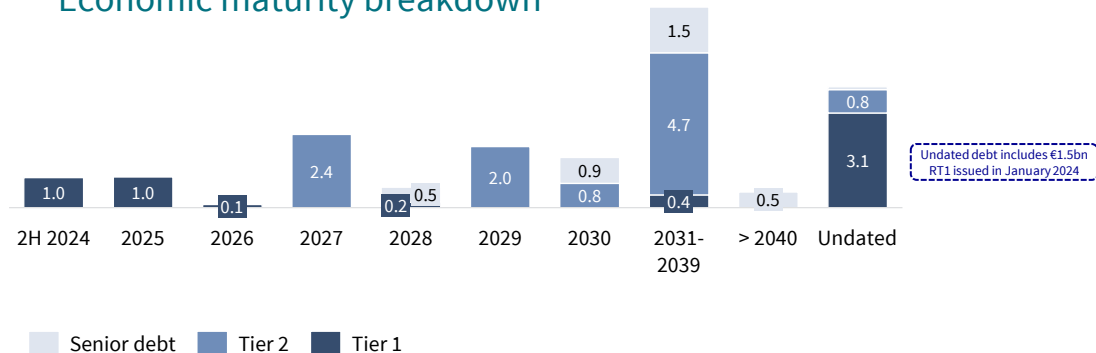
In Euro billion



Contractual maturity breakdown



Economic maturity breakdown²

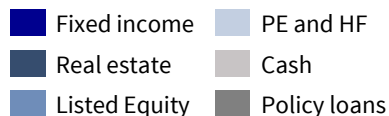


30 1. Nominal debt. 2. Economic maturity is taking into account the first date of step up calls on institutionally placed subordinated debt. For Solvency 2 RT1 debt, that has no step-up, the undated nature of the instrument is retained for the purpose of this diagram. This should not be construed, nor relied upon, as an indication that the instrument will not be called for redemption when callable. Such decision will depend on several factors, including our capital and liquidity position and the refinancing economics at the prevailing time.



General Account Invested Assets

1H24 Total General Account invested assets Duration gap at 0 year

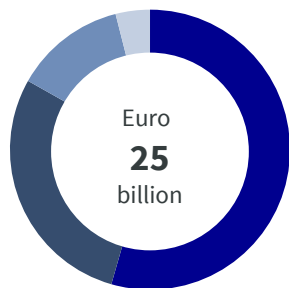


Invested assets (100%) In Euro billion	1H24	%
Fixed income	336	75%
<i>o/w Government bonds and related</i>	167	38%
<i>o/w Corporate bonds</i>	120	27%
<i>o/w Other fixed income¹</i>	49	11%
Real estate ²	50	11%
Listed equities	12	3%
Private equity and hedge funds ³	23	5%
Cash	22	5%
Policy loans	2	0%
Total Insurance Invested Assets⁴	445	100%

1. Other fixed income includes Asset Backed Securities (Euro 19 billion), Residential Loans (Euro 16 billion), Commercial & Agricultural Loans (Euro 8 billion) and Agency Pools (Euro 5 billion)
2. Includes Infrastructure Equities (Euro 10 billion)
3. Includes Private Equity (Euro 19 billion), Hedge Funds (Euro 4 billion) and Non-listed Equities (Euro 1 billion)
4. Please refer to the financial supplement for more details.

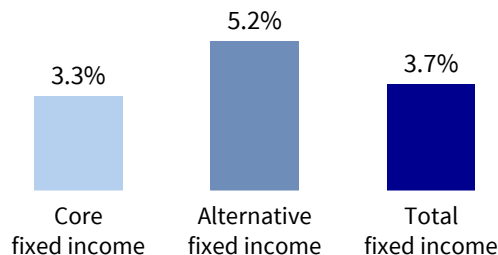
Investment portfolio | Fixed Income reinvestment

1H24 Fixed Income reinvestment



- Government bonds & related (55%) – Average rating: AA
- Investment grade (29%) - Average rating: A
- ABS/CLO/IG fund financing (13%)
- Below investment grade credit (4%)

1H24 Fixed Income reinvestment yield



► Euro 25 billion fixed income invested at 3.7%

- Maintaining quality: A+ average rating
- Average duration of 11 years
- Includes Euro 4.7 billion of Alternatives invested at 5.2% (mainly CLOs, ABS, fund financing and Private HY)

► Further Euro 0.4 billion in non-Fixed Income¹

- Rotation from Real Estate to Infrastructure and Private Equity

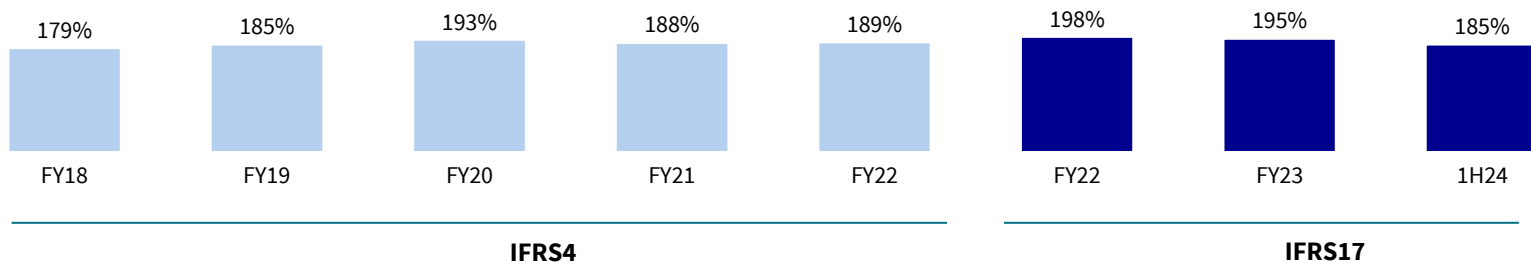
Table of contents

1. Debt and Invested Assets p.29
2. Additional IFRS17 disclosures p.33
3. Sustainability p.37

P&C | Focus on Reserves

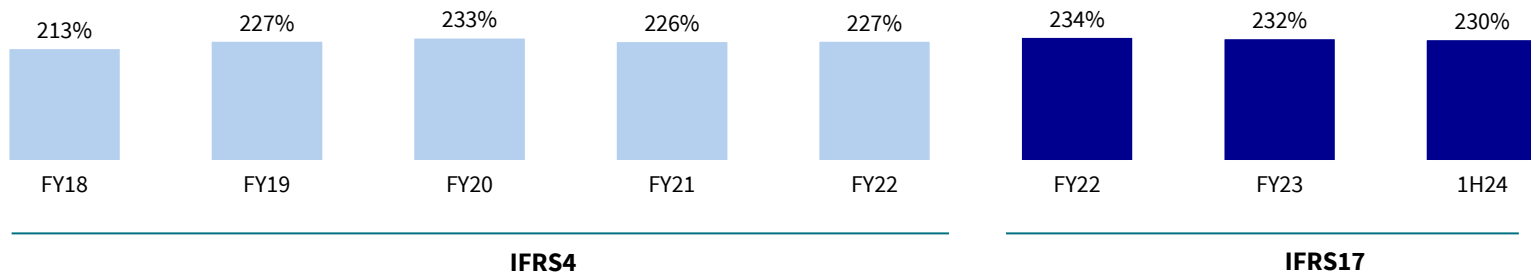
Claims reserves ratio

(Net undiscounted claims reserves/Net earned premiums)



Technical reserves ratio

(Net undiscounted technical reserves¹/Net earned premiums)



P&C | Margin Analysis

Technical Result

In Euro million (pre-tax)

	1H24	Change
CY Undiscounted Technical Margin	1 184	+115
Gross Earned Premiums	27 294	8.1%
Current Year Undiscounted Combined Ratio	95.6%	-0.1pt
<i>o/w Nat Cats</i>	3.6%	+0.5pt
Current Accident Year Discounting	1 068	+20
Discounting Ratio (in Combined Ratio points)	-3.9%	+0.3pt
Current Year Net Claims reserves	€10.3bn	
Duration	3.8 years	
Current Accident Year Discount rate	2.8%	
PYD	430	+243
<i>PYD ratio</i>	-1.5%	-0.9pt

Financial Result

In Euro million (pre-tax)

	1H24	Change
Investment Income	1 967	+449
1H24 Average Assets	€108bn	
Asset book yield	3.5%	
1H24 Reinvestment yield ¹	4.1%	
Insurance Finance Expenses	-643	-307
1H24 Reserves at locked-in rate	€74bn	
Liability book yield	1.7%	

	1H24	Change
Underlying Earnings before tax	4 006	+520
Tax	-1 046	-285
Affiliates, Minority interests & Other	-54	-50
Underlying Earnings	2 908	+185
<i>Growth vs. 1H23 (at constant FX)</i>		+7%

L&H | Margin Analysis

Technical Result

In Euro million, pre-tax

	1H24	Change
Short-term Technical Margin	195	+117
Gross Earned Premiums	7 979	+11%
All Year Combined Ratio	97.6%	-1.4pt

	1H24	Change
Long-term Technical Margin	1 331	-62
CSM release	1 395	-41
Technical experience	-64	-21

includes scope impact²

Financial Result

In Euro million, pre-tax

	1H24	Change
Investment Income (non-VFA only)	1 319	+122
1H24 Average Assets	€93bn	
Asset book yield	3.3%	
1H24 Reinvestment yield ¹	3.5%	
Insurance Finance Expenses (non-VFA only)	-783	-23
1H24 Reserves at locked-in rate	€61bn	
Liability book yield	2.4%	

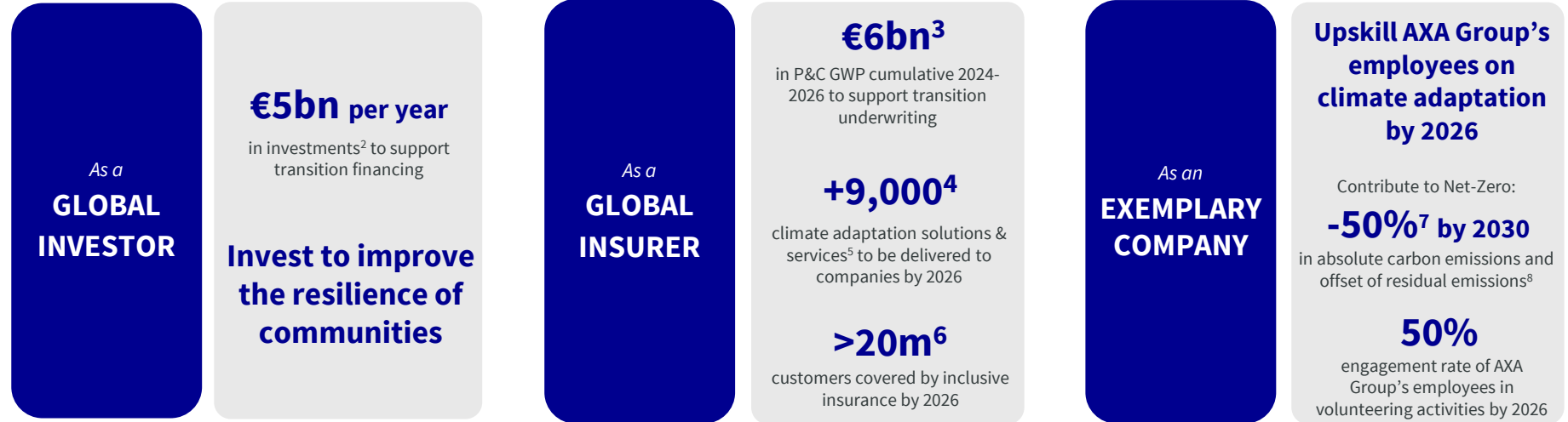
	1H24	Change
Underlying Earnings before tax	2 061	+154
Tax	-412	-42
Affiliates, Minority interests & Other	76	-1
Underlying Earnings	1 725	+111
<i>Growth vs. 1H23 (at constant FX)</i>		<i>+7%</i>

Table of contents

1. Debt and Invested Assets p.29
2. Additional IFRS17 disclosures p.33
3. Sustainability p.37



AXA for Progress Index¹: key indicators to measure our impact



1. AXA's extra-financial statements (déclaration de performance extra-financière) and socially responsible investment (SRI) ratings for the year ended December 31, 2023 were examined by the Board of Directors on February 21, 2024 and are subject to completion of a limited assurance audit report by EY as one of AXA's statutory auditors, appointed as an independent third party on the consolidated non-financial information statement included in the Group Management Report.

2. Scope: corporate and sovereign bonds, real estate and private assets

3. Scope: AXA France, AXA Germany, AXA Switzerland, AXA UK, AXA Belgium, AXA Hong Kong, AXA Mexico, and AXA XL; Unit: Gross Written Premiums (GWP); Timeframe: cumulative 2024-2026.

4. Scope: AXA France, AXA Germany, AXA Switzerland, AXA UK, AXA Belgium, AXA Hong Kong, AXA Mexico, and AXA XL; Timeframe: cumulative 2024-2026. Corporate accounts to be defined by each entity.

5. These include (i) training/education, (ii) risk assessment/awareness, (iii) gap analysis, (iv) prevention/adaptation solution, and/or (v) crisis management/remediation response.

6. Low-income to mass-market segments in emerging markets and low-middle income segments in eight European Markets including France.

7. Variation of AXA Group carbon emissions (scope: energy, car fleet and business travel) between FY2019 and FY2030.

8. Carbon credits from projects that focus on capturing and storing carbon emissions from the atmosphere using nature-based or technical solutions (e.g. restorative agriculture, forest restoration or carbon capture and storage).

AXA is recognized as sustainable leader



Score: 81/100
In DJSI Europe & DJSI World indexes



2023 score: **AAA**



2023 score: **B**



2024 score: **68/100**
with a sector average score of 48



ESG Risk Rating:
14.1 – Low risk¹



FTSE4Good

ESG Score: **4.3/5**
In FTSE4Good Index Series

Scope

- **France:** includes insurance activities, banking activities and holding
- **Europe:** includes Switzerland (insurance activities), Germany (insurance activities and holding), Belgium (insurance activities and holding) and 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 holding
- **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, 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 until March 11, 2024 and holding) 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), Türkiye (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:** includes AXA Assistance, AXA Liabilities Managers, AXA SA and other Central Holdings
- **AXA Investment Managers:** includes AXA Investment Managers, Select (previously referred to as Architas), Capza, and Asian joint ventures accounted for under the equity method

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
- **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%
- **Commercial lines:** excluding AXA XL Reinsurance
- **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
- **Economic variance:** corresponds to the variance of the year-end CSM arising from changes in market conditions, net of the underlying return on in-force
- **Eligible Own Funds (“EOF”):** 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
- **G/A:** General Account
- **Gross Written Premiums and Other Revenues (GWP & Other Revenues):** represent the insurance premiums collected during the period (including risk premiums, premiums from pure investment contracts with no discretionary participating features, fees and revenues, net of commissions paid on assumed reinsurance business). Other Revenues represent premiums and fees collected on activities other than insurance (i.e. banking, services, and asset management activities)
- **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

Glossary (2/2)

- **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 to be recognized as insurance contract services are provided
- **New Business Value margin (NBV margin):** ratio of (i) NBV, representing the value of newly issued contracts during the current year, to (ii) PVEP
- **Operating variance:** the variation of the year-end CSM versus 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. Operating variance is net of reinsurance
- **Present value of expected premiums (PVEP):** the new business volume, equal to the present value at the time of issue of the total premiums expected to be received over the policy term. PVEP is discounted at the reference interest rate and PVEP is Group share.
- **Price effect:** a percentage of total gross written premiums in the prior year
- **Price increases on renewals:** a percentage of renewed premiums
- **Solvency II ratio:** The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200-year shock. It includes a theoretical amount for dividends and share buy-backs accrued for the first six months of 2024, based on the full-year dividend of Euro 1.98 per share and annual share buy-back of Euro 1.1 billion paid in 2024 for FY23. Dividends and share buy-backs are proposed by the Board, at its discretion based on a variety of factors described in AXA's 2023 Universal Registration Document, and 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 and share buy-back amounts, if any, for the 2024 financial year. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's SFCR as of December 31, 2023, 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, 2023 available on the AXA Group website (www.axa.com)
- **Solvency Capital Requirement (SCR):** the denominator of the Solvency II ratio, set at a level to ensure that insurers and reinsurers are able to meet their obligations towards policyholders and beneficiaries over the next 12 months, with a 99.5% probability. It can be calculated either based on the standard formula or an internal model
- **Technical experience:** consists the impacts on the underlying earnings if (i) the difference between the expected and incurred cash-flows of the defined period, (ii) the risk adjustment release, (iii) the changes in onerous contracts, and (iv) the other long-term elements which are mainly composed of non-attributable expenses
- **Underlying return on in-force:** represents the release of Time Value of Options & Guarantees (TVOG) plus the unwind of CSM at the reference rate plus the underlying financial over-performance

AXA Investor Relations | Keep in touch



Meet our management



September	Europe Roadshows	Europe
September	US Roadshows	US
September 10	Kepler Cheuvreux Conference	Paris
September 25-26	Bank of America Financials Conference	London
October 31	9M24 Activity Indicators and AXA Roundtable	London



Contact us

Investor Relations

+33 1 40 75 48 42

investor.relations@axa.com



Follow us www.axa.com

