ANNUAL FINANCIAL REPORT

Universal Registration Document 2023

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SNFP refers to the Statement of Non-Financial Performance (*Déclaration de performance extra-financière*).

UNIVERSAL REGISTRATION DOCUMENT

ANNUAL REPORT 2023

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

This Universal Registration Document has been filed on March 18, 2024, with the *Autorité des marchés financiers* (the "AMF") as the competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

This Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and all amendments to the Universal Registration Document. The combined document is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English of the Universal Registration Document of the Company issued in French in the xHTML format, which includes the Annual Financial Report for the financial year ended December 31, 2023 and is available on the AMF's website (www.amf-france.org) and on the Company's website (www.axa.com).

This Universal Registration Document (which we also refer to as our "Annual Report") includes **(i)** all the components of the Annual Financial Report (*Rapport Financier Annuel*) referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) as well as in Article 222-3 of the AMF General Regulation (*Règlement Général de l'AMF*) (please refer to the cross-reference table on page 569 of this Universal Registration Document which indicates the relevant sections of this Universal Registration Document corresponding to the items referred to in Article 222-3 of the AMF General Regulation), **(ii)** all information required to be included in the management report of the Board of Directors to be presented at AXA's Shareholders' Meeting to be held on April 23, 2024, prepared pursuant to Articles L. 225-100 *et seq.* and L. 22-10-35 *et seq.* of the French Commercial Code (*Code de commerce*) (the relevant sections of this Universal Registration Document corresponding to such required information have been approved by AXA's Board of Directors and are referred to in the cross-reference table on page 563 of this Universal Registration Document); and **(iii)** all the elements required to be included in the corporate governance report established pursuant to Articles L. 225-37 *et seq.* and L. 22-10-8 *et seq.* of the French Commercial Code (*Code de commerce*) (the relevant sections of this Universal Registration Document corresponding to such required disclosures have been approved by AXA's Board of Directors and are referred to in the cross reference table on page 564 of this Universal Registration Document). The cross-reference table on page 565 of this Universal Registration Document indicates the items of Annexes 1 and 2 of Delegated Regulation (EU) 2019/980 to which the information contained herein corresponds.

CERTAIN PRELIMINARY INFORMATION ABOUT THIS ANNUAL REPORT

In this Annual Report, unless provided otherwise, **(i)** the "Company", "AXA" and "AXA SA" refer to AXA, a *société anonyme* (a public limited company) organized under the laws of France, which is the publicly traded parent company of the AXA Group, and **(ii)** the "AXA Group", the "Group" and "we" refer to AXA SA together with its direct and indirect consolidated subsidiaries.

The Company's ordinary shares are referred to in this Annual Report as "shares", "ordinary shares", "AXA shares" or "AXA ordinary shares". The principal trading market for AXA's ordinary shares is the regulated market Euronext in Paris (Compartment A), which we refer to in this Annual Report as "Euronext Paris".

The Group's consolidated financial statements and related notes are prepared in accordance with International Financial Reporting Standards (IFRS) (the "Consolidated Financial Statements") and published in Euro ("Euro", "euro", "EUR" or "€").

AXA has started applying IFRS 17 - Insurance Contracts and IFRS 9 - Financial Instruments effective January 1, 2023, as detailed in Section 6.6 – Note 1.2.1.1 "IFRS 17 - Insurance Contracts and IFRS 9 - Financial Instruments" of this Annual Report. In this Annual Report, unless provided otherwise, "restated" refers to the comparative period that was restated under IFRS 17 and IFRS 9.

Unless otherwise stated, all amounts in this Annual Report are **(i)** expressed in Euro, with applicable foreign exchange rates presented on page 36 of this Annual Report, and **(ii)** presented in millions for convenience. Such amounts may have been rounded. Rounding differences may exist, including for percentages.

Where reference is made to a website in this Universal Registration Document, the contents of such website do not form part of this Universal Registration Document. No information, document or material from the website of the Company (www.axa.com) or any other source shall form part of this Universal Registration Document, unless such information, document or material is expressly incorporated by reference into this Universal Registration Document.

Cautionary statement regarding forward-looking statements and the use of non-gaap financial measures

This Annual Report may include statements with respect to future events, trends, plans, expectations or objectives and other forward-looking statements relating to the Group's future business, financial condition, results of operations, performance, and strategy. Forward-looking statements are not statements of historical fact and may contain the terms "may", "will", "should", "continue", "aims", "estimates", "projects", "believes", "intends", "expects", "plans", "seeks" or "anticipates", or words of similar meaning. Such statements are based on Management's current views and assumptions and, by nature, involve known and unknown risks and uncertainties; therefore, undue reliance should not be placed on them. Actual financial condition, results of operations, performance or events may differ materially from those expressed or implied in such forward-looking statements, due to a number of factors including, without limitation, general economic and political conditions and competitive situations; future financial market performance and conditions, including fluctuations in exchange and interest rates; frequency and severity of insured loss events, and increases in loss expenses; mortality and morbidity levels and trends; persistency levels; changes in laws, regulations and standards; the impact of acquisitions and disposals, including related integration issues, and reorganization measures; and general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of catastrophic events, including weather-related catastrophic events, pandemics, terrorist-related incidents or acts of war. Please refer to Section 5 "Risk Factors and Risk Management" of this Annual 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 to the Consolidated Financial Statements, this Annual Report refers to certain non-GAAP financial measures, or alternative performance measures, used by Management in analyzing the Group's operating trends, financial performance and financial position and providing investors with additional information that Management believes to be useful and relevant regarding the Group'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 Consolidated Financial Statements included in Section 6 "Consolidated Financial Statements" of this Annual Report. The non-GAAP financial measures used by the Group are defined in the Glossary set forth in Appendix IV to this Annual Report.

“AXA is ready to unlock the future”

Chairman and Chief Executive Officer’s Message

Despite the significant increase in overall risks, AXA once again demonstrated its strength, dynamism, and the relevance of its purpose in 2023: to “*Act for human progress by protecting what matters*”.

2023 also marked the end of a strategic cycle for AXA with the closure of our “*Driving Progress 2023*” plan and the completion of an intense transformation. Over the past few years, the Group has undergone a significant refocusing on technical risks, built its global leadership in large corporate risks through the acquisition of XL, and strengthened its positions in high-potential markets. This new, refocused, and simplified AXA is now perfectly positioned to engage in the next phase of accelerating its development by combining technical excellence with proximity to its clients.

This transformation has enabled us to achieve an excellent financial performance throughout the plan. The Group has achieved, or exceeded, its key objectives, with specifically an annual growth in earnings per share of 9% and a return on equity of nearly 15%. This performance is confirmed in the strength of our latest annual results with a 3% increase in activity to €103 billion and a 6% increase in operating profit to €7.6 billion despite a challenging environment.

With a Solvency II ratio of 227% as of December 31, 2023, the Group has once again demonstrated the strength of its balance sheet. This allows us to continue an attractive capital management policy for our shareholders, accelerated this year with the announcement of a new share buyback plan of €1.6 billion.

Building on these good results, we unveiled our new “*Unlock the Future*” plan in early 2024, which sets AXA’s strategic priorities for 2026. This will enable us to realize the full potential of our market positioning, with ambitions for organic growth in our key businesses, both for our corporate and individual clients. We will achieve this by further strengthening our technical excellence and through an ambitious digital transformation strategy.

This plan will also confirm our longstanding commitments to sustainable development and corporate responsibility. In the face of the growing risks of climate change, we remain convinced of the crucial role of our industry in helping our clients protect themselves, but also in supporting them in their own adaptation with a dedicated entity, AXA Climate. We will also continue to pay particular attention to the most vulnerable populations. In this spirit, our goal is to significantly develop our inclusive insurance offerings to enable everyone to have access to insurance coverage. Wherever we are present, we will continue to act with conviction and responsibility to give everyone the means to protect themselves.

Finally, we would like to acknowledge the exceptional work of our 147,000 employees, agents, and partners who once again this year demonstrated remarkable commitment to serving our clients. Their passion and dedication are our greatest strength and an immense source of pride for us.

Antoine Gosset-Grainville
Chairman of the Board of Directors

Thomas Buberl
Chief Executive Officer

Strategic orientations

In 2023, the market context was characterized by a persistently high level of uncertainty. The emergence of a new crisis in the Middle East, along with the ongoing conflict between Russia and Ukraine, led to increased geopolitical tensions, resulting in volatility in energy prices and new disruptions to supply chains. The financial sector, particularly the banking sector in the US and in Switzerland, faced unexpected turmoil (Credit Suisse, US regional banks). Additionally, natural catastrophes occurred with great frequency and severity on a global scale. Nevertheless, inflation stabilised in most economies, and interest rates began to decrease during this period. In this context, the insurance industry demonstrated resilience but is still facing a range of both threats and opportunities:

- **macroeconomic and geopolitical environments remain volatile: (i)** ongoing conflicts in Ukraine and the Middle East as well as tensions between the US and China posing a threat to global stability, **(ii)** major general elections in the US, in the European Union and other large economies (Indonesia, South Korea) which may accelerate global fragmentation, **(iii)** uncertain growth outlook in certain large economies (Europe and China), **(iv)** persistent inflation and tightened monetary and credit conditions which may trigger risk of recession, and **(v)** impacts from climate change;
- **continuing pressure on the insurance industry: (i)** lower purchasing power for individual clients and deteriorating growth prospects impacting corporate clients, **(ii)** rising claims frequency and cost, particularly medical inflation as well as transfer of spending from public to private (health sector) challenging profitability, even after raising prices, **(iii)** increased frequency and severity of global risks (natural events, cyber), and **(iv)** increasing complexity and cost associated with regulation;
- **growth opportunities**: **(i)** new insurance needs from customers (natural event coverage, cyber); **(ii)** higher interest rates and equity markets stability supporting competitiveness of Life & Saving offer *versus* banking products to attract investment cash flows, **(iii)** rising demand for Health and Protection insurance, accelerated by ageing population in mature countries and public sector disengagement, and **(iv)** technology & data, particularly Generative AI, driving differentiation across the business, from pricing, claims management, to customer service and optimizing operations.

AXA faces this challenging context from a position of strength, having **successfully delivered on its plan** "***Driving Progress 2023***" **across its strategic priorities**:

- **expand Health and Protection**: **(i)** solid growth in Health revenues with an increase [1] of 5% over the plan, **(ii)** scale-up of our Health operations in Europe with the acquisition of Laya, leader of the Irish Health market with ca. 28% market share, ca. €800 million of premiums and close to 700,000 customers, and **(iii)** development of more inclusive offers and products, particularly in Protection, for our customers;
- **simplify customer experience and accelerate efficiency**: **(i)** excellence in customer experience, surpassing NPS [2] targets across all lines of business, **(ii)** strong productivity gain achieved despite significant inflationary headwinds with Group Non-commission expenses ratio decreasing by -0.7 pts over the plan, **(iii)** significant step forward on digitalisation of customer journeys with an increase of +30 pts from 2020 to 2023, and **(iv)** deployment of AXA Secure GPT to enable enterprise-wide use of the Generative AI technologies;
- **strengthen underwriting performance**: **(i)** Property & Casualty combined ratio of 93.2% in 2023 down -4.4 pts from 2022, seizing favourable pricing environment and improving technical excellence, **(ii)** successful technical strengthening of AXA XL with 90.4% Property & Casualty combined ratio achieved in 2023, and **(iii)** deployment of the Digital Commercial Platform, a data-driven and customer-centric platform that enables the Group to offer innovative solutions to its clients;
- **sustain our leading climate position**: **(i)** reaffirmation of AXA's leading climate position and commitment to align its business with the COP21 Paris Agreement, **(ii)** announcement of new targets for 2030 to drive the decarbonization for both its insurance and investments portfolios, and **(iii)** continue to support the climate transition, namely with the development of climate training (*e.g.* AXA Climate Academy), green investments of €29.9 billion as of end of 2023 and the signing in 2023 of a ten-year Virtual Power Purchase Agreement (VPPA) with IGNIS [3];
- **optimization of cash efficiency across the Group**: **(i)** achievement of a cash remittance of €6.5 billion in 2023, **(ii)** further in-force management initiatives with €10 billion general account reserve reduction in France through a reinsurance agreement for an in-force Savings portfolio at AXA France, and **(iii)** successful execution of €1.1 billion share buy-back program in 2023 reflecting the strength of AXA balance sheet and demonstrating its financial discipline.

… while meeting or exceeding its main financial objectives:

- **underlying Earnings per share** [4] average yearly growth at 9% over 2020-2023 (*vs*. 3-7% target range);
- **return on equity** at 14.9% in 2023 (*vs*. 13-15% target range);
- cumulated **cash remittance** of €16.4 billion (*vs*. €14 billion target);
- **Solvency II** ratio [5] at 227% at year-end 2023 (*vs*. 190% target level).

Following the successful completion of its "*Driving Progress 2023*" plan, the new strategic plan "*Unlock the Future*" will aim at strengthening and growing the Group's core businesses:

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

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

In P&C Commercial lines, AXA will aim to deliver above nominal GDP [6] revenue growth driven by structural portfolio growth reflecting continued demand from corporates, and leveraging its global scale, product capabilities, and diversified distribution. The Group will seek to expand in Property & Casualty mid-market, including in white spaces in Europe where the Group can grow its market share, and through selective initiatives in the US, and to address emerging risks such as Cyber and energy transition. The Group will focus on disciplined cycle management at AXA XL and leverage use of data analytics to strengthen SME and mid-market pricing and risk selection capabilities in order to sustain its technical excellence. The Group will also leverage proprietary risk consulting services to drive higher customer loyalty and margin, by integrating its Digital Commercial Platform across entities.

In Employee Benefits and Individual Health, the Group has built a global franchise combining strong local market positions and international businesses, with distinct, proven, and scalable capabilities, including global dataset, distribution, and comprehensive product offerings. The Group will target above nominal GDP revenue growth, focusing on growing its most profitable segments around its Employee Benefits offering for SME, International Private Medical Insurance, and individual customers. The Group will also continue to drive technical excellence by scaling its proprietary assets across pricing and claims management while accelerating its innovative service proposition.

In Retail Property & Casualty and Life & Savings, AXA is well-positioned to capture value, building on customer proximity, deep local expertise, and Group technology capabilities. The Group will target revenue growth in line with nominal GDP across its mature markets, with faster growth in Property & Casualty Non-Motor and Retirement. Growth is expected to be driven by expanding distribution capabilities, including by increasing our agent network size selectively and improving agent productivity, and by increasing wallet share within our existing customer base, capitalizing on high customer satisfaction. In Property & Casualty, the Group expects profitability to improve, benefiting from pricing actions. The Group will leverage its dynamic pricing models, procurement initiatives, and computable contracts to further strengthen technical margin. In Life & Savings, AXA will focus on enhancing its high-quality mix, through innovative capital-light savings products [(7)] in Europe, supported by AXA IM expertise.

AXA will maintain its focus on **operational excellence**, by scaling existing capabilities across automation, shoring, and data and AI, building on productivity gains achieved through "*Driving Progress 2023*". The Group intends to take a systematic approach to automation with end-to-end straight-through processing and scale its well-established shoring capabilities; proven high-value data & AI use cases will also be scaled, with additional business uplift through Generative AI.

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

- underlying earnings per share compounded annual growth rate over 2023 to 2026 estimated between 6% and 8%;
- underlying return on equity between 14% and 16% over 2024 estimated to 2026 estimated; and
- over €21 billion cumulative organic cash upstream over 2024 estimated to 2026 estimated.

Underlying earnings growth is expected to be driven by strong operating performance across our lines of business as well as a recovery in UK Health and margin improvement in Property and Casualty Retail. Earnings growth is expected to be achieved even after taking into account headwinds from **(i)** the unwind of the discount [(8)] in Property and Casualty, **(ii)** lower interest rates compared to 2023 average levels, **(iii)** claims inflation only expected to normalize by 2025, **(iv)** moderation of Property and Casualty Commercial line pricing **(v)** a higher Nat Cat load [(9)], and **(vi)** the introduction of the OECD tax reform.

The Group has increased its underlying return on equity target, reflecting the high quality of its businesses, which is expected to drive book value growth.

The Group has significantly increased its ambition of cumulative cash upstream from €14 billion between 2021 and 2023 to above €21 billion over 2024 to 2026. The Group aims to achieve an organic cash remittance ratio [(10)] of approximately 80% over 2024 to 2026, with all businesses expected to deliver excellent remittance levels.

The Group also expects to continue to operate with its Solvency II ratio [(11)] *at a high level,* benefiting from 25 to 30 points of normalized Solvency II operating capital generation *per annum*, and limited sensitivity to interest rates and very adverse shocks [(12)].

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

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

(1) Compounded annual growth rate, 2020-2023.

(2) NPS refers to Net Promoter Score.

(3) IGNIS is a Spanish integrated renewable energy group.

(4) Compounded annual growth rate over FY20 rebased-FY23. FY20 rebased includes underlying earnings restated for "COVID-19 claims" and natural catastrophes in excess of normalized level. AXA Group normalized level of natural catastrophe charges in 2020 at ca. 3% of Gross Earned Premiums. Natural catastrophe charges include natural catastrophe losses regardless of event size. "COVID-19 claims" includes Property & Casualty, Life and Health net claims related to COVID-19, as well as the impacts from solidarity measures and from lower volumes net of expenses, linked to COVID-19. "COVID-19 claims" 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.

(5) The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (www.axa.com). The estimated Solvency II ratio as of December 31, 2023 is adjusted to give effect to the full €1.6 billion share buyback announced on February 22, 2024. The AXA Group's SFCR for the year ended December 31, 2023 is expected to be published in May 2024, on AXA's website.

(6) Gross Domestic Product without adjustment for inflation.

(7) Encompass all products with no guarantees, with guarantees at maturity only or with guarantees equal to or lower than 0%.

(8) Insurance Finance Income and Expenses.

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

(10) Defined as ordinary cash remittance from subsidiaries over prior year underlying earnings net of holding underlying earnings.

(11) The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (www.axa.com). The Solvency II ratio as of December 31, 2023 is adjusted to give effect to the full €1.6 billion share buy-back announced on February 22, 2024 in AXA's Full Year 2023 Earnings press release, available on Investors | AXA.

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

Our sustainable value creation

Our resources →

Relational capital

94 million customers
We serve both corporate and individual customers.

Human capital

147,000 employees, agents and partners
Our workforce's diverse range of profiles and professions enables AXA to be effective and innovative. We also work closely with our distributors: agents, brokers and bankers.

Economic and financial capital

The funds required for our business come from our equity, as well as our shareholders and bondholders.

Stakeholder capital

We work with external service providers and authorities.

Social and environmental capital

We're putting financial inclusion and the climate transition at the core of our strategy, with a commitment to bringing value to all our stakeholders over the long term.

Our purpose →

"Act for human progress by protecting what matters"

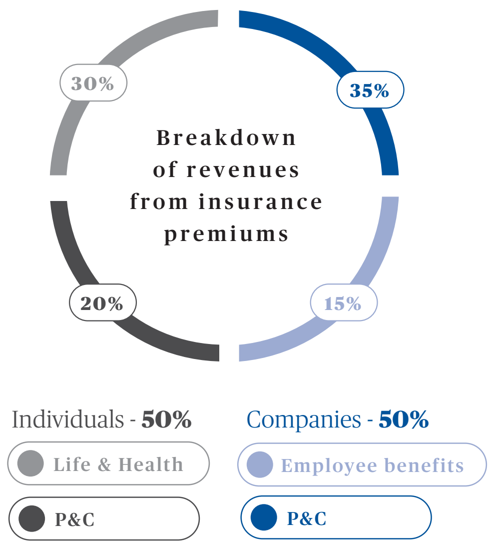
Our balanced position →

P&C

Protecting the tangible and intangible assets of individuals and companies.

Life & Health

Protecting our customers' health and funding their projects.



Asset management

Financing the real economy and major transitions.

Our value creation and sharing in 2023 →

For our customers

- **More than €50Bn** in payments made to our customers
- **€450Bn** devoted to handling climate disasters in France
- **14M** customers covered by inclusive protection

For our workforce

- **€8.6Bn** in wages and bonuses paid
- **17,000** recruitments in the world
- eNPS: **40** points

For our shareholders

- **€3.8Bn** in dividends paid to close to 300,000 shareholders
- **~30%** employee shareholders (**4.4%** of the capital)

For the economy and society

- More than **€30Bn** invested in the economy annually
- **€11.7Bn** paid in taxes and social security contributions of which **36%** paid in France
- **€23.5Bn** of donations worldwide
- **79,482** acts of volunteer work
- **€256M** allocated since 2008 to scientific research through the AXA Research Fund

Our strategy →

Unlock the Future

Driving higher growth

Scaling our operational and technical excellence

Expanding our role in society

Care & Dare

Rigorous management of capital

Our financial targets →

Underlying earnings per share

+6% to **8%** per year between 2023 and 2026

Underlying return on equity

14% to **16%** from 2024 to 2026

Cumulative cash remittance

>€21Bn from 2024 to 2026

Payout ratio

75% of underlying earnings per share, including:

60% from dividends (with dividend per share at least equal to prior year) and

15% from an annual share buy-back program

Successful delivery on *"Driving Progress 2023"*

Underlying earnings per share[1][2]

+9%

+3% to +7%
UEPS CAGR[3] 2020[4]-2023

Underlying Return on Equity[1]

14.9%

13% to 15%
2021–2023

Solvency II ratio

227%

190%
Target capital level

Cash remittance

€16.4bn

€14bn
Cumulative 2021 - 2023

(1) *Alternative performance measures ("APMs") as defined on pages 559 to 562 of this Annual Report.*
(2) *2022 and prior years are based on IFRS 4.*
(3) *Compounded annual growth rate.*
(4) *Based on 2020 rebased underlying earnings.*

2023 Full Year Earnings

Growth across main lines of business

Revenues

€103bn

+3%[1]

	P&C	HEALTH	SAVINGS	PROTECTION	ASSET MANAGEMENT
of revenues	52%	16%	16%	15%	2%
Growth	+7%	-7%[2]	-3%	+4%	-2%

Underlying Earnings[3]

€7.6bn

P&C	HEALTH	LIFE	ASSET MANAGEMENT	BANKING & HOLDINGS
€5.0bn	€0.6bn	€2.7bn	€0.4bn	€-1.0bn

Underlying RoE[3]

14.9%

P&C RoE	LIFE & HEALTH RoE	ASSET MANAGEMENT RoE
15.9%	13.5%	24.9%

(1) Or +6% core business top line growth excluding businesses targeted for reduction, notably Property & Casualty Nat Cat Reinsurance, certain Traditional G/A and the two non-renewed large International Group contracts in France.

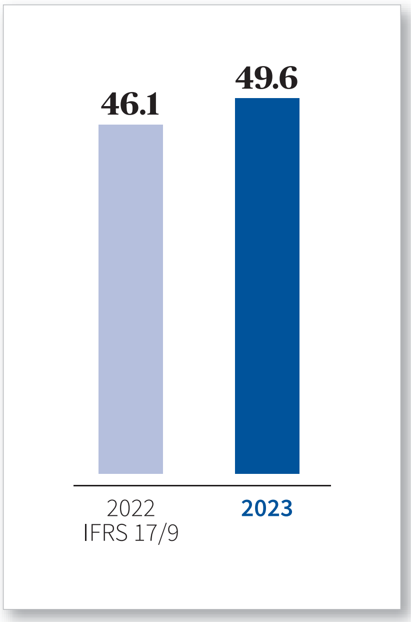
(2) Or +7% excl. the two large non-renewed International Group contracts in France.

(3) Alternative performance measures ("APMs") as defined on pages 559 to 562 of this Annual Report.

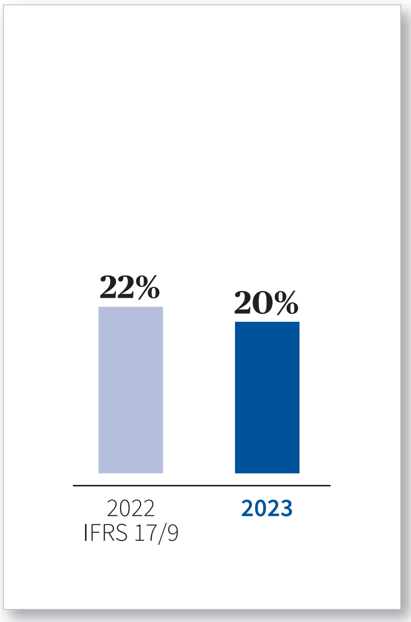
Financial strength and dividend

Shareholders' equity

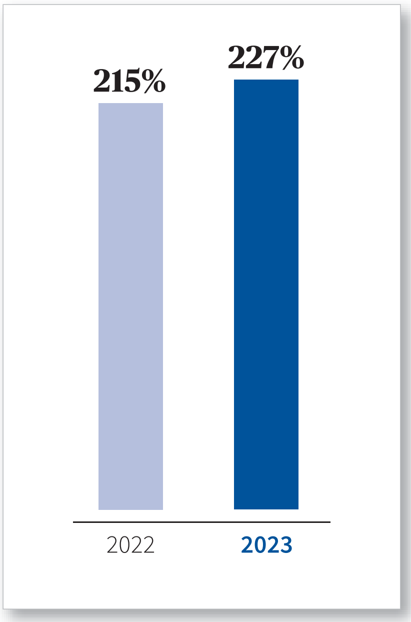
In Euro billion



Debt gearing

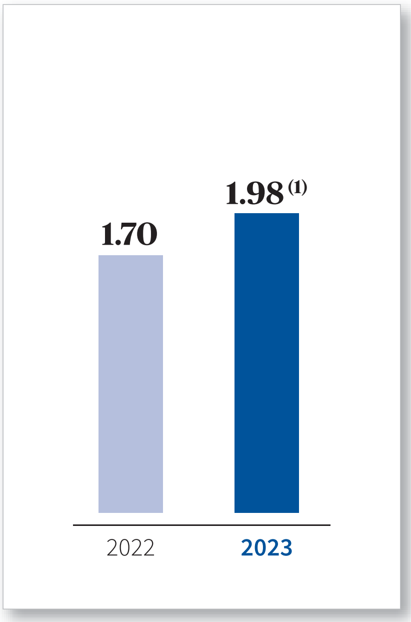


Solvency II ratio



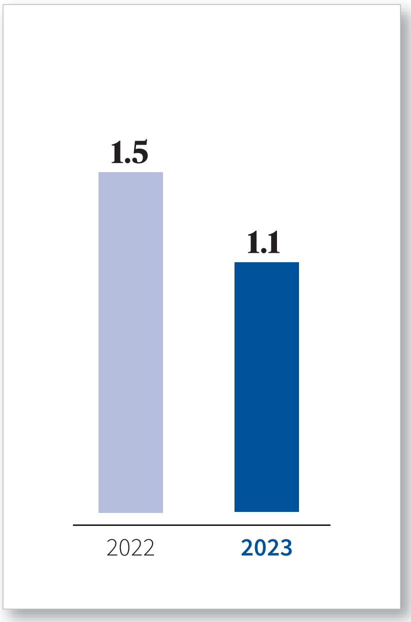
Dividend

In Euro per share



Share buy-backs

In Euro billion



(1) Proposed dividend, submitted for approval at the annual shareholders meeting on April 23, 2024.

1

THE AXA GROUP

AXA SA is the holding company of AXA Group, a worldwide leader in insurance, with total assets of €644 billion at December 31, 2023.

AXA operates primarily in five hubs: France, Europe, AXA XL, Asia, Africa & EME-LATAM, and AXA IM.

AXA has three main operating activities: Property & Casualty, Life & Health, and Asset Management. In addition, various holding companies within the Group conduct certain non-operating activities.

1.1 KEY FIGURES

IFRS indicators

IFRS indicators presented below are derived from the Consolidated Financial Statements for the year ended December 31, 2023.

The table set out below is only a summary. You should read it in conjunction with the Consolidated Financial Statements for the year ended December 31, 2023 included in Section 6 "Consolidated Financial Statements" of this Annual Report.

(in Euro million)	2023	2022 restated
Income Statement Data		
Insurance Revenues	80,889	80,449
Net consolidated income - Group Share	7,189	5,061

(in Euro million except per share data)	2023	2022 restated
Balance Sheet Data		
Total assets	644,449	638,357
Shareholders' equity - Group share	49,579	46,071
Book Value per share [(a)]	22.7	21.7
Dividend per share [(b)]	1.98	1.70

(a) Book Value per share is calculated based on the actual number of outstanding shares at each period-end presented. Shares held by AXA and its subsidiaries (i.e. treasury shares) are deducted for the calculation of outstanding shares. Shareholders' equity excludes the other comprehensive income as well as the undated and deeply subordinated debt.

(b) An annual dividend is generally paid each year in respect of the prior year after the Annual Shareholders' Meeting (customarily held in April or May) and before September of that year. Dividends are presented in this table in the year to which they relate and not in the year in which they are declared and paid. A dividend of €1.98 per share will be proposed at AXA's Shareholders' Meeting that will be held on April 23, 2024. Subject to the Shareholders' Meeting approval, the dividend will be paid out on May 6, 2024, with an ex-dividend date of April 30, 2024.

Activity and Earnings indicators

The table set out below presents the key activity and earnings indicators. You should read it in conjunction with Section 2.3 "Activity Report" and the Glossary set forth in Appendix IV of this Annual Report.

(in Euro million, except percentages)	2023	2022 restated
Property & Casualty Gross Written Premiums	53,027	50,633
Property & Casualty Combined Ratio [(a)]	93.2%	97.6%
Health Gross Written Premiums	16,068	17,254
Health Combined Ratio [(a)]	99.8%	98.6%
Life Gross Written Premiums	31,990	32,231
New Business Value (NBV)	2,281	2,288
Present Value of Expected Premiums (PVEP)	45,856	43,320
NVB Margin	5.0%	5.3%
Underlying earnings Group share [(a)]	7,604	6,080

(a) Alternative Performance Measures. For further information, refer to Section 2.3 "Activity report" and the Glossary set forth in Appendix IV of this Annual Report.

Assets under management

The table below sets forth the total assets managed by AXA's subsidiaries, including assets managed on behalf of third parties:

(in Euro million)	2023	2022 restated
AXA		
General Account assets	478,101	475,432
Assets backing contracts with financial risk borne by policyholders (Unit-Linked)	82,791	76,517
Subtotal	**560,892**	**551,948**
Managed on behalf of third parties [(a)]	384,612	378,494
TOTAL ASSETS UNDER MANAGEMENT	**945,505**	**930,442**

(a) Include assets managed on behalf of Mutuelles AXA.

For additional information on AXA's revenues by segment, see Section 6.6 – Note 19 "Information by segment" of this Annual Report.

For additional information on AXA's segments, see Section 2.3 "Activity report" and Section 6.6 – Note 3 "Consolidated statement of profit or loss by segment" of this Annual Report.

Dividends and dividend policy

The Company pays dividends in Euro. Proposals for dividend payments are made at the discretion of the Board of Directors and are submitted for approval at the Shareholders' Meeting.

AXA's dividend policy is based on underlying earnings per share. AXA targets, in line with its "*Unlock the Future*" strategic plan announced on February 22, 2024, to **(i)** pay aggregate dividends of 60% of the Group's Underlying Earnings per share, and **(ii)** adhere to a dividend per share floor whereby the proposed dividend per share in any given year is targeted to be at least equal to the dividend per share paid in the prior year (subject to the absence of a significant capital event, *i.e*. an event which significantly deteriorates the Group's solvency). The Board of Directors has full discretion to determine the dividend to be proposed at the applicable Shareholders' Meeting, taking into account a variety of factors, including AXA's earnings, financial condition, applicable capital and solvency requirements, prevailing operating and financial market conditions and the general economic environment.

A dividend of €1.98 per share for the 2023 fiscal year will be proposed to the Shareholders' Meeting to be held on April 23, 2024.

The Company's dividend policy is part of a wider capital management policy which targets an aggregate payout ratio (based on dividend payouts and share buy-backs) of 75% of the Group's Underlying Earnings per share.

The following table sets forth information on the dividends declared and paid in respect of the last five fiscal years:

Fiscal year	Distribution *(in Euro million)*	Number of shares *(on December 31)*	Net dividend per share *(in Euro)*	Dividend per share eligible for a tax relief *(in Euro)*	Gross dividend per share *(in Euro)*
2019	1,765	2,417,695,123	0.73 (b)	0.73 (b)	0.73 (b)
2020	3,458	2,418,389,408	1.43 (c)	1.43 (c)	1.43 (c)
2021	3,729	2,421,568,696	1.54 (d)	1.54 (d)	1.54 (d)
2022	3,998	2,351,770,945	1.70 (e)	1.70 (e)	1.70 (e)
2023	4,495 (a)	2,270,188,806	1.98 (f)	1.98 (f)	1.98 (f)

(a) Amount based on the number of shares issued as of December 31, 2023. Final proposal to be submitted to the Shareholders' Meeting to be held on April 23, 2024.

(b) The gross amount of dividends was subject to a unique withholding tax liquidated at an overall rate of 30%, unless in case of express and irrevocable option for the progressive scale on income tax which would then apply to all capital income paid in 2020. The option for the progressive scale gave right to the 40% tax relief pursuant to paragraph 2° of article 158.3 of the French General Tax Code, i.e., €0.29 per share for fiscal year 2019.

(c) The gross amount of dividends was subject to a unique withholding tax liquidated at an overall rate of 30%, unless in case of express and irrevocable option for the progressive scale on income tax which would then apply to all capital income paid in 2021. The option for the progressive scale gave right to the 40% tax relief pursuant to paragraph 2° of article 158.3 of the French General Tax Code, i.e., €0.57 per share for fiscal year 2020.

(d) The gross amount of dividends was subject to a unique withholding tax liquidated at an overall rate of 30%, unless in case of express and irrevocable option for the progressive scale on income tax which would then apply to all capital income paid in 2022. The option for the progressive scale gave right to the 40% tax relief pursuant to paragraph 2° of article 158.3 of the French General Tax Code, i.e., €0.62 per share for fiscal year 2021.

(e) The gross amount of dividends was subject to a unique withholding tax liquidated at an overall rate of 30%, unless in case of express and irrevocable option for the progressive scale on income tax which would then apply to all capital income paid in 2023. The option for the progressive scale gave right to the 40% tax relief pursuant to paragraph 2° of article 158.3 of the French General Tax Code, i.e., €0. 68 per share for fiscal year 2022.

(f) Proposal to be submitted to the Shareholders' Meeting to be held on April 23, 2024. The gross amount of dividends will be subject to a unique withholding tax liquidated at an overall rate of 30%, unless in case of express and irrevocable option for the progressive scale on income tax which would then apply to all capital income paid in 2024. The option for the progressive scale would give right to the 40% tax relief pursuant to paragraph 2° of article 158.3 of the French General Tax Code, i.e., €0.792 per share for fiscal year 2023.

Dividends not claimed within five years after the payout date become the property of the French Public Treasury.

For further information on AXA's dividend, see Section 2.4 "Liquidity and capital resources – Impact of regulatory requirements – Group Capital Management Objectives", Note 26.5 "Other items: Restriction on dividend payments to shareholders" in Section 6 "Consolidated Financial Statements" and Section 7.3 "General Information – Bylaws – Rights, preferences and restrictions attached to the shares" of this Annual Report. For additional information regarding the factors and risks that may cause the proposed dividend amount to vary or otherwise impact our capacity to pay dividends, see paragraphs "The Group's or its insurance or reinsurance entities' failure to meet their solvency and capital adequacy requirements could have a material adverse effect on our business, liquidity, ratings, results of operations and financial condition", "We are dependent on our subsidiaries to cover our operating expenses and shareholder distributions, including dividend payments", and "The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions and emerging legal, regulatory, and reputational risks in the various jurisdictions in which we operate" in Section 5.1 "Risk Factors" of this Annual Report.

Ratings SNFP

The Group is rated by recognized rating agencies which assess the financial strength and the creditworthiness of the Company and certain of its insurance subsidiaries. The ratings set forth below are subject to revision or withdrawal at any time by the assigning rating agency in its sole discretion. Credit ratings are intended to reflect the ability of AXA to meet its payment obligations and may not reflect the potential impact of all risks on the value of AXA's securities. A rating is not a recommendation to buy, sell or hold securities. None of these ratings should be construed as an indication or forecast of the historical or potential performance of AXA's securities nor should any such rating be relied upon for the purpose of making an investment decision with respect to any of the Company's securities. The Company does not undertake to maintain its ratings, nor in any event shall the Company be responsible for the accuracy or reliability of any of the ratings set forth below. The significance and the meaning of individual ratings vary from agency to agency.

INSURER FINANCIAL STRENGTH & COUNTERPARTY CREDIT RATINGS

At the date of this Annual Report, the relevant ratings for the Company and its principal insurance subsidiaries were as follows:

		Insurer financial strength ratings			Counterparty credit ratings		
Agency	**Date of last review**	**AXA SA**	**AXA's principal insurance subsidiaries**	**Outlook**	**Senior debt of the Company**	**Outlook**	**Short term debt of the Company**
S&P Global Ratings	March 7, 2024	A+	AA-	Stable	A+	Stable	A-1+
Moody's Investors Service	July 1, 2022	Aa3	Aa3	Stable	A1	Stable	P-1
A.M. Best Rating Services	September 7, 2023	A+ Superior	-	Stable	aa- Superior	Stable	-

SOCIALLY RESPONSIBLE INVESTMENT (SRI) RATINGS SNFP

AXA Group's extra-financial performance is rated by a number of specialists on Environmental, Social and Governance (ESG) topics, including investors, brokers and rating agencies that focus specifically on the Socially Responsible Investing (SRI) market, as well as specialist organizations focused on single sustainability themes. The Group generally ranks amongst the top performers in its industry and is also included in the main international sustainability indices:

- DJSI World and DJSI Europe (based on S&P Global's study);
- Euronext Vigeo Europe 120 Index based on Moody's ESG Solutions data;
- FTSE4GOOD (based on FTSE Russell research).

The AXA Group's main SRI ratings are listed below (not all ratings are updated annually):

Agency/Organisation	**Scores & ratings**
S&P Global ***"Corporate Sustainability Assessment"* (CSA) ranking** [(a)]	81/100 *Percentile ranking*: 98th
Moody's Analytics	68/100 – Sector average score: 46
FTSE ESG	4.3/5
Sustainalytics	*ESG Risk Rating*: 16.3 – Low risk [(b)]
CDP	B
MSCI	AAA

(a) The result of the CSA is a reference performance indicator for AXA Group and is one of the performance metrics used to calculate long term incentives (AXA Performance Shares) since 2016.

(b) For the ESG Risk Rating ranking of AXA Group, please refer to Sustainalytics' website: https://www.sustainalytics.com/esg-rating/axa-sa/1007999484.

FURTHER INFORMATION REGARDING EXTRA-FINANCIAL RATINGS PROVIDERS

S&P Global. Corporate Sustainability Assessment (CSA) evaluates each year over 7,500 companies using criteria that are both industry-specific and financially material. AXA is included in indices that use CSA data, including the Dow Jones Sustainability Indices. https://www.spglobal.com/esg/csa/about/

Moody's Analytics. Formerly known as Vigeo Eiris, Moody's Analytics is an extra-financial rating agency. Its methodology leverages a number of sustainability criteria based on international standards. AXA is included in indices that use Moody's Analytics data, including Euronext Indices. www.moodys.com/esg

FTSE Russell is a provider of benchmarks, analytics, and data solutions across asset classes. Each year FTSE Russell rates over 4,000 companies, measuring their exposure to and management of ESG issues. https://www.ftse.com/products/indices/esg

Sustainalytics is an ESG (Environmental, Social and Governance) rating agency covering more than 16,000 companies. The agency focuses on corporate governance, material ESG issues, and controversies. https://www.sustainalytics.com/esg-ratings/

The **CDP** (formerly known as the Carbon Disclosure Project) runs a global disclosure system that enables companies, cities, states and regions to report on their environmental impacts. The CDP also transforms this data into analysis on critical environmental risks, opportunities and impacts. https://www.cdp.net/en

MSCI is an independent provider of research and data for institutional investors. MSCI's research analysts assess thousands of data points across 35 ESG issues, focusing on both risks and opportunities. https://www.msci.com/our-solutions/esg-investing/esg-ratings

1.2 HISTORY

AXA originated from several French regional mutual insurance companies: "Les Mutuelles Unies".

1982

Takeover of Groupe Drouot.

1988

Transfer of the insurance businesses to Compagnie du Midi (which subsequently changed its name to AXA Midi and then AXA).

1992

Acquisition of a controlling interest in The Equitable Companies Incorporated (United States), which subsequently changed its name to AXA Financial, Inc. ("AXA Financial").

1995

Acquisition of a majority interest in National Mutual Holdings (Australia), which subsequently changed its name to AXA Asia Pacific Holdings Ltd. ("AXA APH").

1997

Merger with Compagnie UAP.

2000

Acquisition of **(i)** Sanford C. Bernstein (United States) by AXA's asset management subsidiary Alliance Capital, which subsequently changed its name to AllianceBernstein (now AB); **(ii)** a minority interest in AXA Financial; and **(iii)** the Japanese Life insurance company, Nippon Dantaï Life Insurance Company; and

Sale of Donaldson, Lufkin & Jenrette (United States) to Credit Suisse Group.

2004

Acquisition of the American insurance group MONY.

2005

FINAXA (AXA's principal shareholder at that time) merged into AXA.

2006

Acquisition of Winterthur Group.

2008

Acquisition of Seguros ING (Mexico).

2010

Voluntary delisting of AXA SA from the New York Stock Exchange and deregistration with the Securities and Exchange Commission (SEC); and

Sale by AXA UK of its traditional Life and Pensions businesses to Resolution Ltd.

2011

Sale of **(i)** AXA's Australian and New Zealand Life & Savings operations and acquisition of the AXA APH Life & Savings operations in Asia; and **(ii)** AXA Canada to the Canadian insurance group Intact.

2012

Launch of ICBC-AXA Life, a Life insurance joint venture in China with ICBC; and

Acquisition of HSBC's Property & Casualty operations in Hong Kong and Singapore.

2013

Acquisition of HSBC's Property & Casualty operations in Mexico.

2014

Acquisition of **(i)** 50% of TianPing, a Chinese Property & Casualty insurance company; **(ii)** 51% of Grupo Mercantil Colpatria's insurance operations in Colombia; and **(iii)** 77% of Mansard Insurance plc in Nigeria.

2015

Acquisition of Genworth Lifestyle Protection Insurance; and

Launch of AXA Strategic Ventures (renamed AXA Venture Partners in 2028), a venture capital fund dedicated to emerging strategic innovations in insurance and financial services.

2016

Sale of AXA's UK (non-platform) investment and pensions businesses and its direct protection businesses to Phoenix Group Holdings.

2017

Announcement of the intention to Initial public offering ("IPO") AXA Equitable Holdings, Inc. in the US to create significant additional financial flexibility and accelerate AXA's transformation.

2018

Acquisition of the XL Group, creating the #1 global P&C Commercial lines insurance platform; and

IPO of the US subsidiary, Equitable Holdings, Inc. [(1)], on the New York Stock Exchange.

2019

Sale of AXA's remaining stake in Equitable Holdings, Inc. (EQH) [(2)]; and

Acquisition of the remaining 50% stake in AXA Tianping.

2020

Sale of AXA's Life & Savings, Property & Casualty and Pension businesses in Poland, Czech Republic and Slovakia to UNIQA Insurance Group AG.

2021

Sale of AXA's insurance operations in Greece to Generali;

Sale of AXA's insurance operations in the Gulf Region to Gulf Insurance Group;

Combination of the non-Life insurance operations in India of Bharti AXA General Insurance Company Limited into ICICI Lombard General Insurance Company Limited; and

Sale of AXA's Belgian banking operations (AXA Bank Belgium) to Crelan Bank and entry with Crelan into a long-term P&C and Protection insurance distribution partnership.

2022

Sale of AXA's insurance operations in Singapore to HSBC Insurance (Asia-Pacific) Holdings Ltd;

Receipt by AXA SA of regulatory approval from the *Autorité de contrôle prudentiel et de résolution* ("ACPR") to operate as a licensed reinsurer; and

Sale of AXA's insurance operations in Malaysia to Generali.

2023

Acquisition of Groupe Assurances du Crédit Mutuel España ("GACM España"); and

Acquisition of Laya Healthcare Limited ("Laya").

For further information concerning Group subsidiaries (including the Group's equity interest and voting rights percentages), please see Section 6.6 – Note 2 "Scope of consolidation" of this Annual Report.

(1) Formerly known as AXA Equitable Holdings, Inc.

(2) Excluding shares of common stock of EQH, primarily related to the EQH shares delivered on redemption of the AXA SA bonds mandatorily exchangeable into EQH shares, matured in May 2021.

1.3 BUSINESS OVERVIEW

AXA operates in five hubs (France, Europe, AXA XL, Asia, Africa & EME-LATAM, and AXA IM) and offers a broad range of Property & Casualty, Life & Health, and Asset Management products and expertise.

The nature and level of competition vary among the countries where AXA operates. AXA competes with insurance companies along with banks, asset management companies, investment advisors and other financial institutions.

The principal competitive factors are as follows:

- size, strength and quality of the distribution channels, in particular the quality of advisors;
- range of product lines and product quality, feature functionality and innovation;
- price;
- quality of service;
- investment management performance;
- historical level of bonuses with respect to participating contracts;
- crediting rates on General Account products;
- reputation, visibility and recognition of brand; and
- ratings for financial strength and claims-paying ability.

For additional information on markets, see Section 2.2 “Market environment – Market conditions” of this Annual Report.

The table set out below presents AXA’s Gross Written Premiums and Other Revenues (after intercompany eliminations) by line of business.

	Gross Written Premium and Other Revenues [(a)]													
	Property & Casualty		Life & Health		Life		Health		AM		Banking		Total	
	Years ended December, 31													
(in Euro million)	2023	2022 restated	2023	2022 restated	2023	2022 restated	2023	2022 restated	2023	2022 restated	2023	2022 restated	2023	2022 restated
France	8,341	7,854	18,809	20,636	13,907	13,761	4,902	6,875	-	-	93	137	27,243	28,627
Europe	19,304	17,864	17,313	17,181	10,377	10,829	6,936	6,352	-	-	-	-	36,617	35,045
AXA XL	18,295	18,416	122	161	122	161	-	-	-	-	-	-	18,417	18,577
Asia, Africa w& EME-LATAM	5,381	4,978	11,608	11,248	7,585	7,481	4,023	3,766	-	-	-	-	16,990	16,225
AXA IM	-	-	-	-	-	-	-	-	1,555	1,589	-	-	1,555	1,589
Transversal & Central Holdings	1,706	1,521	206	260	-	-	206	260	-	-	-	-	1,912	1,782
TOTAL	**53,027**	**50,633**	**48,058**	**49,485**	**31,990**	**32,231**	**16,068**	**17,254**	**1,555**	**1,589**	**93**	**137**	**102,733**	**101,844**

(a) Net of intercompany eliminations.

France

GROSS WRITTEN PREMIUMS AND OTHER REVENUES

France	Gross Written Premium and Other Revenues [(a)] Years ended December 31	
(in Euro million)	2023	2022 restated
TOTAL	**27,243**	**28,627**

(a) Net of intercompany eliminations.

PRODUCTS AND SERVICES

AXA offers in France a full range of insurance products, including Life & Health, and Property & Casualty. Its offering covers a broad range of products including Motor, Household, Property and general liability insurance, Banking, Savings, and other investment-based products for both Personal/Individual and Commercial/Group customers, as well as Health, Protection, and retirement products for individual and professional customers.

In addition, leveraging on its product and distribution expertise, AXA France has developed an Employee Benefit offer internationally to individuals, corporates, and other institutions.

NEW PRODUCT INITIATIVES

In Life, AXA France has enriched its Unit-Linked offering. In the current interest rate environment, AXA France also has integrated EMTNs "Euro Medium Term Notes" as part of its two major campaigns *AXA Coupon Ambition* and *AXA Coupon Ambition Monde* with the main purpose of offering a flexible and short-term investment alternative to its clients. In addition, AXA France has launched a new innovative profile managed under mandate that is 100% invested in structured products as well as a new collective retirement digital offer distributed by Gédéon.

In Health and Protection, the partnership of AXA France and AGIPI offers independent professionals with high-end solutions and services *AGIPI Santé* that guarantee health care costs that meet their specific needs.

In Property & Casualty, AXA France launched, via its OSE platform, the Machinery Breakdown insurance contract which covers the clients' machines and equipment during their operation or at rest. AXA France also introduced a new tool *AdValo* for transportation professionals.

Lastly, within the Credit & Lifestyle Protection (CLP) business, in AXA Partners, two new bots "Alex" and "Nicholas" were set to remove manual steps, and allow agents to focus on more complex cases and add true customer value. In addition, the *Payment Instrument & Purchase Protection* (PIPP) product has been approved for a 2-year pilot.

DISTRIBUTION CHANNELS

In France, AXA distributes its insurance products through exclusive and non-exclusive channels including exclusive agents, salaried sales forces, direct sales, banks, as well as brokers, independent financial advisors, aligned distributors or wholesale distributors and partnerships.

Europe

The European market includes AXA's operations in eight countries (Switzerland, Germany, Belgium, Luxembourg, the United Kingdom, Ireland, Spain and Italy).

GROSS WRITTEN PREMIUMS AND OTHER REVENUES

Europe	Gross Written Premium and Other Revenues [(a)] Years ended December 31	
(in Euro million)	2023	2022 restated
Switzerland	5,992	5,558
Germany	11,773	11,461
Belgium & Luxembourg	4,153	3,916
United Kingdom & Ireland	6,365	5,758
Spain	3,102	2,709
Italy	5,043	5,448
AXA Life Europe	188	195
TOTAL	**36,617**	**35,045**

(a) Net of intercompany eliminations.

PRODUCTS AND SERVICES

Except for the United Kingdom & Ireland (where AXA operates only in Property & Casualty and Health), AXA offers in Europe a full range of insurance products, including Life & Health, and Property & Casualty. Its offering covers a broad range of products including Motor, Household, Property and General Liability insurance, term life, whole life, universal life, endowment, deferred annuities, immediate annuities, and other investment-based products for both Personal/Individual and Commercial/Group customers.

NEW PRODUCT INITIATIVES

In Europe, several initiatives were launched in a consistent aspiration to deliver high value-added services and insurance coverage in all lines of business:

- in Germany, AXA launched a new Liability and Household retail product *Privat-Schutz* designed for the broker market and providing simplicity and flexible cover for customers. In Health, AXA launched *Krankengeld easy* a supplementary insurance product aiming at securing their income in case of illness;
- in Belgium, AXA launched Confort Auto 3.0 specifically targeting second hand cars insurance and pioneered the use of the "ECO Repair Score", an accessible tool evaluating and assigning sustainability scores to vehicle repairs. In Property, AXA Belgium released its new *Simple Risks Home Fire* general conditions for commercial business. In Health, AXA started a new partnership with Doctena, a leader in online appointment bookings, aiming at simplifying access to health care;
- in Spain, AXA developed a large savings offering to meet the evolving demand in a high interest rate context ranging from structured notes to *Rent@biliza*, a new General Account product.

DISTRIBUTION CHANNELS

In Europe, AXA distributes its insurance products through exclusive and non-exclusive channels that vary from country to country, including agents (exclusive or non-exclusive), salaried sales forces, direct sales, banks and other partnerships (*e.g.*, car dealers), brokers, independent financial advisors and aligned or wholesale distributors.

AXA XL

GROSS WRITTEN PREMIUMS AND OTHER REVENUES

AXA XL	Gross Written Premium and Other Revenues [a] Years ended December 31	
(in Euro million)	2023	2022 restated
TOTAL	**18,417**	**18,577**

(a) Net of intercompany eliminations.

PRODUCTS AND SERVICES

AXA XL, through its operating subsidiaries, is a leading provider of Property & Casualty insurance and reinsurance coverages to industrial, commercial and professional firms, insurance companies and other enterprises on a worldwide basis. Through its main operations, AXA XL provides:

- insurance, with a broad range of coverages, including property, primary and excess casualty, excess and surplus lines, environmental liability, professional liability, construction, marine, energy, aviation & satellite, fine art & specie, livestock & aquaculture, accident & health and crisis management, among other risks;
- reinsurance, with casualty, property risk, property catastrophe, specialty, and other reinsurance lines on a global basis with business being written on both a proportional and non-proportional treaty basis, as well as a facultative basis;
- risk consulting, as clients receive customized Risk Management solutions and consulting services to understand and quantify the risks companies face or may face in the future. The objective is to help them avoid preventable losses and mitigate the impact of losses that do occur.

NEW PRODUCT INVITIATIVES

AXA XL continues to bring innovative solutions to the market by:

- supporting clients to adopt new technology solutions to better address their risk prevention needs, AXA XL's Risk Consulting team launched *AXA Immersive Solutions* – a virtual reality (VR) training that utilizes digital twins technologies;
- helping Marine clients to manage their environmental footprint and support action on carbon emission, AXA XL launched its *Excess Emissions Insurance* product in the UK – leveraging the expertise of its in-house Carbon team and partnership with *ClimateSeed*;
- identifying and mitigating wildfire risks for companies' sites in France, AXA XL launched a new risk assessment service. Available through AXA's Digital Commercial Platform, the solution combines the expertise of AXA XL's risk consultants, satellite imagery and artificial intelligence applications to turn environmental and climatological data from a variety of sources into actionable risk insights.

DISTRIBUTION CHANNELS

The majority of AXA XL business originates *via* a large number of international, national and regional brokers. This channel is supported by client and country management teams, which include sales and distribution representatives in key markets throughout the world.

Underwriting authority may also be contractually delegated to selected third parties which are subject to a financial and operational due diligence review prior to any such delegation of authority, as well as ongoing reviews and audits as deemed necessary with the goal of assuring the continuing integrity of underwriting and related business operations.

Asia, Africa & EME-LATAM

The Asia, Africa & EME-LATAM market includes AXA's operations in more than 15 countries, notably in Japan, Hong Kong, China, Thailand, Indonesia, Mexico, Türkiye, Morocco, and Colombia.

GROSS WRITTEN PREMIUMS AND OTHER REVENUES

Asia, Africa & EME-LATAM	Gross Written Premium and Other Revenues [(a)] Years ended December 31	
(in Euro million)	**2023**	**2022 restated**
Asia	11,438	11,535
of which Japan	5,302	5,456
of which Hong Kong	4,470	4,398
of which China	829	828
Africa & EME-LATAM	5,552	4,691
of which Mexico	2,886	2,294
of which Türkiye	953	581
TOTAL	**16,990**	**16,225**

(a) Net of intercompany eliminations.

Asia includes **(i)** the subsidiaries in Japan, Hong Kong, China (AXA Tianping), and South Korea which are fully consolidated, **(ii)** the Property & Casualty entity in Thailand, and the non-bancassurance Life & Health entity in Indonesia, as well as **(iii)** the joint ventures in China (Life & Health), Philippines (Life & Health and Property & Casualty), Thailand (Life & Health), and Indonesia (Life & Health) which are consolidated under the equity method and do not contribute to gross revenues.

Africa & EME-LATAM includes **(i)** Mexico, Colombia, Brazil, Türkiye, Morocco, and Nigeria which are fully consolidated, combined with **(ii)** Russia (Reso), India, and Malaysia (disposed on August 30, 2022) that are consolidated under the equity method and do not contribute to gross revenues.

Further details on the scope of market activities are defined in the Glossary set forth in Appendix IV of this Annual Report.

PRODUCTS AND SERVICES

In Asia, Africa & EME-LATAM, AXA offers insurance products, including Property & Casualty, Protection and Health as well as Savings products. Types and specificities of the products offered by AXA vary depending on geographies and cover a broad range of products including Motor, Household, Property and General Liability insurance, Health, term life, whole life, universal life, endowment, and other investment-based products for both Personal/Individual and Commercial/Group customers.

In addition to its product propositions, AXA also offers services, for example its portfolio includes Emma, the digital assistant that, in addition to making servicing requests simpler and more efficient, provides access to a comprehensive range of related services including wellness advice and support. Emma is available in Japan, Hong Kong, China, Thailand, Indonesia and the Philippines.

NEW PRODUCT INITIATIVES

AXA continues to strengthen its position in Asia, Africa and EME-LATAM markets, while improving its customer propositions with new initiatives.

In Asia, AXA continues to further expand its customer propositions, in particular towards the emerging elderly segment in Hong Kong, while in China AXA is developing solutions specifically oriented to electric vehicles in line with market development.

In Africa & EME-LATAM, an integrated ecosystem between medical assets and the insurance offer is provided to customers, either through onsite services in clinics in Colombia, Nigeria, Egypt, and Mexico, through remote teleconsultation and digital services or through home services in most markets. AXA also launched **(i)** in Türkiye the *Digital Health FC* product, covering outpatient services fully digitally through Tytocare devices, **(ii)** in Mexico the *Cuidado Integral* product to offer outpatient services through its clinics as gate keeper for Individual business, and **(iii)** in several African countries the revamping of *International Private Medical Insurance* (IPMI) products.

In Türkiye, new digital communication channels based on WhatsApp have been developed for Motor claims; in Morocco with the implementation of *Assurance Maladie Complémentaire* (AMC) Delegated Health Offer for agents; and in Egypt online payments for all types of businesses were implemented.

DISTRIBUTION CHANNELS

In Asia, Africa & EME-LATAM, AXA distributes its insurance products through exclusive and non-exclusive channels that vary from country to country, including exclusive and non-exclusive agents (notably in Japan, Hong Kong), salaried sales forces, direct sales (notably Property & Casualty in Japan and South Korea), bancassurance with leading domestic banks (China, Hong Kong, Indonesia, the Philippines, Thailand, and Egypt) and other partnerships (*e.g.*, car dealers), as well as brokers, independent financial advisors, aligned distributors or wholesale distributors.

In Asia, both Indonesia and the Philippines piloted their enhanced sales management tools to reflect the evolution of the bancassurance model for today's world. In addition, in Africa & EME-LATAM, AXA continues its strong traction on digitization with a focus on customer experience and digital assets for agents and brokers. For example, in Mexico a new distributors' management system has been implemented to reinforce distribution network engagement.

AXA Investment Managers

AXA Investment Managers ("AXA IM") is a global diversified asset manager. Through its operating entities located across 18 countries, its conviction-led approach embeds ESG at the heart of decision making to generate long term sustainable performance on behalf of its clients. AXA IM invests across a broad range of asset classes, including fixed income, equities, multi-asset and alternatives, and since the integration of AXA IM Select (formerly Architas), it also provides multi-manager solutions.

GROSS WRITTEN PREMIUMS AND OTHER REVENUES

AXA Investment Managers	Gross Written Premium and Other Revenues [a] Years ended December 31	
(in Euro million)	2023	2022 restated
TOTAL	**1,555**	**1,589**

(a) Net of intercompany eliminations.

In 2023, AXA IM concluded the process of bringing all the Group's asset management activities under one roof, to capitalise on combined strengths to drive growth, and offer new investment opportunities to clients. AXA IM now comprises of four business units, each with distinct propositions and dedicated expertise to help clients meet their investment goals:

- AXA IM Core, brings together the Fixed Income, Equities, Multi-Asset platforms as well as the Exchange Traded Funds (ETF) business;
- AXA IM Alts, offers real estate, infrastructure, alternative credit, natural capital and impact investments;
- AXA IM Prime, offers global and diversified private market solutions through primaries, secondaries and co-investments across private equity, infrastructure equity, private debt and hedge funds;
- AXA IM Select, provides diversified multi-management expertise and a dedicated offer for AXA clients and partners for Unit-Linked products and investment solutions, as well as wealth management for clients in Belgium.

As a responsible asset manager, AXA IM launched the AXA IM for Progress Monitor in February 2023. Its purpose is to track progress in a simpler, more transparent manner towards its goal of becoming a net zero business and investor by 2050. In the first edition of reporting, published in Q4, metrics show that despite turbulent markets and environments, for the most part, steady progress has been achieved. Notable highlights include increased capital committed to natural capital solutions and reductions in corporate carbon footprint. Engagement activities with investee companies remained robust and internally, continuous learning opportunities are available to further employees' knowledge. At the end of 2022, 65% of total eligible assets under management was to be managed in line with a net zero pathway.

Transversal & Central Holdings

This segment includes operations from transversal entities and non-operating activities conducted by the central holding companies within the Group.

GROSS WRITTEN PREMIUMS AND OTHER REVENUES

Transversal & Central Holdings	Gross Written Premium and Other Revenues [(a)] Years ended December 31	
(in Euro million)	2023	2022 restated
AXA Assistance	1,847	1,715
AXA Liabilities Managers	4	2
AXA SA	61	65
TOTAL	**1,912**	**1,782**

(a) Net of intercompany eliminations.

AXA Assistance, through its operating subsidiaries, provides its customers across the world with assistance services in emergencies and everyday situations. AXA Assistance operates through six business lines (vehicle, travel, health, home, consumer electronics and legal protection) to offer customer-focused services.

In 2023, AXA Assistance pursued its transformation focusing on its core business while launching several innovations and developing or extending partnerships:

- in Motor and Home business lines, on top of the extension of digital customer journey to new countries in Europe and Latin America, a new holistic offer for electric vehicles covering installation, breakdown, and repair for charging stations was launched;
- in Travel business line, the use of AI enabled natural language chats with customers in United Kingdom, paving the way for Large Language Model global adoption in such interactions. In parallel, customer journeys optimization - including Travel digital claims - continue to favor straight through processing and digital adoption;
- the renewal of the partnership with a major French energy company for SME was the occasion to launch a new service aiming at compensating non-repairable goods.

2 ACTIVITY REPORT AND CAPITAL MANAGEMENT

2.1 OPERATING HIGHLIGHTS

Governance

AXA announced evolutions within its leadership team to prepare the launch of its next strategic plan

On June 6, 2023, the AXA Group announced evolutions within its Management Committee for the launch of its next strategic plan, which will be presented on February 22, 2024.

CHANGES IN KEY GEOGRAPHIES OF THE GROUP

- Patrick Cohen, member of AXA's Management Committee and CEO of AXA France was appointed CEO European Markets and Health. In addition to supervising AXA's European entities, he was tasked with the creation and development of a new business unit which will gather and accelerate the Group's key international Health operations. He keeps reporting to Thomas Buberl.
- Guillaume Borie, Deputy CEO of AXA France was appointed CEO of AXA France and joined the Management Committee reporting to Thomas Buberl.
- Hassan El-Shabrawishi, CEO of AXA Africa was appointed CEO International Markets, and now oversees AXA's operations in Latin America, Africa, the Middle East, India, Türkiye, and South-East Asia. Hassan El-Shabrawishi joined AXA's Management Committee reporting to Thomas Buberl.
- AXA Japan and AXA Greater China (Hong Kong and China) report directly to George Stansfield, Group Deputy CEO and General Secretary. Gordon Watson was appointed non-executive Chairman for Asia.

NEW MEMBERS OF THE MANAGEMENT COMMITTEE IN CENTRAL FUNCTIONS

- Nancy Bewlay, CEO of AXA XL Reinsurance, was appointed Chief Underwriting Officer for the Group and joined the Management Committee. She reports to Frédéric de Courtois, Group Deputy CEO in charge of Finance, Operations, Strategy, Risk, Underwriting.
- Françoise Gilles, Chief Strategic Development Officer for AXA Asia, was appointed Chief Risk Officer for the Group and joined the Management Committee, reporting to Frédéric de Courtois.
- Anu Venkataraman was appointed Chief Strategy Officer for the Group in addition to her current role as Group Head of Investor Relations. She joined the Management Committee reporting to Frédéric de Courtois and Alban de Mailly Nesle, Group Chief Financial Officer and member of the Management Committee.

The new Management Committee around Thomas Buberl started working together as of July 1 and is now composed of:

- Frédéric de Courtois, Group Deputy CEO, Finance, Operations, Strategy, Risk, Underwriting.
- George Stansfield, Group Deputy CEO, General Secretary, oversight of AXA Japan, AXA Greater China (China and Hong Kong).
- Nancy Bewlay, Group Chief Underwriting Officer.
- Guillaume Borie, CEO AXA France.
- Helen Browne, Group General Counsel.
- Patrick Cohen, CEO European Markets & Health.
- Ulrike Decoene, Group Chief Communication, Brand & Sustainability Officer.
- Hassan El-Shabrawishi, CEO International Markets (1).
- Françoise Gilles, Group Chief Risk Officer.
- Scott Gunter, CEO AXA XL.
- Alban de Mailly Nesle, Group Chief Financial Officer.
- Marco Morelli, Executive Chairman AXA Investment Managers.
- Karima Silvent, Group Chief Human Resources Officer.
- Anu Venkataraman, Group Chief Strategy Officer, Head of Investor Relations.
- Alexander Vollert, Group Chief Operating Officer, CEO AXA Group Operations.

Renaud Guidée was appointed CEO AXA XL Reinsurance

Renaud Guidée, who has held the role of Group Chief Risk Officer since 2019 was appointed CEO of AXA XL Reinsurance, succeeding to Nancy Bewlay. He reports to Scott Gunter, CEO of AXA XL, and member of AXA's Management Committee.

(1) Including Africa, India, Türkiye, Middle East, Latin America, Thailand, Indonesia, Philippines.

Significant transactions

AXA SA successfully completed the sale of shares in Banca Monte dei Paschi di Siena S.p.A.

On February 28, 2023, AXA SA ("AXA") announced the successful sale of 100,000,000 shares in Banca Monte dei Paschi di Siena S.p.A. (the "Bank"), representing ca.7.94% of the Bank's share capital, at a price of €2.33 per share (*i.e.*, a total amount of €233 million) in an accelerated book built offering (the "Offering") reserved to institutional investors.

Following the settlement and delivery of the Offering, which occurred on March 2, 2023, AXA retained (directly or indirectly) 0.0007% of the Bank's share capital, which was subsequently sold during the fourth quarter of 2023.

AXA completed the acquisition of Groupe Assurances du Crédit Mutuel España

On July 12, 2023, AXA announced that it has completed the acquisition of Groupe Assurances du Crédit Mutuel España ("GACM España").

Under the terms of the transaction, AXA has acquired GACM España for a total cash consideration of €310 million, in line with the announcement made upon signing of the agreement.

AXA completed the acquisition of Laya Healthcare Limited

On October 31, 2023, AXA announced that it has completed the acquisition of Laya Healthcare Limited ("Laya") for a consideration of €650 million, representing an expected price-to-earnings multiple of ca. 11x, taking into account the planned re-capturing of underwriting margin currently earned by third parties. The completion of the transaction resulted in an impact of -3 points on AXA Group's Solvency II ratio [(1)].

Laya has a leading position in the Irish health market with ca. 28% market share, serving close to 700,000 policyholders and generating ca. €800 million premiums [(2)] *per annum*.

It operates as a Managing General Agent with a highly digitalized platform and a strong direct distribution network, which makes Laya the sole point of contact for its customers through their healthcare journey.

With this transaction, AXA affirmed its ambition to grow its European franchise, by expanding its operations in a buoyant, fast-growing Health insurance market. AXA is already present in Ireland where it benefits from a number 1 position in the Property and Casualty market.

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

On December 20, 2023, AXA Group announced that its subsidiary AXA France Vie has entered into a reinsurance agreement with AXA Réassurance Vie France ("ARVF"), a reinsurance company co-owned by AXA Assurances Vie Mutuelle [(3)] and AXA Assurances IARD Mutuelle. The reinsurance agreement [(4)] with ARVF will cover a total of €12 billion of Savings reserves, including €10 billion of traditional General Account Savings. The transaction is expected to result in a cash upstream [(5)] to AXA SA of €0.6 billion and to have ca. 2 points favorable impact [(6)] on the AXA Group's Solvency II ratio as of December 31, 2023. Additionally, the transaction is expected to result in a reduction in Underlying Earnings of ca. €50 million *per annum* from 2024 onwards. AXA intends to offset the resulting earnings dilution with a €0.5 billion share buy-back [(7)] to be launched following the release of the Group's full year 2023 results and new strategic plan. The transaction is expected to have an immaterial one-off impact on AXA Group's Net Income and to result in a reduction in AXA Group's net Contractual Service Margin of ca. €0.4 billion from 2024.

CAPITAL/DEBT OPERATIONS

AXA announced the successful placement of €750 million senior notes due 2033

On January 4, 2023, AXA announced the successful placement of €750 million of Reg S senior unsecured notes due 2033 with institutional investors. The notes will be used for general corporate purposes, including the refinancing of part of the Group's outstanding debt.

The notes have a fixed annual coupon of 3.625%. Investor demand was strong with a book subscribed close to 3 times.

The notes are rated A+/Stable by Standard & Poor's and A1/Stable by Moody's.

The settlement of the notes took place on January 10, 2023.

(1) Impact effective on AXA Group's Solvency II ratio at the time of closing of the transaction.

(2) As of FY22. Premiums currently underwritten by a third-party insurer.

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

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

(5) €0.2 billion remitted in 2023 and €0.4 billion expected to be remitted in 2024.

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

(7) Subject to market conditions.

Execution of a share repurchase agreement in relation to AXA's share buy-back program of up to €1.1 billion as announced on February 23, 2023

On February 24, 2023, AXA executed a share repurchase agreement with an investment services provider, whereby AXA bought back its own shares for an amount of €1.1 billion [(1)], as communicated on February 23, 2023. The share repurchase agreement was executed in accordance with the terms of the applicable Shareholders' Annual General Meeting authorization [(2)].

Under the share repurchase agreement announced on February 23, 2023, shares were bought back commencing on February 27, 2023, and ending on April 4, 2023. On each day during the purchase period, the price per share paid by AXA [(3)] was determined on the basis of the volume-weighted average share price.

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

Information regarding share buy-back programs is disclosed on the AXA Group [(4)] website.

AXA announced the successful placement of €1 billion dated subordinated notes due 2043

On April 5, 2023, AXA announced the successful placement of €1 billion of Reg S subordinated notes due 2043 with institutional investors.

The initial fixed rate was set at 5.50% *per annum* until the end of the six-month call window period (July 11, 2033), when the interest rate will become a floating rate based on three-month EURIBOR plus a margin including a 100 basis points step up. Investor demand was strong with a book subscribed close to 5 times.

The notes are rated A-/Stable by Standard & Poor's and A2 (hyb)/Stable by Moody's. The notes are treated as capital from a regulatory and rating agencies' perspective within applicable limits. The transaction has been structured for the notes to be eligible as Tier 2 capital under Solvency II.

The settlement of the notes took place on April 11, 2023.

This issuance is part of AXA Group's funding plan for 2023 and the proceeds are used for general corporate purposes, including the refinancing of part of the AXA Group's outstanding debt. In particular, it followed the completion of a cash tender offer [(5)] on AXA XL subordinated notes [(6)], resulting in the buy-back of US$248 million debt.

AXA announced a cash tender offer for one series of subordinated notes

On April 19, 2023, AXA announced an any-and-all cash tender offer for its GB£750,000,000 5.625% Subordinated Tier 2 Notes due January 16, 2054.

The tender offer expired at 5:00 p.m., Central European time, on April 26, 2023.

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

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

Shareplan 2023

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

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

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

(1) AXA bought back its own shares for an exact amount of €1,099,999,998.

(2) The Shareholders' Annual General Meeting authorization granted on April 28, 2022, or the authorization granted by the Shareholders' Annual General Meeting on April 27, 2023, as applicable.

(3) The purchase price did not exceed the maximum purchase price approved at the applicable Shareholders' Annual General Meeting.

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

(5) Completion on March 14, 2023. Details of the terms of the cash tender offer available at XL Group Ltd – Tender Offer Results Announcement | AXA XL.

(6) AXA XL US$500 million 5.500% subordinated notes due 2045. As of 5 31, 2022, these notes no longer contribute to the Group Eligible Own Funds under Solvency II.

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

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

PARTNERSHIPS AND INNOVATION

AXA renewed the mandate of the AXA Research Fund for five years

On January 12, 2023, AXA announced that it renewed for five years the mandate of the AXA Research Fund, one of the largest scientific philanthropy initiatives in the private sector. The objectives of the AXA Research Fund are to reinforce the transdisciplinary exploration of emerging risks, to consolidate the links between academic experts, industry and the public sector.

With a total budget of €250 million since its launch in 2007, the AXA Research Fund has forged partnerships with more than 334 academic institutions in 38 countries and has supported 708 projects led by researchers of 60 nationalities, 42% of whom are women. 279 projects funded by the AXA Research Fund focus on health issues, such as data driven diabetes treatment (University of Edinburgh), 242 centers on climate and environmental subjects like the protection of biodiversity for coastal resilience (University of California, Santa Cruz) while 187 programs explore socio-economic questions such as the effects of the energy transition (Paris School of Economics).

AXA offered secure Generative AI to employees

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

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

OTHER

AXA published the third edition of its Mind Health Report

On February 28, 2023, AXA released the third edition of its Mind Health Report, a study aimed at identifying mental health and wellness issues in society in order to build solutions to mitigate them. The study was conducted in collaboration with IPSOS involving surveys of 30,000 people aged 18 to 74 from sixteen European, Asian, and American countries and territories.

Over the past year, the rate of participants with poor mental health has decreased by 3 points (13% compared to 16%), despite the difficult geopolitical and economic context.

One in two respondents felt happy and confident about the future. The happiest people are in Mexico (64%), the Philippines (62%) and Thailand (61%). On the contrary, this feeling is lowest in Italy (36%), Hong Kong (38%) and Türkiye (42%). In France, the feeling of happiness has increased by 5% compared to last year (44% against 39%).

This year's survey showed three main trends:

- 24% fewer women than men feel fulfilled. 40% feel that their skills have been questioned simply because of their gender;
- more than one in three 18-24 year olds believe that addiction to technology and social networking has a negative impact on well-being;
- employees are three times more likely to thrive if they work in a company that offers mental health support.

AXA published 1H22 and FY22 financial information under IFRS 17 and IFRS 9 accounting standards and provided 2023 Group Underlying Earnings Target [(4) (5)]

On May 15, 2023, AXA published its financial supplement for both half-year 2022 and full-year 2022, restated under the IFRS 17 and IFRS 9 accounting standards that became effective on January 1, 2023. To enable analysts and investors to better assess the Group's Underlying Earnings trajectory in 2023 following the

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

(2) Employee share offering "Shareplan 2023".

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

(4) IFRS 17 and IFRS 9 financial figures and information published on May 15, 2023, were not audited.

(5) The 2023 Group Underlying Earnings Target (the "2023 Target") set out management's then-current expectations of certain performance metrics following the implementation of IFRS 17 and IFRS 9 accounting standards, which became effective on January 1, 2023. Because the 2023 Target was provided exceptionally to enable analysts and investors to better assess the Group's Underlying Earnings trajectory in 2023 in connection with the implementation of IFRS 17 and IFRS 9, it is not expected or intended that similar guidance will be issued in future periods beyond 2023.

implementation of IFRS 17 and IFRS 9, AXA exceptionally provided a 2023 Group Underlying Earnings Target, including a breakdown by main lines of business.

- AXA reaffirmed that Group Underlying Earnings' power is unaffected by the new accounting standards.
- Group Underlying Earnings target was set above €7.5 billion in 2023, including ca. €-0.1 billion impact from unfavorable foreign exchange movements.
- Cash and regulatory capital were unaffected by accounting changes, with €5.5 billion of net cash remittance in 2022 and Solvency II ratio (1) of 215% at year-end 2022 (217% as of 1Q23).
- The key financial targets of "*Driving Progress 2023*" were reaffirmed, with the Underlying Earnings per Share (UEPS) CAGR (2) expected to exceed +7% over the three-year period 2020 (3) - 2023 and cumulative cash remittance to exceed €14 billion over the period 2021-2023.

AXA announced new decarbonization targets and published its 2023 Climate & Biodiversity Report

On June 29, 2023, AXA published its 2023 Climate & Biodiversity Report and announced new decarbonization targets for both its insurance and investment portfolios (4).

INSURANCE PORTFOLIO

For the first time, AXA published targets to drive the decarbonization of various of its Property & Casualty insurance portfolios and to develop its insurance activities dedicated to the transition.

Specifically, AXA has set targets to:

- increase its business in the field of renewable energies, and more broadly across sectors transitioning to low carbon business models, as well as developing environmentally sustainable claims management for its Motor business by 2026;
- reduce the carbon intensity of the most material personal motor portfolios in the Group by 20% by 2030 compared with the 2019 baseline;
- reduce the absolute carbon emissions of the Group's largest commercial insurance clients by 30% and the carbon intensity of other corporate clients by 20% by 2030 compared with a 2021 baseline;
- strengthen dialogue with its customers, particularly its corporate customers, but also with its external stakeholders and partners to better support them in the transition.

These targets were based on new calculation methodologies developed and promoted by the sector. AXA expects these methodologies to evolve as data availability improves, but they are a first step to better steer the carbon impact of AXA's insurance portfolios.

INVESTMENT PORTFOLIO

AXA also announced that it is continuing its efforts to reduce the carbon footprint of its investment activities. After setting a target of reducing the carbon footprint of AXA's general account assets by 20% between 2019 and 2025, AXA set a new target of a 50% reduction between 2019 and 2030. AXA also intends to strengthen its engagement activities and its efforts to finance the transition.

Climate & Biodiversity Report 2023

AXA published the 8th edition of its Climate & Biodiversity Report. This report responds to legal obligations for extra-financial reporting, as well as to the voluntary recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD), to which AXA has been a long-standing contributor.

In this report, AXA highlighted the different dimensions of its action on climate and biodiversity: governance, strategy, Risk Management and quantified indicators of the impact of its actions. One of the main indicators of the report, "the Group portfolio's implied temperature rise", measures the impact of the corporate bonds and equities held in the Group's general account portfolios on global warming by 2050. It stood at 2.5°C in 2022, down 0.1°C on last year using the same methodology and remains below the market (2.7°C).

(1) The Solvency II ratio included in the May 15, 2023 publication was estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. It included a theoretical amount for dividends accrued for the first three months of 2023, based on the full-year dividend of €1.70 per share paid in 2023 for FY22. Dividends were proposed by the Board, at its discretion, based on a variety of factors described in AXA's 2022 Universal Registration Document, and were then submitted to AXA's shareholders for approval. This estimate should not be considered in any way to be an indication of the actual dividend amount, if any, for the 2023 financial year. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (www.axa.com).

(2) Compounded annual growth rate.

(3) Rebased. FY20 Underlying Earnings rebased included actual Underlying Earnings restated for "COVID-19 claims" and natural catastrophes in excess of the normalized level. The AXA Group normalized level of natural catastrophe charges for 2020 was expected to be at ca. 3% of Gross Earned Premiums. Natural catastrophe charges included natural catastrophe losses regardless of event size. "COVID-19 claims" included Property & Casualty, Life and Health net claims related to COVID-19, as well as the impacts from solidarity measures and from lower volumes net of expenses, linked to COVID-19. "COVID-19 claims" did not include any financial market impacts (including impacts on investment margin, Unit-Linked and asset management fees, etc.) related to the COVID-19 crisis.

(4) For further information on these targets, the methodologies used to set and report on them, as well as key assumptions, risks and variables that may impact AXA's ability to meet the targets, please refer to AXA Net Zero strategy for investment & underwriting.

AXA committed to the development of renewable energy in Europe

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

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

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

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

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

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

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

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

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

AXA Future Risks Report 2023: a world in polycrisis

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

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

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

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

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

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

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

2.2 MARKET ENVIRONMENT

Financial Market Conditions

STOCK MARKETS

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

Source: Bloomberg.

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

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

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

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

BOND MARKETS

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

Source: Bloomberg.

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

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

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

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

EXCHANGE RATES

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

Source: WM/Refinitiv

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

Market Conditions

INSURANCE ACTIVITIES

Main developed markets

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

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

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

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

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

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

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

Main emerging markets

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

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

Rankings and Market shares

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

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

ASSET MANAGEMENT ACTIVITIES

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

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

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

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

2.3 ACTIVITY REPORT

Activity and Earnings Indicators

ACTIVITY INDICATORS

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

(a) Changes are on comparable basis.
(b) Net of Intercompany eliminations.
(c) In Euro billion.

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

(a) Changes are on comparable basis.
(b) Net of Intercompany eliminations.

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

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

GROSS WRITTEN PREMIUMS & OTHER REVENUES

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

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

Life & Health gross written premiums were down 2% (or €-958 million) on a comparable basis to €48,058 million.

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

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

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

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

- **Individual business** grew by 6% (or €+525 million) driven by Asia, Africa & EME-LATAM (+10%) primarily from price increases in Mexico and Türkiye, and Europe (+4%) notably due to price increases across entities.

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

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

Banking revenues decreased by 32% (or €-43 million) on a comparable basis to €93 million from AXA Banque France mainly due to pressure on margins in the context of higher interest rates.

NEW BUSINESS PERFORMANCE

Present Value of Expected Premiums ("PVEP")

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

New Business Value Margin ("NBV Margin")

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

Underlying Earnings And Net Income Group Share

DECEMBER 31, 2023

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

(a) Holdings segment includes banking and holding activities.

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

DECEMBER 31, 2022

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

(a) Holdings segment includes banking and holding activities.

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

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Alternative Performance Measures

Underlying Earnings, Underlying Earnings per Share, Combined Ratio, Underlying Return on Equity and Debt Gearing are Alternative Performance Measures ("APMs") as defined in ESMA's guidelines and the AMF's related position statement issued in 2015. A reconciliation from Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal, or total in the Consolidated Financial Statements of the corresponding period is provided in the above tables. Underlying Return on Equity and Underlying Earnings per Share are reconciled to the Consolidated Financial Statements in the table set forth on page 59 of this Annual Report, and the calculation methodology of the Debt Gearing is set out on page 560 of this Annual Report. For further information on any of the above-mentioned APMs, please see the definitions and the Glossary on Appendix IV of this Annual Report.

IFRS 17 and IFRS 9 became effective on, and have been implemented by the Group since, January 1, 2023. The new accounting standards have impacted certain components of the APMs published by AXA. For definitions of relevant accounting components under IFRS 17 and IFRS 9, please refer to Note 1 of the AXA's 2023 Consolidated Financial Statements (the "Consolidated Financial Statements").

Commentary on Group Earnings

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

Restated 2022 comparative information has been prepared under the new standards. All tables in this section of this Annual Report present the prior-year comparative financial figures as restated in accordance with IFRS 17 and IFRS 9.

For the year ended December 31, 2022, Underlying Earnings restated under IFRS 17 and IFRS 9 amounted to €6,080 million, down €1,184 million (-16%) *versus* the published full-year 2022 Underlying Earnings under IFRS 4 and IAS 39, mainly driven by Property & Casualty down €1,499 million, notably from lower prior year's reserve developments partly offset by higher discounting impact of claims reserves, while Life & Health Underlying Earnings were higher by €317 million, mainly reflecting an acceleration in the pattern of earnings recognition induced by the CSM Release mechanism under IFRS 17. Underlying Earnings for Asset Management, Banking and Holdings remained at the same level as previously reported under IFRS 4 and IAS 39 for full-year 2022.

The sum of items reconciling Underlying Earnings to Net Income under IFRS 17 and IFRS 9 amounted to €-1,019 million, down €430 million *versus* the sum of items reconciling Underlying Earnings to Net Income for full-year 2022 published under IFRS 4 and IAS 39, mainly from lower realized capital gains from equity securities that are accounted for as other comprehensive income without recycling under IFRS 9. As a result, Net Income under IFRS 17 and IFRS 9 amounted to €5,061 million, down €1,614 million (-24%) *versus* full-year 2022 under IFRS 4 and IAS 39.

UNDERLYING EARNINGS

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

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

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

PROPERTY & CASUALTY

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

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

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

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

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

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

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

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

LIFE & HEALTH

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

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

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

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

LIFE

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

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

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

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

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

HEALTH

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

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

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

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

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

ASSET MANAGEMENT

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

HOLDINGS

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

NET INCOME

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

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

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

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

partly offset by:

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

2

Shareholders’ equity Group share

As of December 31, 2023, shareholders’ equity Group share totaled €49.6 billion. The movements in shareholders’ equity Group share since December 31, 2022, are presented in the table below:

(in Euro million)	Shareholders’ equity Group share
At December 31, 2022	**46,072**
Paid-in Capital	(2,034)
Treasury Shares	847
Other Comprehensive Income Arising from Defined Benefit Plans	287
Fair Value Recorded in Shareholders’ Equity	2,432
Other Comprehensive Income Related to Invested Assets	11,397
Other Comprehensive Income Related to (re) Insurance Contracts	(8,966)
Impact of Currency Fluctuations	(799)
Undated Subordinated Debt (including interest charges)	(451)
Realized Gains on Equity through Retained Earnings	(429)
Dividends	(3,787)
Net Income for the Period	7,189
Other	252
At December 31, 2023	**49,579**

Solvency information [1]

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

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

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

Shareholder value

EARNINGS PER SHARE ("EPS")

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

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

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

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

2

RETURN ON EQUITY ("ROE")

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

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

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

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

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

(b) Excluding reserves related to the change in fair value of invested assets and derivatives, reserves related to insurance contracts as well as undated and deeply subordinated debt (recorded through shareholders' equity).

2.4 LIQUIDITY AND CAPITAL RESOURCES

Information in this section should be read in conjunction with Note 4 "Financial and insurance Risk Management" in Section 6 "Consolidated Financial Statements" of this Annual Report. The report of the Statutory Auditors on the Consolidated Financial Statements covers only the information included in Note 4.

Liquidity management is a core part of the Group's financial planning and includes the management of our debt and the maturities of our debt instruments and, more generally, the Group's capital allocation strategy. Liquidity resources result mainly from Insurance and Asset Management operations, as well as from capital-raising activities and committed bank credit lines.

Over the past several years, the Group has expanded its core operations (Insurance, Reinsurance, and Asset Management) through a combination of organic growth, direct investments, and acquisitions. This expansion has been funded primarily through a combination of **(i)** dividends received from operating subsidiaries, **(ii)** proceeds from the issuance of debt instruments (mainly subordinated debts) and internal borrowings, **(iii)** the issuance of ordinary shares, and **(iv)** proceeds from the sale of non-core businesses and assets.

Each of the major operating subsidiaries of the Group is responsible for managing its own liquidity position, in coordination with the Company. The Company, as the holding company of the AXA Group, coordinates funding and liquidity management and, in this role, participates in financing the operations of certain of its subsidiaries. Certain of AXA's subsidiaries, including XL Group Limited, AXA Konzern AG, AXA UK Plc. and AXA Mediterranean Holding SA, are also holding companies and consequently, depend on dividends received from their own subsidiaries to meet their obligations. The Group's operating (re)insurance companies are required to meet multiple regulatory constraints and, in particular, minimum solvency ratios. The policy of upstreaming dividends from subsidiaries to the holding Company AXA SA takes into account these prudential constraints. Cash positions also fluctuate as a result of cash-settled margin calls from counterparties related to collateral agreements on derivatives. While the use of derivatives has been decreasing at the Company level, the Company's statutory results may be significantly impacted by unrealized gains and losses on derivatives used to hedge, in particular, currency and interest rate risks. In addition, since it became a regulated reinsurer in 2022, the Company operates reinsurance activities whose liquidity resources and needs are monitored separately.

The Company anticipates that cash dividends received from its operating subsidiaries, after taking into account organic reinvestments in subsidiaries and existing operations, will continue to cover its operating expenses as a holding (including interest payments on its outstanding debts and borrowings) as well as shareholder distributions objectives (through dividend and annual share repurchases), in line with the Group's Capital Management Policy, until the end of the new strategic plan announced on February 22, 2024. In line with its commitment to financial discipline, future inorganic investments of the Company would be funded from available cash remaining after payments of operating expenses, dividends and execution of annual share repurchase programs pursuant to the Group's Capital Management Policy. Other financing sources available to the Company include proceeds from the sale of non-strategic assets and businesses as well as future issuances of debt and/or equity instruments. For additional information, on the Group's capital management policy, please refer to the paragraph "Group Capital Management objectives" of this section.

Regulatory or governmental authorities may recommend or request holding companies of insurance groups or regulated reinsurers such as AXA to limit their dividend payments and many subsidiaries, particularly insurance entities, are subject to local regulatory restrictions on the amount of dividends they can pay to their shareholders. Since the completion of the Company's transformation into the Group Internal Reinsurer on June 30, 2022, the ACPR, while remaining the supervising authority for the Group, also has supervisory power over AXA as an ACPR-licensed reinsurance company. For more information on these restrictions, see Note 26.5 "Other items: restrictions on dividend payments to shareholders" in Part 6 "Consolidated Financial Statements" and paragraphs "The Group's or its insurance or reinsurance entities' failure to meet their solvency and capital adequacy requirements could have a material adverse effect on our business, liquidity, ratings, results of operations and financial condition", "We are dependent on our subsidiaries to cover our operating expenses and shareholder distributions, including dividend payments" and "The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions and emerging legal, regulatory and reputational risks in the various jurisdictions in which we operate" in Section 5.1 "Risk Factors" [(1)] of this Annual Report.

(1) The information provided in Section 5.1 of this Annual Report is not required under IFRS and as such is not part of the Consolidated Financial Statements.

Liquidity, sources and needs for Group operating entities

The principal sources of liquidity for the Group's insurance subsidiaries and the Company's reinsurance activities are premiums, investment income and proceeds from sales of invested assets. These funds are mainly used to pay policyholder benefits, claims and related expenses, policy surrenders and other operating expenses, as well as to purchase financial assets and meet potential collateral exchange obligations in relation to derivatives. The liquidity of the Group's insurance operations is affected by, among other things, the overall quality of the Group's investments and the Group's ability to liquidate its financial assets in a timely manner and to meet policyholder benefits and insurance claims as they fall due. The Group regularly reviews the quality of its assets to ensure adequate liquidity in stress scenarios.

Information on projected payments and surrenders related to Life and Property & Casualty insurance contracts are disclosed in Note 12.1.9 "Liquidity risk arising from contracts within the scope of IFRS 17" in Section 6 Consolidated Financial Statements of this Annual Report.

Information in this section should be read in conjunction with, in particular, sub-sections "Market-related risks", "Insurance and reinsurance pricing and underwriting-related risks" and "Operational risks" in Section 5.1 Risk Factors [(1)] of this Annual Report.

PROPERTY & CASUALTY (INCLUDING REINSURANCE)

Liquidity needs of Property & Casualty activities can be affected by actual claims experience. Property & Casualty Insurance's net cash flows are generally positive. They can be negative in the case of exceptional loss events, such as natural or man-made catastrophe events or poor profitability of run-off of all or part of portfolio. A portion of these cash flows is invested in liquid, short-term bonds, and other listed securities in order to manage the liquidity risk that may arise from such events.

LIFE & HEALTH

Liquidity needs of Life & Health activities can be affected by a number of factors including fluctuations in the level of surrenders, withdrawals, maturities and guarantees to policyholders.

The investment strategy of AXA's Life & Health subsidiaries is designed to match the investment returns and estimated maturities of their investments with expected cash flows on their insurance contracts. Entities regularly monitor the valuation and duration of their investments and the performance of their financial assets. Financial market performance may affect the level of surrenders and withdrawals on Life insurance policies, as well as immediate and projected long-term cash needs. Group operating entities seek to adjust their investment portfolios to reflect such considerations and react in a targeted manner.

ASSET MANAGEMENT

The principal sources of liquidity for AXA's Asset Management subsidiaries are operating cash flows, repurchase agreements, borrowings from credit institutions, drawings on credit facilities and proceeds from the issuance of ordinary shares (where applicable).

The financing needs of Asset Management subsidiaries arise principally from their activities, which require working capital, in particular to constitute seed money for new funds at AXA Investment Managers.

(1) The information provided in Section 5.1 of this Annual Report is not required under IFRS and as such is not part of the Consolidated Financial Statements.

Liquidity position

In 2023, AXA continued to follow a prudent approach to managing its liquidity risk. At year-end 2023, the Group had:

- a significant cash position across all business lines (information on cash flows from operations is provided in Note 10 "Cash and cash equivalents" in Part 6 "Consolidated Financial Statements" of this Annual Report). As of December 31, 2023, AXA's consolidated statement of financial position included cash and cash equivalents of €25.0 billion, net of bank overdrafts of €0.8 billion;
- broad access to various markets *via* standardized debt programs: for example, at the end of 2023, this included a maximum capacity of €6.0 billion of French commercial paper, $2.0 billion of US commercial paper, €20.0 billion under a Euro Medium Term Note ("EMTN") program (of which €17.3 billion have already been issued), and €1.5 billion of French *titres négociables à moyen terme*;
- a debt profile characterized by debt that is mostly subordinated, with a long maturity profile. In 2023, AXA SA reimbursed €0.4 billion of debt (net of issuances) and consolidated debt stood at €18.8 billion at year-end 2023. Debt gearing (1) decreased by 1.4 pts in 2023 (20.3% at year-end 2023, *versus* 21.7 % (2) at year-end 2022), driven by Net Income appropriation over the period (net of shareholders distributions), a decrease in the stock of debt and an increase in OCI. Interest coverage increased (17.2x (3) at year-end 2023, *versus* 15.6x (4) at year-end 2022).

AXA has put in place a robust liquidity Risk Management framework which is reviewed on a regular basis through a quarterly monitoring of liquidity and solvency requirements in stressed environments both at local and Group level. For additional information, please refer to Section 5.2 "Internal control and Risk Management" (5) and Section 5.5 "Liquidity risk" (6) of this Annual Report.

At year-end 2023, Group entities held, in the aggregate, more than €172 billion of government and related bonds of which €101 billion were issued by Eurozone countries, which enables them to address local liquidity needs through highly liquid assets. AXA SA maintained a pool of liquid resources pertaining to its role as holding company of the AXA Group, consisting of cash, money market instruments (including through the Group's cash pooling) and highly liquid fixed income investments as well as, following its transformation into a regulated reinsurer, a portfolio of investments backing its statutory reinsurance liabilities. AXA SA also maintained available credit facilities at €8.0 billion at year-end 2023 (€7.9 billion in 2022). AXA SA has its own liquidity requirements resulting mainly from solvency needs of entities under severe stress scenarios, its central reinsurance activities following the transformation of the Group's holding into the Group's main reinsurance captive and collateralized derivatives held by AXA SA. This derivatives book is monitored and managed on a daily basis by the Treasury Department. For additional information on the currencies in which our cash and cash equivalents are held, please refer to paragraph "Exchange-Rate Risk related to the operating activities of Group subsidiaries" in Section 5.3 "Market Risks" of this Annual Report. For additional information on the extent to which our borrowings are at fixed rates, please refer to Note 11.1.1 "Change in shareholders' equity Group share in 2023", Note 15 "Financing Debt" and Note 16.2 "Other Debt Instruments Issued, Notes and Bank Overdrafts (Other than Financing Debt) by Issuance" in Section 6 "Consolidated Financial Statements" of this Annual Report.

For additional information on the use of financial instruments for hedging purposes, please refer to Note 18 "Derivative instruments" in Part 6 "Consolidated Financial Statements" of this Annual Report.

In addition, as part of its risk control framework, the Company remains vigilant regarding contractual provisions, such as rating triggers or restrictive covenants in financing and other documentation that may give lenders, securityholders or other counterparties the right to accelerate repayment, demand collateral or seek other similar remedies under circumstances that could have a material adverse effect on the Group's consolidated financial position. At year-end 2023, AXA had no rating triggers and no financial covenants in its credit facilities.

SUBORDINATED DEBT

On a consolidated basis, subordinated debt that qualifies as financing debt amounted to €11,020 million as of December 31, 2023 after taking into account all intra-group eliminations and excluding undated subordinated debt that qualifies as equity (Undated deeply subordinated notes and undated subordinated notes (TSS/TSDI)), which are included in shareholders' equity, as described in Note 1.13.2 "Undated subordinated debt" in Section 6 "Consolidated Financial Statements" of this Annual Report), compared to €12,069 million as of December 31, 2022, thus showing a decrease of €1,048 million mainly driven by €1,000 million debt reimbursed.

(1) Debt gearing is defined in the Glossary set forth in Appendix IV hereto.

(2) 21.7% based on IFRS 17 versus 27.1% based on IFRS 4.

(3) Based on IFRS 17.

(4) Based on IFRS 4.

(5) Only information contained in Section 5.2 "Internal control and Risk Management" of this Annual Report and referred to in Note 4 "Financial and insurance Risk Management" in Part 6 "Consolidated Financial Statements" of this Annual Report is covered by the report of the Statutory Auditors on the Consolidated Financial Statements.

(6) This information is not required under IFRS and as such is not part of the Consolidated Financial Statements. Therefore, it is not covered by the report of the Statutory Auditors on the Consolidated Financial Statements.

The Group's subordinated debt is described in Note 15 "Financing debt" in Part 6 "Consolidated Financial Statements" of this Annual Report.

FINANCING DEBT INSTRUMENTS ISSUED

On a consolidated basis, AXA's total outstanding non-subordinated financing debt excluding derivatives amounted to €2,411 million at December 31, 2023, an increase of €739 million from €1,672 million at the end of 2022.

Financing debt instruments issued are described in Note 15 "Financing debt" in Part 6 "Consolidated Financial Statements" of this Annual Report.

FINANCING DEBT OWED TO CREDIT INSTITUTIONS

At December 31, 2023, the Group did not owe any financing debt to credit institutions.

OTHER DEBT (OTHER THAN FINANCING DEBT)

Other debt instruments issued

At December 31, 2023, other debt instruments amounted to €769 million (from €560 million at the end of 2022).

Debt instruments (other than financing debt) issued by Group entities are described in Note 16 "Payables" in Part 6 "Consolidated Financial Statements" of this Annual Report.

Other debt owed to credit institutions (including bank overdrafts)

At December 31, 2023, other debt owed to credit institutions amounted to €4,783 million (including €845 million of bank overdrafts), an increase of €1,039 million compared to €3,744 million at the end of 2022 (including €486 million of bank overdrafts).

Debt (other than financing debt) owed to credit institutions is described in Note 16 "Payables" in Part 6 "Consolidated Financial Statements" of this Annual Report.

ISSUANCE OF ORDINARY SHARES

For several years, the AXA Group has offered to its employees, in and outside France, the opportunity to subscribe for shares issued through a capital increase reserved for employees. In 2023, approximately 14 million new shares were issued for a total amount of nearly €348 million. To eliminate the dilutive impact of the newly issued shares, AXA intends to buy and cancel an equivalent number of treasury shares.

Newly issued shares arising from long term incentive plans (stock options) amounted to 2.488 million shares in 2023. To eliminate the dilutive impact of the newly issued shares, AXA's policy is to systematically buy-back an equivalent number of treasury shares.

DIVIDENDS RECEIVED FROM GROUP SUBSIDIARIES

Dividends received by the Company from its subsidiaries amounted to €6,376 million in 2023 (€4,345 million in 2022), of which €2,983 million were denominated in currencies other than Euro (versus €1,939 million in 2022).

Uses of funds

Interest paid by AXA SA **in 2023 amounted to €1,107 million (€988 million in 2022),** of which interest on undated subordinated debt **was €250 million (€290 million in 2022).**

Dividends paid to AXA SA's shareholders in 2023 in respect of the 2022 financial year amounted to €3,787 million, or €1.70 per share, *versus* €1.54 per share paid in 2022 in respect of the 2021 financial year (€3,539 million in total). Those dividends were paid in cash.

In 2023, the Company repurchased €1,100 million of its own shares to return excess cash to its shareholders under a discretionary share buy-back program announced in February 2023 (in addition to share repurchases conducted to eliminate the dilutive impact on the Group's Underlying earnings per share from employee share offerings and/or the exercise of stock options).

For additional information, please refer to Appendix III "AXA parent company financial statements" of this Annual Report.

Impact of regulatory requirements

The Group's operations are subject to a wide variety of (re) insurance and other laws and regulations in the jurisdictions in which it operates, including regulatory capital and solvency requirements.

For additional information, please refer to Section 7.3 "General Information – Regulation and Supervision" (1) of this Annual Report.

REGULATORY CAPITAL REQUIREMENTS

The Group's operating (re)insurance entities are subject to local regulatory capital requirements which are designed to protect policyholders and to monitor capital adequacy.

In the event that the Group or any of its insurance or reinsurance entities fail to meet minimum regulatory capital requirements, insurance regulators would have broad authority to require or take various regulatory actions. A failure of the Group and/or any of its (re)insurance entities to meet applicable regulatory capital requirements and/or a severe deterioration of its solvency position may result in the need for significant amounts of new capital. If such a failure occurs at any of the Group's (re)insurance subsidiaries, it could adversely affect the Group's liquidity position. For additional information, see paragraph "The Group's or its reinsurance entities' failure to meet their solvency and capital adequacy requirements could have a material adverse effect on our business, liquidity, ratings, results of operations and financial condition" in Section 5.1 "Risk Factors" (2) of this Annual Report.

The Group and AXA SA on a solo basis maintained eligible own funds in excess of their Solvency Capital Requirement at all times during 2023 (in the case of AXA SA, subsequent to its receipt of its reinsurance license) and monitors compliance with such requirement on a continuous basis.

GROUP CAPITAL MANAGEMENT OBJECTIVES

Following the announcement of its "*Unlock the Future*" 2024-2026 strategic plan on February 22, 2024, the AXA Group's capital management policy is based on the following principles:

- AXA intends to pay dividends annually for an amount representing a payout ratio of 60% of the Group's Underlying Earnings per Share (UEPS). The Dividend Per Share in a given year is targeted to be at least equal to the dividend paid in the prior year;
- AXA intends to buy back shares annually in an amount corresponding to 15% of the Group's UEPS, representing, together with the Dividend Per Share, a total target payout ratio of 75% of the Group's UEPS;
- the share buy-back component may be cancelled by the Group on the occurrence of a significant earnings event (*i.e.*, a significant deviation in the Group's Underlying Earnings). The dividend floor set at the prior year level may be cancelled by the Group on the occurrence of a significant capital event (*i.e.*, an event that significantly deteriorates the Group's solvency).
- AXA applies strict financial discipline in its use of the Group's financial resources, with the following order of priority primarily driven by the AXA Group's capital management policy: **(i)** payment of the annual dividend; **(ii)** execution of annual share buy-backs; and **(iii)** investment in inorganic growth. AXA further intends to buy back shares to neutralize the dilution resulting from employee share offerings and stock-based compensation as well as to neutralize the dilutive impact of disposals and in-force management transactions on the Group's Underlying Earnings per share (such share buy-backs would be in addition to the annual share buy-backs mentioned above corresponding to a targeted 15% of the Group's UEPS).

In all cases, the Board of Directors has full discretion to determine the dividend to be proposed to the Shareholders' Annual General Meeting, as well as decide to buy back ordinary shares of the Company (pursuant to the annual shareholders' resolutions in this respect), based on a variety of factors (including AXA's earnings, financial condition, applicable capital and solvency requirements, prevailing operating and financial market conditions and the general economic environment).

The AXA Group has defined and implemented capital management standards in order to ensure that the Company and its subsidiaries are well positioned from a competitive point of view and maintain an adequate solvency ratio in accordance with local regulatory requirements. In addition, Management has developed various contingency plans. These plans may involve the use of reinsurance, sales of investment portfolios and/or other assets, measures to reduce capital strain of new business, or other measures. There can be no assurance, however, that these plans will be effective and achieve their objectives

If the Group's Solvency II ratio were to deteriorate excessively, the AXA Group may take measures to improve it, such as being more selective on growth initiatives, increasing reinsurance or reducing its appetite for investment risk. In all cases, AXA's policy is to maintain its Group Solvency II ratio above its risk appetite limit level of 140%.

(1) This information is not required under IFRS and as such is not part of the Consolidated Financial Statements. Therefore, it is not covered by the report of the Statutory Auditors on the Consolidated Financial Statements.

(2) The information provided in Section 5.1 of this Annual Report is not required under IFRS and as such is not part of the Consolidated Financial Statements.

TIERING ANALYSIS OF CAPITAL

Solvency II Eligible Own Funds ("EOF") relate to the Group's and AXA SA's (on a solo basis) available capital resources before the impact of any tiering eligibility restrictions and after consideration of the potential non-availability of certain elements of capital.

Eligible Own Funds are split into three different tiers, based on the quality of each component as defined under Solvency II regulations. The classification depends upon the extent to which the own fund item is immediately available to absorb losses including in case of a winding-up (permanent availability) and subordinated to all other obligations including towards policyholders and beneficiaries. Capital elements of the highest quality are classified in Tier 1. Eligibility limits apply to these components to cover the Group's and AXA SA's (on a solo basis) Solvency Capital Requirement ("SCR").

For compliance with the SCR, the following quantitative limits apply: (a) the eligible amount of Tier 1 items must be at least one half of the SCR, (b) the eligible amount of Tier 3 items must be less than 15% of the SCR, and (c) the sum of the eligible amounts of Tier 2 and Tier 3 items must not exceed 50% of the SCR.

Hybrid debt instruments eligible for Tier 1 must not exceed 20% of the total amount of Tier 1 capital.

DATED AND UNDATED SUBORDINATED DEBT DESCRIPTION

Dated and undated subordinated notes issued by the Company qualify as eligible own funds.

Subordinated notes issued by the Company since January 18, 2015, have been structured to be eligible as own funds regulatory capital under Solvency II regulations. Subordinated notes issued prior to January 17, 2015, mostly benefit from the transitional provisions set forth in Directive 2014/51/EU (Omnibus II), which amended the Solvency II Directive, as they were previously eligible under the Solvency I regime and were issued prior to the entry into force of Delegated Regulation EU 2015/35 of October 10, 2014.

The Company has issued dated subordinated notes ("TSR"), undated subordinated notes ("TSDI") and undated deeply subordinated notes ("TSS"), which include provisions designed to allow the Company to ensure the continuity of its activities in the event that its financial position deteriorates.

Certain TSR include clauses which permit or force the Company to defer interest payments. In addition, redemption at maturity is subject to **(i)** the prior approval by the *Autorité de contrôle prudentiel et de résolution* (the "ACPR"), and **(ii)** the absence of any event (a) making the own funds of the Company and/or the Group insufficient to cover its regulatory capital requirements, or (b) pursuant to which the Company would have to take specified action in relation to payments under the notes due to its financial condition, or (c) having an adverse effect on its insurance subsidiaries' claim payments ability.

Pursuant to the terms and conditions of AXA's TSDI, the Company may, at its option, under certain circumstances and shall, in other circumstances, defer interest payment (*e.g.*, no dividend declared or paid in the preceding Annual Shareholders' Meeting or receipt by the Company or by certain of its principal insurance subsidiaries of a regulatory demand to restore its or their solvency position as the case may be). Payment of deferred interest may become due in certain specified cases (*e.g.*, payment of a dividend, notification of the end of a regulatory demand to restore solvency, liquidation of the Company or redemption of the TSDI).

In particular, most of the Company's TSS (and all the TSS issued under the Solvency II regime (Restricted Tier 1) [(1)]) include loss absorption mechanisms which provide that under certain circumstances where the Company and/or the Group does not meet its regulatory capital requirements, the principal amount of each of the relevant TSS will be written down. In such event, interest will become payable on the reduced principal amount only. The principal may be reinstated when the Company and/or the Group returns to financial health, as defined under the terms and conditions of the TSS.

For most of the Company's TSS issued under the Solvency 2 regime, upon the occurrence of certain events relating to the Company's consolidated net earnings and shareholders' equity, the Company is required to defer payment of interest. In such events, the Company may choose to pay such deferred interest by way of alternative coupon settlement mechanisms within five years (such as, issuance of new shares or other securities including TSS or preference shares, sale of treasury shares, or an increase in the principal amount of the relevant notes, subject to applicable limits), failing which the interest is forfeited. However, the settlement of deferred interest becomes due, on a best-efforts basis, in certain circumstances including redemption of the notes, liquidation of the Company, payment of a dividend or interest on any other TSS, any share buy-back outside the Company's buy-back program, or any redemption or repurchase of other TSS.

Under its TSS issued under the Solvency 1 regime, the Company has an option to cancel payments of interest upon the deterioration of its financial position, unless certain events have occurred in the preceding year (*e.g.*, a dividend payment or interest payment on any TSS, any share buy-back outside the Group share buy-back program or a repurchase or redemption of any TSS).

In addition, under its TSS issued under the Solvency 2 regime, the Company is required to cancel payment of interest in certain circumstances, including but not limited to when the Company and/or the Group does not meet (or is expected not to meet) its regulatory capital requirement, or when the Company distributable items are insufficient, as defined under the terms and conditions of such TSS. Furthermore, the Company has full discretion to cancel payment of interest in respect of such TSS.

(1) The specifics of the Company's inaugural TSS issuance under the Solvency 2 (Restricted Tier 1) regime are available under the section "Subsequent events after December 31, 2023 impacting AXA's liquidity".

FUNGIBILITY OF GROUP CAPITAL

In assessing whether certain fungibility restrictions on capital held by AXA subsidiaries may limit the cover of the Group SCR, the Group considers the following elements:

- whether the own funds items are subject to legal or regulatory requirements that restrict the ability of such items to absorb all types of losses wherever they arise in the Group;
- whether there are legal or regulatory requirements that restrict the transferability of assets to another insurance or reinsurance undertaking; and
- whether making those own funds available for covering the Group SCR would not be possible within a maximum of 9 months.

Finally, own funds which cannot be deemed available at Group level are included in the Group's own funds as long as they are eligible for covering the SCR of the entity which holds them. By exception subordinated debt instruments issued by Group subsidiaries are not deemed available at Group level when such instruments, although eligible to cover the issuing entity's SCR, cannot be deemed available to cover the Group's SCR.

The ACPR currently considers that AXA SA is not subject to requirements relating to financial conglomerates.

For additional information on regulation and capital requirements, please refer to Section 7.3 "General Information Regulation and Supervision – Regulatory Capital and Solvency Requirements" of this Annual Report [1].

Subsequent events after December 31, 2023 impacting AXA's liquidity

A dividend per share of €1.98 will be proposed to the Shareholders' Meeting to be held on April 23, 2024. Subject to the Shareholders' Meeting approval, the dividend will be payable on May 6, 2024, with an ex-dividend date of April 30, 2024.

On January 10, 2024, the Group announced the successful placement of €1.5 billion of Reg S perpetual deeply subordinated notes (the "Notes") with institutional investors. The Notes qualify as Restricted Tier 1 capital under Solvency II. The initial fixed rate has been set at 6.375% per annum until the end of a 6-month call window period (ending on January 16, 2034)

On February 22, 2024, the Group announced a share buy-back program of up to €1.6 billion, including €0.5 billion of anti-dilutive share buy-back and €1.1 billion of annual share buy-back reflecting the Group's new capital management policy. Subsequently, AXA executed a related share repurchase agreement with an investment services provider on February 23, 2024. AXA intends to cancel all shares repurchased pursuant to this share buy-back program.

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

- GB £350,000,000 Fixed to Floating Rate Undated Deeply Subordinated Notes issued on July 6, 2006, at a fixed rate of 6.6862% until the first call date on July 6, 2026; and
- GB £723,925,000 Undated Deeply Subordinated Resettable Notes issued on November 7, 2014, at a fixed rate of 5.453% until the first call date on March 4, 2026.

The Group has repurchased 92.8% of the total amount considered, resulting in a cash outflow of GB £1.02 billion.

For other subsequent events, please refer to Note 29 "Subsequent events" in Section 6 "Consolidated Financial Statements" of this Annual Report.

(1) This information is not required under IFRS and as such is not part of the Consolidated Financial Statements. Therefore, it is not covered by the report of the Statutory Auditors on the Consolidated Financial Statements.

2.5 EVENTS SUBSEQUENT TO DECEMBER 31, 2023

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

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

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

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

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

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

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

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

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

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

Under the share repurchase agreement (5) announced on February 23, 2024, shares will be bought back commencing on February 26, 2024, and ending at the latest on August 5, 2024. On each day during the purchase period, the price per share to be paid by AXA (6) will be determined on the basis of the volume-weighted average share price.

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

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

(2) As determined under Solvency II.

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

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

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

(6) The purchase price will not exceed the maximum purchase price approved at the applicable Shareholders' Annual General Meeting.

AXA announced cash tender offers for two series of subordinated notes

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

- GB£350,000,000 Fixed to Floating Rate Undated Deeply Subordinated Notes issued on July 6, 2006 (1); and
- GB£723,925,000 Undated Deeply Subordinated Resettable Notes issued on November 7, 2014 (2).

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

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

(1) Fixed rate of 6.6862% until the first call date on July 6, 2026.

(2) Fixed rate of 5.453% until the first call date on March 4, 2026.

2.6 OUTLOOK

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

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

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

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

- underlying earnings per share compounded annual growth rate over 2023 to 2026 estimated between 6% and 8%;
- underlying return on equity between 14% and 16% over 2024 estimated to 2026 estimated; and
- over €21 billion cumulative organic cash upstream over 2024 estimated to 2026 estimated.

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

The Group has increased its underlying return on equity target, reflecting the high quality of its businesses, which is expected to drive book value growth.

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

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

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

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

(1) Insurance Finance Income and Expenses.

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

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

(4) The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (www.axa.com). The Solvency II ratio as of December 31, 2023 is adjusted to give effect to the full €1.6 billion share buy-back announced on February 22, 2024 in AXA's Full Year 2023 Earnings press release, available on Investors | AXA.

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

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3

CORPORATE GOVERNANCE

3.1 CORPORATE GOVERNANCE STRUCTURE

PRINCIPLES OF GOVERNANCE

Implementing sound corporate governance principles has been a priority at AXA for many years. In this context, AXA chose to adopt, in 2008, the corporate governance Code for French corporations *(Code de gouvernement d'entreprises des sociétés cotées)* published by the Afep *(Association française des entreprises privées)* and the Medef *(Mouvement des entreprises de France)* (the "Afep-Medef Code"). The Board of Directors (or the "Board") believes that AXA's corporate governance practices are in line with the recommendations of the Afep-Medef Code (revised in December 2022 and available on AXA's website – www.axa.com) and its accompanying guide. In addition, the Board of Directors monitors the evolution of corporate governance practices in France and abroad, as well as the recommendations and standards of shareholders, regulators, the French High Committee for corporate governance (*Haut Comité de gouvernement d'entreprise*), proxy advisors, rating agencies and other stakeholders.

PRESENTATION OF AXA'S GOVERNANCE

AXA's corporate governance framework

Since April 2010, AXA has operated with a unitary Board of Directors.

The Board is assisted by three Board Committees: the Audit Committee, the Finance & Risk Committee and the Compensation, Governance & Sustainability Committee.

The Board has adopted terms of reference (the "Board's Terms of Reference") which notably detail the role and responsibilities of the Board and its Committees, as well as matters reserved for Board decisions. The Board's Terms of Reference include corporate governance requirements which, in certain instances, go beyond current French regulatory requirements notably in relation to the number of independent directors on Board Committees.

Separation of the positions of Chairman of the Board of Directors and Chief Executive Officer

In 2016, when Mr. Thomas Buberl was appointed Chief Executive Officer, the Board of Directors decided to split the positions of Chairman of the Board of Directors and Chief Executive Officer, in line with the recommendations of the *Autorité de contrôle prudentiel et de résolution* ("ACPR") and the expectations of shareholders. In April 2022, when the mandate of Mr. Denis Duverne as Chairman of the Board of Directors expired, the Board decided to keep the positions split and **(i)** appoint Mr. Antoine Gosset-Grainville, independent director of AXA since 2020, as Chairman of the Board in replacement of Mr. Denis Duverne, and **(ii)** re-appoint Mr. Thomas Buberl as Chief Executive Officer for 4 years. The Board of Directors decided to grant Mr. Antoine Gosset-Grainville, who had worked closely with Mr. Denis Duverne for over a year prior to his appointment, similar powers to those of Mr. Denis Duverne.

A description of the Chairman's broad responsibilities and a report on his activities during the 2023 fiscal year are provided in Section "Chairman of the Board of Directors" on pages 92 and 93 below.

With Mr. Antoine Gosset-Grainville's mandate as director expiring at the close of the Shareholders' Meeting of April 23, 2024, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, decided to continue to split the positions of Chairman and Chief Executive Officer, in line with the ACPR's recommendations as well as best governance practices and given it considers that this form of governance is best suited for the Group's situation and challenges. In this context, the Board of Directors decided to **(i)** propose the renewal of Mr. Antoine Gosset-Grainville's mandate as director to the Shareholders' Meeting of April 23, 2024 and **(ii)** subject to the renewal of his mandate, renew him as Chairman of the Board, with the same powers as previously granted to him. This decision was taken in light of the complementary profiles and experiences of Mr. Antoine Gosset-Grainville and Mr. Thomas Buberl, as well as the quality of the governance in place both within the Board of Directors and when interacting with the Executive Management (*Direction Générale*), as illustrated by the results of the annual assessment of the Board carried out in 2023 by an independent consultant (see Section "Self-assessment of the Board of Directors' activities" on page 94 below).

AXA's corporate governance framework is summarized in the table below.

BOARD OF DIRECTORS
Chairman: Antoine Gosset-Grainville
The Board of Directors determines the strategic orientations of the Company and ensures their implementation

Audit Committee | **Finance & Risk Committee** | **Compensation, Governance & Sustainability Committee**

EXECUTIVE MANAGEMENT

Chief Executive Officer
Thomas Buberl
The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company and to represent the Company in its relationships with third parties

Management Committee
Assists the Chief Executive Officer in the operational management of the Group

Partners group
Assists the Chief Executive Officer and the Management Committee in developing and implementing key strategic initiatives

Board of Directors

COMPOSITION OF THE BOARD OF DIRECTORS

On December 31, 2023, the Board of Directors comprised sixteen members, including nine women and seven men. An overview of the Board of Directors as well as the profile, experience and expertise of each director is provided on pages 81 to 88 to of this Annual Report.

Board of Directors' Diversity Policy

Pursuant to Article L.22-10-10, 2° of the French Commercial Code (*Code de commerce*), the diversity policy applicable to Board members is described below.

POLICY STATEMENT

In an increasingly complex and highly competitive global environment, it is important for AXA to have directors with diverse and complementary profiles, skills and experience to drive its current and future strategy and development.

The Board of Directors believes that such diversity is essential for the Board to function optimally, and that diversity is a source of creativity and performance. It also broadens the analytical perspective of the issues discussed at Board meetings.

Consequently, in view of the Group's global presence, the Board of Directors, assisted by its Compensation, Governance & Sustainability Committee, has set a target to have Board members with diverse nationalities and cultures to ensure a balanced and complementary Board, taking into account criteria such as gender, tenure, age, independence, skills, expertise and experience.

The purpose of this diversity policy is to ensure that, at all times, the Board of Directors is consistently made up of directors with complementary skills and experience and collectively able to support the Group's Senior Management in executing its strategic plan and defining long-term objectives.

IMPLEMENTATION AND MONITORING

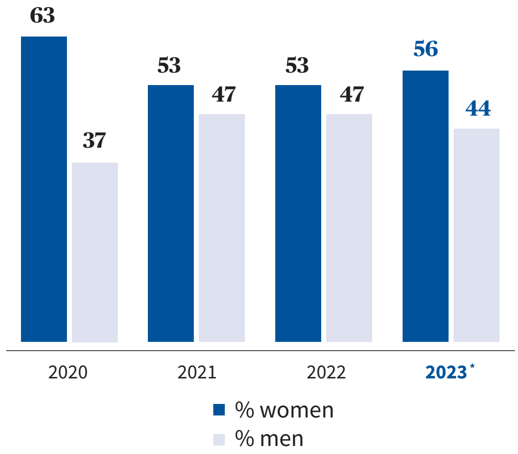
The Board of Directors and its Compensation, Governance & Sustainability Committee regularly consider diversity and balance within the Board and its Committees.

In this context, the Compensation, Governance & Sustainability Committee regularly calls upon external consultants to assist it in identifying and pre-selecting candidates according to predefined selection criteria.

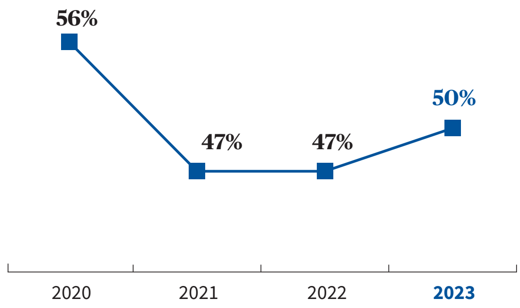
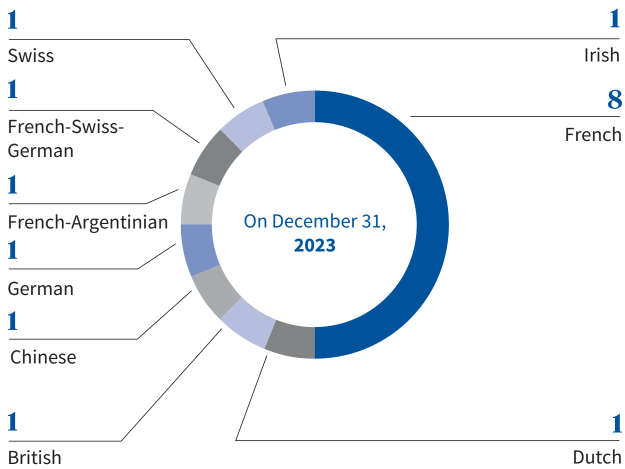
The implementation of the Board of Directors' diversity policy is reviewed and monitored each year. In this context, the Board measures the progress made against the predefined diversity targets.

TARGETS AND RESULTS ACHIEVED IN 2023

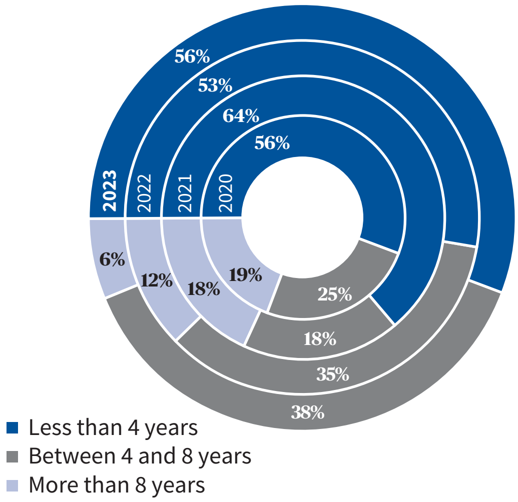
Criteria	Targets	Implementation and results obtained in past years
Gender balance	At least 40% of directors of each gender *(Target met)*	**Representation of women on the Board:** ■ 9 women (stable compared to 2022) and 7 men (compared to 8 in 2022)



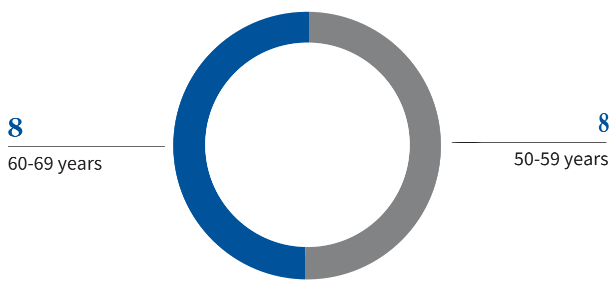
** 46% of women and 54% of men when excluding directors representing the employees and the director representing the employee shareholders in accordance with legal requirements.*

Criteria	Targets	Implementation and results obtained in past years
Nationality of directors	Balanced and complementary composition in terms of nationalities (at least four nationalities represented on the Board) *(Target met)*	**Non-French directors:** ■ 50% of directors are non-French nationals (compared to 47% in 2022) ■ 8 nationalities are represented on the Board  

Criteria	Targets	Implementation and results obtained in past years
Tenure of directors	Balanced and complementary composition in terms of tenure (average tenure between 4 and 8 years) ***(Target met)***	**Directors' tenure as of December 31, 2023:** ■ Less than 4 years: 9 directors (stable compared to 2022) ■ Between 4 and 8 years: 6 directors (stable compared to 2022) ■ More than 8 years: 1 director (compared to 2 in 2022) ■ Directors' average tenure as of December 31, 2023: 5 years (compared to 4 in 2022) Terms of office are staggered so as to avoid replacement of the entire Board and to favor a smooth replacement of directors in accordance with the recommendations of the Afep-Medef Code. In line with these recommendations, Article 10-A-2 of AXA's Bylaws allow Board members to be appointed for terms of one, two, three or four years. **On December 31, 2023**



Criteria	Targets	Implementation and results obtained in past years
Age of directors	No more than one-third of directors over the age of 70 ***(Target met)***	■ On December 31, 2023, the directors' average age was 59.5 years old (compared to 59 years old in 2022) ■ No director is over the age of 70



Criteria	Targets	Implementation and results obtained in past years
Independence of directors	At least 50% independent directors ***(Target met)***	On December 31, 2023, 10 out of 16 directors sitting on the Board of Directors were considered as independent, *i.e.*, 62.50% of the members of the Board of Directors (compared to 65% on December 31, 2022). This rate rises to 76.92% when excluding directors representing the employees and the director representing the employee-shareholders. The Chief Executive Officer, the member of the Board representing the employee shareholders and the members of the Board representing the employees (*i.e.*, four directors), are by definition not independent.

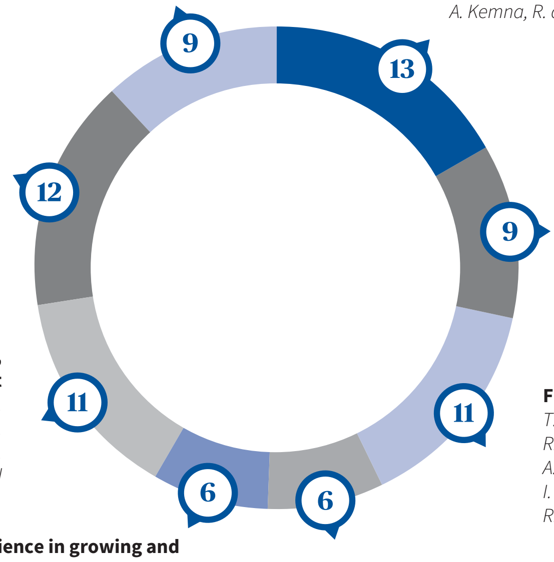
Skills and expertise of the members of the Board of Directors

The Board of Directors pays special attention, when selecting its members, to their expertise and experience, including their knowledge of the different regions where the Group is present.

The below skills matrix presents the number of directors with skills and expertise considered critical for the Board of Directors:

Oversight of sustainability
T. Buberl, B. Cramm, C. Delbos, G. Faury, A. François-Poncet, A. Gosset-Grainville, G. Harlin, I. Hudson, A. Kemna

Experience in AXA business and industries
M. Bièvre, H. Browne, T. Buberl, B. Cramm, R. Duan, R. Fernandez, A. François-Poncet, A. Gosset-Grainville, G. Harlin, I. Hudson, A. Kemna, R. de Oliveira, MF. Tschudin



Leadership and senior management experience
T. Buberl, C. Delbos, R. Duan, G. Faury, R. Fernandez, A. François-Poncet, A. Gosset-Grainville, G. Harlin, I. Hudson, R. de Oliveira, R. Picard, MF. Tschudin

Knowledge and experience of regulatory and legal matters
M. Bièvre, H. Browne, T. Buberl, R. Fernandez, A. Gosset-Grainville, G. Harlin, I. Hudson, A. Kemna, R. de Oliveira

Risk management, compliance, internal audit
H. Browne, T. Buberl, C. Delbos, R. Fernandez, A. François-Poncet, A. Gosset Grainville, G. Harlin, I. Hudson, A. Kemna, R. de Oliveira, R. Picard

Financial expertise
T. Buberl, C. Delbos, R. Duan, R. Fernandez, A. François-Poncet, A. Gosset-Grainville, G. Harlin, I. Hudson, A. Kemna, R. de Oliveira, R. Picard

Experience in growing and emerging markets
T. Buberl, C. Delbos, R. Duan, G. Faury, R. Fernandez, MF. Tschudin

Experience of customers services and digital strategies
T. Buberl, R. Duan, G. Faury, R. Fernandez, I. Hudson, R. Picard

3

Composition of the Board of Directors as of December 31, 2023 (1)

NUMBER OF DIRECTORS

16

INDEPENDENT DIRECTOR RATIO

62.5%*

10 independent directors

*76.92% excluding directors representing the employees and the director representing the employee shareholders

GENDER BALANCE WITHIN THE BOARD OF DIRECTORS

56%*

*46% of women excluding directors representing the employees and the employee shareholders

NATIONALITY

8

directors out of 16 are non-French nationals

8 nationalities are represented on the Board

DIRECTORS' AVERAGE AGE

59.5

(1) *For further information on the expertise, experience and directorships of the members of the Board of Directors, please refer to Section "Information on current members of the Board of Directors" below.*

CORPORATE GOVERNANCE
3.1 CORPORATE GOVERNANCE STRUCTURE

	Personal information				Experience	Position within the Board				Participation in Board Committees		
Name and position within the Board of Directors [(a)]	**Age** [(b)]	**Gender**	**Nationality**	**Number of AXA shares held on December 31, 2023** [(c)]	**Number of mandates in non -AXA listed companies**	**Independence**	**Date of first appointment**	**Termination of office**	**Tenure in the Board** [(b)]	**Audit Committee**	**Finance & Risk Committee**	**Compensation, Governance & Sustainability Committee**
Antoine Gosset-Grainville Chairman of the Board of Directors	57	M	French	4,268	0	✓	06/30/2020 (director) 04/28/2022 (Chairman of the Board of Directors)	2024 Shareholders' Meeting	3 years			
Thomas Buberl Director and Chief Executive Officer	50	M	German, French and Swiss	1,266,403 [(d)]	1		09/01/2016	2026 Shareholders' Meeting	7 years			
Martine Bièvre Director representing the employees	64	F	French	419	0		06/13/2018	2026 Shareholders' Meeting	5 years			
Helen Browne Director representing the employee shareholders	61	F	Irish	196,424 [(d)]	0		06/30/2020	2024 Shareholders' Meeting	3 years			
Bettina Cramm Director representing the employee	60	F	German	2,625	0		06/20/2018	2026 Shareholders' Meeting	5 years			✓
Clotilde Delbos Director	56	F	French	5,300	1	✓	05/10/2021	2024 Shareholders' Meeting	2 years	✓		
Rachel Duan Director	53	F	Chinese	5,600	3	✓	04/25/2018	2026 Shareholders' Meeting	5 years			✓
Guillaume Faury Director	55	M	French	5,000	1	✓	04/29/2021	2025 Shareholders' Meeting	2 years			✓ (Chairman)
Ramon Fernandez Director	56	M	French	7,514	1	✓	04/29/2021	2025 Shareholders' Meeting	2 years	✓	✓ (Chairman)	
André François-Poncet Director	64	M	French	7,842	0	✓	12/14/2016	2024 Shareholders' Meeting	7 years		✓	✓
Gérald Harlin Director	68	M	French	484,475	0		04/28/2022	2026 Shareholders' Meeting	1 year		✓	
Isabel Hudson Director	64	F	British	9,168	1	✓	06/30/2020	2024 Shareholders' Meeting	3 years	✓ (Chairwoman)	✓	
Angelien Kemna Director	66	F	Dutch	7,250	2	✓	04/27/2016	2024 Shareholders' Meeting	7 years	✓		
Ramon de Oliveira Director	69	M	French and Argentinian	38,234	0		04/30/2009	2025 Shareholders' Meeting	13 years		✓	
Rachel Picard Director	57	F	French	5,343 [(e)]	1	✓	04/28/2022	2026 Shareholders' Meeting	1 year	✓		
Marie-France Tschudin Director	52	F	Swiss	3,980 [(f)]	0	✓	06/30/2020	2024 Shareholders' Meeting	3 years			✓

(a) For further information on the expertise, experience and directorships of the members of the Board of Directors, please refer to Section "Information on current members of the Board of Directors" below.
(b) The ages and seniority indicated are determined in number of full years as at December 31, 2023.
(c) AXA shares indirectly held through funds are not taken into account.
(d) On March 11, 2024.
(e) On March 13, 2024.
(f) On March 12, 2024.

Changes within the composition of the Board of Directors and its Committees in 2023

	Termination of office	Appointment	Renewal
Board of Directors	Jean-Pierre Clamadieu (04/27/2023)	-	-
Audit Committee	-	-	-
Finance & Risk Committee	-	-	-
Compensation, Governance & Sustainability Committee	Jean-Pierre Clamadieu (04/27/2023)	Guillaume Faury as Chairman of the Committee (04/27/2023)	-

Mr. Jean-Pierre Clamadieu, Board member and Senior Independent Director, whose term of office expired at the close of the 2023 Shareholders' Meeting, was not replaced. The Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, decided not to maintain the position of Senior Independent Director further to the appointment of an independent director, Mr. Antoine Gosset-Grainville, as Chairman of the Board. The Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, decided to appoint Mr. Guillaume Faury to replace Mr. Jean-Pierre Clamadieu as Chair of the Compensation, Governance & Sustainability Committee.

Changes to the Board at the 2024 Shareholders' Meeting

The mandates of seven members of the Board of Directors will expire at the end of the Shareholders' Meeting called in 2024 to approve the 2023 financial statements: Mrs. Clotilde Delbos, Mrs. Isabel Hudson, Mrs. Angelien Kemna, Mrs. Marie-France Tschudin, Mrs. Helen Browne, Mr. Antoine Gosset-Grainville and Mr. André François-Poncet.

Mr. André François-Poncet informed the Board of Directors that he did not wish to stand for re-election.

In this context, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, proposed to the shareholders:

- the renewal of Mrs. Clotilde Delbos, Mrs. Isabel Hudson and Mr. Antoine Gosset-Grainville as directors, for 4 years;
- the renewal of Mrs. Angelien Kemna and Mrs. Marie-France Tschudin as directors, for 3 years, in order to improve the staggering of directorships in accordance with the recommendations of the Afep-Medef Code;
- the appointment of Mrs. Helen Browne as director representing the employee shareholders, for 4 years.

The Board of Directors also decided not to propose a replacement for Mr. André François-Poncet to the Shareholders' Meeting in order to reduce the size of the Board, in line with the recommendations of the Board's 2022 self-assessment.

The composition of the Board Committees will be reviewed during the Board of Directors' meeting following the Shareholders' Meeting of April 23, 2024.

Subject to the shareholders' approval on April 23, 2024, the Board of Directors would be comprised of 15 members including 9 women (60% [1]) and 9 members considered independent (60%) by the Board of Directors in accordance with the Afep-Medef Code criteria.

The gender diversity policy applied to the Group's management bodies and the objectives of this policy, together with an action plan and the timeframe within which these actions will be carried out, are presented in Section 4.2 "Employer responsibility" of this Annual Report.

(1) *Or a rate of 50% (higher than the minimum of 40% required by law) of women (excluding the directors representing the employees and the director representing the employee shareholders) in accordance with legal requirements.*

Information on current members of the Board of Directors (1)

Antoine Gosset-Grainville

Chairman of the Board of Directors of AXA (independent)

Partner at BDGS Associés Law Firm

Professional address:

BDGS Associés
51, rue François 1er
75008 Paris - France

Born on March 17, 1966

French nationality

Appointed on June 30, 2020
Term expires at the 2024 Shareholders' Meeting

First appointment on
June 30, 2020 (director)
April 28, 2022 (Chairman of the Board of Directors)

Expertise and experience

Mr. Antoine Gosset-Grainville is a graduate of the *Institut d'études politiques* of Paris and holds a "DESS" (post-graduate degree) in banking and finance from the University of Paris IX Dauphine. He was admitted to the Paris Bar (2002) and the Brussels Bar (2002). After graduating from the French *École nationale d'administration*, he began his career, in 1993, at the Inspection Générale des Finances, before taking the position of Deputy General Secretary of the Economic and Financial Committee of the European Union in 1997. From 1999 to 2002, he was advisor for Economic and Industry Affairs in the office of the European Commissioner in charge of Trade. In 2002, he became partner at Gide, where he managed the Brussels office for five years before becoming in 2007 Deputy Director of the Cabinet of the French Prime Minister, in charge of economic and financial issues and the management of the French State's investment portfolio. In 2010, he was appointed Deputy Managing Director of the Caisse des Dépôts et Consignations in charge of finance, strategy, investments and international operations and Interim Chief Executive Officer of the Caisse des Dépôts group from February to July 2012. In April 2013, he co-founded BDGS Associés (law firm). On April 28, 2022, Mr. Antoine Gosset-Grainville was appointed Chairman of the Board of Directors of AXA.

Mandate held within the AXA Group

Chairman of the Board of Directors: AXA*

Mandate held outside the AXA Group

None

Mandates held during the last five years

Director: AXA Assurances IARD Mutuelle, AXA Assurances Vie Mutuelle, Compagnie des Alpes, Fnac Darty, Schneider Electric SE

Thomas Buberl

Member of the Board of Directors and Chief Executive Officer of AXA

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on March 24, 1973

French, German and Swiss nationalities

Appointed on April 28, 2022
Term expires at the 2026 Shareholders' Meeting

First appointment on September 1, 2016

Expertise and experience

Mr. Thomas Buberl holds a Master of Economics degree from WHU Koblenz (Germany), an MBA from Lancaster University (UK) and a PhD. in Economics from the University of St Gallen (Switzerland). Mr. Thomas Buberl began his career as a consultant at the Boston Consulting Group for the banking & insurance sector and joined the Winterthur Group in 2005 (acquired by AXA in 2006), first as Chief Operating Officer and then as Chief Marketing and Distribution Officer. He moved to Zurich Insurance Group in 2008 as Chief Executive Officer for Switzerland. At the beginning of 2012, Mr. Thomas Buberl was appointed Chief Executive Officer of AXA Konzern AG (Germany) and member of the AXA Executive Committee. In March 2015, he also joined the AXA Management Committee and became Chief Executive Officer of the global health business line and, in January 2016, of the global life & savings business line. Since September 1, 2016, Mr. Thomas Buberl has been Chief Executive Officer and director of AXA.

Mandate held within the AXA Group

Director and Chief Executive Officer: AXA*

Mandates held outside the AXA Group (2)

Director or member of the Supervisory Board: Bertelsmann VerwaltungsGesellschaft (BVG) (Germany), IBM* (United States)

Mandates held during the last five years

Chairman of the Board of Directors: AXA Equitable Holdings, Inc. (United States), AXA Financial, Inc. (United States), XL Group Ltd (Bermuda)

Director or member of the Supervisory Board: AXA Equitable Life insurance Company (United States), Bertelsmann SE & Co. KGaA (Germany), Equitable Financial Life Insurance Company of America (United States) (*formerly known as MONY Life insurance*)

*(1) Current mandates held by members of the Board of Directors within a listed company are indicated by the following symbol: *.*
*Current mandates held by members of the Board of Directors within companies belonging to the same group are indicated by the following symbol: **.*

(2) Mr. Thomas Buberl obtained the agreement of the Company's Board of Directors before agreeing to hold offices in companies outside the AXA Group.

Martine Bièvre

Member of the Board of Directors of AXA representing the employees

Professional address:

AXA France
203-205, rue Carnot
94138 Fontenay-sous-Bois - France

Born on September 4, 1959

French nationality

Appointed on April 28, 2022
Term expires at the 2026 Shareholders' Meeting

First appointment on June 13, 2018

Expertise and experience

Mrs. Martine Bièvre graduated with a Master's degree in law specialized in insurance law from the University of Lyon (France). From 1984 to 1988, Mrs. Martine Bièvre was a damage regulations and civil liability editor at the UAP branch in Lyon (France). Since 1988, she has held various functions such as claim inspector – adjuster, at the UAP Rhône-Alpes Delegation (from 1988 to 1999), at the UAP Bassin Parisien Delegation (from 1990 to 1999), at the AXA Bourgogne Franche-Comté Region (from 1999 to 2004), at AXA Entreprises - IARD Department (from 2004 to 2011) and at AXA IARD et Partenariats (since 2011). From 2015 to 2018, she was director representing the employees on the Board of Directors of AXA France IARD. In June 2018, Mrs. Martine Bièvre was appointed director representing the employees on AXA's Board of Directors.

Mandate held within the AXA Group

Director representing the employees: AXA*

Mandate held outside the AXA Group

Director: Caisse de retraite du personnel de l'UAP (CRUAP)

Mandate held during the last five years

None

Helen Browne

Member of the AXA Board of Directors representing the employee shareholders

Professional address:

AXA
25, avenue Matignon
75008 Paris - France

Born on December 30, 1962

Irish nationality

Appointed on June 30, 2020
Term expires at the 2024 Shareholders' Meeting

First appointment on June 30, 2020

Expertise and experience

Mrs. Helen Browne is a graduate in law from the University of Kent at Canterbury (United Kingdom) (English & French Law), and also a graduate in law from the University of Grenoble (France). Mrs. Helen Browne is a Solicitor of the Supreme Court of England and Wales and was admitted to the Paris Bar in 1994. She joined Linklaters in 1989, working in London, Brussels and Paris and joined the Legal Department of AXA Group in 2001 as Legal Head of Finance before taking on the role of Legal Head of M&A in 2009. In 2014, she was appointed AXA Group Deputy General Counsel and since 2016, she has been AXA Group General Counsel. Since June 2020, Mrs. Helen Browne has been the employee shareholder representative to the AXA Board of Directors and since March 25, 2021, a member of the AXA Management Committee.

Mandates held within the AXA Group

Director representing the employee shareholders: AXA*

Director or member of the Supervisory Board: GIE AXA, XL Insurance Company SE (Ireland)

Mandate held outside the AXA Group

Member: Haut Comité Juridique de la Place Financière de Paris

Mandates held during the last five years

Director: AXA Corporate Solutions Assurance, RESO (Russia)

Bettina Cramm

Member of the Board of Directors of AXA representing the employees

Professional address:

AXA Konzern AG
PX Health&Safety
Abraham-Lincoln Park 5
65189 Wiesbaden
Germany

Born on May 10, 1963

German nationality

Appointed on April 28, 2022
Term expires at the 2026 Shareholders' Meeting

First appointment on June 20, 2018

Member of the AXA Compensation, Governance & Sustainability Committee

Expertise and experience

Mrs. Bettina Cramm is a graduated Medical Educator from the Martin-Luther University (Halle/Saale – Germany). She started her career in 1984 as a Medical Technical Assistant at the German Klinik of Diagnostik of Wiesbaden (Germany). In 1991, she joined German-Civil-Servants-Insurance (DBV), known today as AXA Konzern AG. From 1991 to 1994, she was Power Clerk General Private Health Insurance at DBV and from 1994 to 2002, Operational Paramedic at DBV-Winterthur Wiesbaden. From 2002 to 2007, Mrs. Bettina Cramm was a Healthcare Consultant at DBV-Winterthur. In 1995, she joined the Works Council at DBV-Winterthur and was a member of the Supervisory Board of DBV-Winterthur Health Insurance (2006-2008), member of the Supervisory Board of DBV Vermittlungsgesellschaft für Versicherungen und Vermögensbildung mbH (2007-2008). From 2008 to 2013, and since her appointment as a director in 2018, she is responsible for the prevention and health promotion at the company medical service at AXA Konzern AG. From 2013 to June 2018, Mrs. Bettina Cramm held various functions as member of the Works Council, Central Works Council, European Works Council and their commissions and member of Supervisory Boards of AXA entities in Germany. From May 2017 to April 2022, she was a member of the Supervisory Board of AXA Konzern AG. In June 2018, Mrs. Bettina Cramm was appointed member of the Board of Directors of AXA representing the employees.

Mandate held within the AXA Group

Director representing the employees: AXA*

Mandate held outside the AXA Group

None

Mandate held during the last five years

Member of the Supervisory Board: AXA Konzern AG (Germany)

Clotilde Delbos

Member of the Board of Directors of AXA (independent)

Companies' director

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on September 30, 1967

French nationality

Appointed on May 10, 2021
Term expires at the 2024 Shareholders' Meeting

First appointment on May 10, 2021

Member of the AXA Audit Committee

Expertise and experience

Mrs. Clotilde Delbos graduated from EM Lyon. She began her career in California, then at Price Waterhouse in Paris before joining the Pechiney group in 1992. She held various positions in France and in Brussels in Internal Audit, Treasury and Mergers & Acquisitions to then become Division Financial Director (Bauxite Alumina and International Trade). After Pechiney's acquisition by Alcan, Mrs. Clotilde Delbos served as Vice-President & Business Finance Director of the Engineered Products Division from 2005 up until it was sold in 2011 to Apollo Global Management (Private Equity Fund) and the Fonds Stratégique d'investissement. In the new company, Constellium, her last two positions were Deputy Chief Financial Officer and Chief Risk Officer. Mrs. Clotilde Delbos joined Renault Group in 2012 as Group Controller. In 2014, she was appointed Alliance Global Director, Control, in addition to her current role as Senior Vice-President, Renault Group Controller. In April 2016, Mrs. Clotilde Delbos is appointed Executive Vice-President, Chief Financial Officer of Renault Group. She also became Chair of the Board of Directors of RCI Banque SA. On April 1, 2019, Mrs. Clotilde Delbos, took over the responsibility of Internal Control on top of her current role. On October 11, 2019, the Board of Directors decided to appoint Mrs. Clotilde Delbos as Chief Executive Officer of Renault SA for an interim period until Mr. Luca de Meo took office as Chief Executive Officer of Renault SA, and Chairman of Renault SAS., effective July 1, 2020. On July 1, 2020, Mrs. Clotilde Delbos became Deputy Chief Executive Officer of Renault Group. She remained Chief Financial Officer of Renault Group and Chair of the Board of Directors of RCI Banque SA. On January 1, 2021, Mrs. Clotilde Delbos was appointed Chief Executive Officer of Mobilize brand. She remained Chief Financial Officer (until March 1, 2022), Deputy Chief Executive Officer of Renault Group and Chair of the Board of Directors of RCI Banque SA and was a member of the Renault Group's Board of Management up until December 31, 2022 when she left the Renault Group and the RCI Banque.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Chairwoman: HACTIF Advisory
Director: Alstom*
Co-manager: HACTIF Patrimoine

Mandates held during the last five years

Chief Executive Officer by interim: Renault SA
Chairwoman: MOBILIZ INVEST
Chairwoman & Chief Executive Officer: RENAULT NISSAN BV (The Netherlands)
Chairwoman of the Board of Directors: RCI Banque
Chairwoman: Mobilize Ventures, MAI
Chief Executive Officer: Mobilize
Director or member of the Supervisory Board: ALLIANCE VENTURES B.V. (The Netherlands), RENAULT Espana (Spain)
Member of the Management Board: ALLIANCE ROSTEC AUTO B.V. (The Netherlands), RENAULT Nissan B.V. (The Netherlands)

Rachel Duan

Member of the Board of Directors of AXA (independent)

Companies' director

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on July 25, 1970

Chinese nationality

Appointed on April 28, 2022
Term expires at the 2026 Shareholders' Meeting

First appointment on April 25, 2018

Member of the AXA Compensation, Governance & Sustainability Committee

Expertise and experience

A native of Shanghai, Mrs. Rachel Duan holds a bachelor's degree in Economics and International Business from Shanghai International Studies University in China and an MBA from The University of Wisconsin (Madison in USA). Mrs. Rachel Duan joined GE in 1996 and worked at GE across multiple business in the US, Japan and China. Since 2006, she has held senior leadership positions including Chief Executive Officer of GE Advanced Materials China and then Asia Pacific, Chief Executive Officer of GE Healthcare China, and Chief Executive Officer of GE China. Most recently, she served as President & Chief Executive Officer of GE Global Markets where she was responsible for driving GE's growth in global emerging markets including China, Asia Pacific, India, Africa, Middle East and Latin America.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Director: Sanofi*, Adecco Group AG* (Switzerland), HSBC* (United Kingdom)

Mandates held during the last five years

President & Chief Executive Officer: GE Global Markets

Chief Executive Officer: GE China, GE Healthcare China

Guillaume Faury

Member of the Board of Directors of AXA (independent)

Chief Executive Officer of Airbus SE

Professional address:

Airbus SE
Building B80 - W410
2 Rond-point Dewoitine
BP 90112
31703 Blagnac Cedex
France

Born on February 22, 1968

French nationality

Appointed on April 29, 2021
Term expires at the 2025 Shareholders' Meeting

First appointment on April 29, 2021

Chairman of the AXA Compensation, Governance & Sustainability Committee

Expertise and experience

Mr. Guillaume Faury graduated from the *École polytechnique* in Paris in 1990 and, subsequently, from the *École nationale supérieure de l'aéronautique et de l'espace* in Toulouse. Mr. Guillaume Faury began his career in 1992 as a flight-test engineer for the Eurocopter Tiger helicopter in the *Direction Générale de l'Armement* (DGA), the French government agency responsible for the development and purchase of defence systems for the French armed forces. Between 1998 and 2008, he held various leadership positions in engineering, programmes and flight testing in Airbus' helicopter business, which at the time operated under the name of Eurocopter. He became Executive-Vice-President for Programmes and a member of the Eurocopter Executive Committee, before being appointed as Executive Director for Research and Development. He then spent four years in the car industry at Peugeot (2009-2013), becoming Executive Vice-President for Research and Development and a member of the company's Management Board. From 2013 to 2018, Mr. Guillaume Faury was Chief Executive Officer of Airbus Helicopters, where his achievements included restructuring its manufacturing system and introducing new technologies. In February 2018, he became President of Airbus' commercial aircraft business. Since April 2019, Mr. Guillaume Faury has been Chief Executive Officer of Airbus and leads its Executive Committee.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Chief Executive Officer and director: Airbus SE* **

President: Airbus SAS**

Chairman of the Board of Directors: Groupement des Industries Françaises Aéronautiques et Spatiales

Chairman of the Association and of the Board of Directors: AeroSpace and Defence Industries Association of Europe

Member of the Advisory Board: Airbus Group Ventures Fund II, L.P.**

Mandates held during the last five years

Chairman of the Board of Directors: Airbus Canada Managing GP Inc., Airbus (China) Enterprise Management and Services Co. Limited, Airbus U.S.A. 220, Inc., Fondation d'Entreprises Airbus

Chairman of the Supervisory Board: Airbus Operations GmbH

Vice-Chairman of the Board of Directors: AeroSpace and Defence Industries Association of Europe

Managing Director (Directeur Général): Airbus

Member of the Board of Directors: Airbus Africa and Middle east FZE, Airbus Americas, Inc., Airbus Defense and Space, Inc., Airbus Defense and Space, SA, Tallano Technologies (SAS)

Ramon Fernandez

Member of the Board of Directors of AXA (independent)

Group Chief Financial Officer of CMA CGM

Professional address:

CMA CGM
Boulevard Jacques Saadé
4 Quai d'Arenc
13235 Marseille cedex 02
France

Born on June 25, 1967

French nationality

Appointed on April 29, 2021
Term expires at the 2025 Shareholders' Meeting

First appointment on April 29, 2021

Chairman of the AXA Finance & Risk Committee

Member of the AXA Audit Committee

Expertise and experience

Mr. Ramon Fernandez is a graduate of the *Institut d'études politiques* in Paris (1988) and the *École nationale d'administration* (1993). He began his career at the French Treasury before joining the International Monetary Fund in Washington (from 1997 to 1999). Returning to the French Treasury, he held various important positions in different areas. He was also Advisor to the Minister of Economy, Finance and Industry (2002-2003) and to the French President (2007-2008). In 2008, he was appointed Chief of Staff to the Minister of Labour, Social Relations, Family and Solidarity (2008-2009). From 2009 to 2014, he was Chief Executive Officer of the French Treasury, Chairman of the Agence France Trésor and Chairman of the *Club de Paris*. Mr. Ramon Fernandez joined Orange on September 1, 2014 as Deputy Chief Executive Officer (*Directeur Général Adjoint*) in charge of Finance and Strategy. From May 2, 2018 to August 31, 2020, he was Deputy Chief Executive Officer, Finance, Performance and Europe. From September 2020 to December 31, 2022, Mr. Ramon Fernandez was Deputy Chief Executive Officer, Finance, Performance and Development. From January 1, 2023 to March 31, 2023, Mr. Ramon Fernandez was Deputy Chief Executive Officer (*Directeur Général Adjoint*). Since April 1, 2023, Mr. Ramon Fernandez has been Group Chief Financial Officer of CMA CGM.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Permanent representative of CMA CGM to the Board of: Air France/KLM*

Member of the Board of Directors: Fondation nationale des Sciences Politiques, Institut Jean Monnet

Mandates held during the last five years

Deputy Chief Executive Officer: Orange

Chairman of the Board of Directors: Buyin, Compagnie financière d'Orange Bank, Orange Bank, Orange Ventures

Member of the Board of Directors: Euronext (The Netherlands), Heuler Hermes SA, Institut du Capitalisme Responsable, Orange Belgium, Orange Middle East and Africa, Medi Telecom

Member of the Supervisory Board: Buyin, Iris Capital Management SAS, Orange Pologne

André François-Poncet

Member of the Board of Directors of AXA (independent)

Companies' director

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on June 6, 1959

French nationality

Appointed on April 28, 2022
Term expires at the 2024 Shareholders' Meeting

First appointment on December 14, 2016

Member of the AXA Compensation, Governance & Sustainability Committee

Member of the AXA Finance & Risk Committee

Expertise and experience

Mr. André François-Poncet graduated from *École des hautes études commerciales* (HEC) and holds a Master in Business Administration (MBA) from the Harvard Business School. He began his career, in 1984, at Morgan Stanley in New York and then in London and in Paris, where he was in charge of the opening of the Morgan Stanley French office. After a sixteen-year career at Morgan Stanley, he joined, in 2000, BC Partners (Paris and London) as Managing Partner until December 2014 and then as Senior Advisor until December 2015. From September 2016 to December 2017, Mr. André François-Poncet was a Partner at the French asset manager CIAM in Paris. From January 2018 to December 2022, Mr. André François-Poncet was Group CEO of Wendel SE and Vice-Chairman of the Board of Directors of Bureau Veritas.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Chairman: PC Associés

Member of the bureau: Club des Trente

Mandates held during the last five years

Group CEO: Wendel SE

Chairman and director: Trief Corporation (Luxembourg)

Vice-Chairman of the Board of Directors and director: Bureau Veritas

Director: Harvard Business School Club de France, Winvest Conseil (Luxembourg)

Member of the European Advisory Board: Harvard Business School

Gérald Harlin

Member of the Board of Directors of AXA

Companies' director

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on August 21, 1955

French nationality

Appointed on April 28, 2022
Term expires at the 2026 Shareholders' Meeting

First appointment on April 28, 2022

Member of the AXA Finance & Risk Committee

Expertise and experience

Mr. Gérald Harlin is a graduate of the ESSEC school of business. From 1979 to 1990, he held several positions within the Total group. He was Head of Corporate Finance Department for North America, Mining & Chemical Subsidiaries from 1989 to 1990. Mr. Gérald Harlin started working for the AXA Group in 1990 as Corporate Treasurer and became Head of Corporate Finance in 1991. In 1994, he was appointed Chief Financial Officer of AXA Asset Management Europe and its subsidiaries and Chief Executive Officer of AXA Banque. He joined AXA France in 1997 as Chief Investment Officer. In 2000 he was appointed Market Program Manager of AXA France. He became Chief Financial Officer of AXA France in 2001 until March 2003. From 2003 to 2009, Mr. Gérald Harlin was Executive Vice-President, Finance & Control of the AXA Group. From 2010 to December 2019, Mr. Gérald Harlin was Group Chief Financial Officer. During this period, he was a member of the Group's Executive Committee (July 2008-2016) and a member of the Group's Management Committee (July 2016-2019). In December 2017, Mr. Gérald Harlin was appointed Deputy Chief Executive Officer (*Directeur Général Adjoint*) in addition to his current responsibilities, until September 2020. From December 2019 to September 2020, he was appointed Executive Chairman of AXA Investment Managers, of which he is still a member of the Board of Directors.

Mandates held within the AXA Group

Director: AXA*, AXA France IARD, AXA France Vie, AXA Investment Managers, Catlin Insurance Company, Inc. (United States), Greenwich Insurance Company (United States), Indian Harbor Insurance Company (United States), X.L. America, Inc. (United States), XL Insurance America, Inc. (United States), XL Insurance Company of New York, Inc. (United States), XL Reinsurance America Inc. (United States), XL Select Insurance Company (United States)

Mandates held outside the AXA Group

Executive Chairman: MGH Bournazel

Director: AXA Assurances IARD Mutuelle, AXA Assurances Vie Mutuelle, Établissement public du Château, du musée et du domaine national de Versailles, Fondation Mérimée

Mandates held during the last five years

Chairman & Chief Executive Officer: AXA China, AXA Investment Managers, AXA Investment Managers Paris, AXA America Holdings, Inc. (which became AXA Equitable Holdings) (United States)

Chairman of the Board of Directors: AXA France IARD, AXA France Vie, AXA Real Estate Investment Managers, AXA Holdings Belgium SA (Belgium), AXA Mediterranean Holding S.A.U. (Spain)

Chairman of the Company and Chairman and member of the Management Committee: AXA Oeuvres d'Art, Lor Patrimoine, Oudinot Participations

Chairman and member of the Management Committee: AXA ASIA

Managing Director and member of the Management Board: Vinci B.V. (The Netherlands)

Director: AXA Global P&C, AXA Investment Managers Chorus Limited (Hong Kong), AXA Investment Managers US Inc. (United States), AXA Equitable Life insurance Company (United States), AXA Equitable Holdings, Inc. (United States), MONY Life insurance Company of America (United States), XL Group Ltd (Bermuda), XL Specialty Insurance Company (United States)

Member of the Management Committee: CFP Management

Member of the Supervisory Board: AXA Liabilities Managers

Permanent representative of:

- AXA to the boards of AXA Global Re and AXA Investment Managers
- Société Beaujon to the board of AXA Real Estate Investment Managers

Isabel Hudson

Member of the Board of Directors of AXA (independent)

Companies' director

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on December 8, 1959

British nationality

Appointed on June 30, 2020
Term expires at the 2024 Shareholders' Meeting

First appointment on June 30, 2020

Chairwoman of the AXA Audit Committee

Member of the AXA Finance & Risk Committee

Expertise and experience

Mrs. Isabel Hudson graduated with a Master of Arts in French and German from the University of Oxford (United Kingdom). From 1981 to 1993, she held various positions at the Royal Insurance group (United Kingdom). From 1993 to 1995, she was Head of European Development and Operations at the Corporation of Lloyd's (United Kingdom). From 1996 to 1999, she was the International Development Director for GE Insurance Holdings Ltd (United Kingdom) and from 1999 to 2002, she held the positions of Chief Financial Officer and Executive Director of Eureko BV (The Netherlands). From 2002 to 2006, she was an Executive Director of Prudential's UK business and Chairwoman of Prudential International Assurance and from 2006 to 2008, she established and served as Chief Executive Officer of Synesis Life (a specialized pension buyout firm). In June 2011, she joined the National House Building Council (NHBC) Board and was non-executive Chairwoman from November 2011 to the end of May 2020. She had also been a non-executive director of QBE Insurance Group Ltd (Australia) for 9 years. In November 2014, she was appointed to the Board of BT Group plc (United Kingdom). Mrs. Isabel Hudson is also an ambassador for the disability charity, SCOPE and from December 2023, she is non-executive director of ISC Group, a global not for profit organization, championing equal representation for women in insurance.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Director: BT Group plc* (United Kingdom), ISC Group (United Kingdom)

Mandates held during the last five years

Chairwoman and director: National House Building Council (United Kingdom)

Director: Phoenix Group Holdings Ltd (United Kingdom), RSA Insurance Group plc *(Senior Independent Director)* (United Kingdom), Standard Life PLC (United Kingdom)

Angelien Kemna

Member of the Board of Directors of AXA (independent)

Companies' director

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on November 3, 1957

Dutch nationality

Appointed on June 30, 2020
Term expires at the 2024 Shareholders' Meeting

First appointment on April 27, 2016

Member of the AXA Audit Committee

Expertise and experience

Dr. Angelien Kemna graduated with a Master of Arts in Econometrics and a Ph.D. in Finance from Erasmus University Rotterdam (The Netherlands). She was a visiting scholar at the Sloan School, MIT (United States). Dr. Angelien Kemna began her career as Associate Professor in Finance at the Erasmus University from 1988 to 1991. In 1992, she joined Robeco NV and held various positions, notably Investments and Account Management Director from 1998 to 2001. During this period, she was also part-time Professor of Financial Markets at the University of Maastricht (The Netherlands) (1993–1999). From 2001 to July 2007, she worked for ING Investment Management BV (The Netherlands), where she initially held the position of Global Chief Investment Officer and subsequently Chief Executive Officer for the European Region. In the period 2007-2011, Dr. Angelien Kemna was part-time Professor of corporate governance at the Erasmus University and had also various non-executive and advisory positions, most notably Vice-Chairwoman of the Supervisory Board of the Dutch regulatory institution (AFM). In 2009, Dr. Angelien Kemna joined APG group NV as member of the Executive Board with the responsibility of Chief Investment Officer. From September 2014 to November 2017, Dr. Angelien Kemna was Chief Finance & Risk Officer of APG group (The Netherlands).

Mandates held within the AXA Group

Director: AXA*, AXA Investment Managers (*Senior Independent Director*)

Mandates held outside the AXA Group

Director or member of the Supervisory Board: NIBC (The Netherlands), Naspers* (South Africa), Prosus* (The Netherlands)

Mandate held during the last five years

Director: Friesland Campina N.V. (The Netherlands)

Ramon de Oliveira

Member of the Board of Directors of AXA

Managing Director of RdeO Consulting LLC (United States)

Professional address:

RdO Consulting LLC
580 Park Avenue
New York - NY 10065
United States

Born on September 9, 1954

French and Argentinian nationalities

Appointed on April 29, 2021
Term expires at the 2025 Shareholders' Meeting

First appointment on April 30, 2009

Member of the AXA Finance & Risk Committee

Expertise and experience

Mr. Ramon de Oliveira is a graduate of the University of Paris and of the *Institut d'études politiques* (Paris). Starting in 1977, Mr. Ramon de Oliveira spent 24 years at JP Morgan & Co. From 1996 to 2001, Mr. Ramon de Oliveira was Chairman & Chief Executive Officer of JP Morgan Investment Management. Mr. Ramon de Oliveira was also a member of the firm's Management Committee since its inception in 1995. Upon the merger with Chase Manhattan Bank in 2001, Mr. Ramon de Oliveira was the only executive from JP Morgan & Co. asked to join the Executive Committee of the new firm with operating responsibilities. Between 2002 and 2006, Mr. Ramon de Oliveira was an Adjunct Professor of Finance at both Columbia University and New York University. Mr. Ramon de Oliveira is the Founder and Partner of the consulting firm RdeO Consulting LLC, based in New York. Until October 22, 2021, he was Chairman of the Board of Directors of Equitable Holdings (EQH) and AllianceBernstein (AB), both based also in New York.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Founder and Partner: RdeO Consulting LLC (United States) (*formerly Investment Audit Practice, LLC*)

Director: Antin Infrastructure Partners

Member of the Investment Committee: Polish-American Freedom Fund

Mandates held during the last five years

Chairman of the Board of Directors: AllianceBernstein Corporation (United States), Equitable Holdings, Inc. (United States), Friends of Education *(non-profit organization)* (United States)

Trustee and Chairman of the Investment Committee: Fondation Kaufman (United States)

Chairman of the Investment Committee: Fonds de Dotation du Musée du Louvre

Vice-Chairman: JACCAR Holdings SA (Luxembourg)

Director or member of the Supervisory Board: American Century Companies Inc. (United States), AXA Equitable Life insurance Company (United States), AXA Financial, Inc. (United States), JP Morgan Switzerland (Switzerland), MONY Life insurance Company (United States), MONY Life insurance Company of America (United States), Quilvest (Luxembourg), SunGard Data Systems (United States), Taittinger-Kobrand USA (United States)

Member of the Investment Committee: La Croix Rouge (United States)

Rachel Picard

Member of the Board of Directors of AXA (independent)

Chairwoman of the Board of Directors of Criteo

Professional address:

Criteo
32, rue Blanche
75009 Paris - France

Born on December 11, 1966

French nationality

Appointed on April 28, 2022
Term expires at the 2026 Shareholders' Meeting

First appointment on April 28, 2022

Member of the AXA Audit Committee

Expertise and experience

Mrs. Rachel Picard graduated from the *École des hautes études commerciales* (HEC) of Paris. From 1988 to 1991, she was Deputy Sales Manager at Valle Nevado, a ski resort located in Chile. From 1991 to 1993, Mrs. Rachel Picard worked at Eurodisney and in 1993, she joined Frantour (SNCF group, then Accor group), successively as marketing manager (1993-1995), Marketing and Communications Director (1995-1997) and European Tour Operating Director (1997-2000). From 2000 to 2004, she was Chief Executive Officer of Atlas Voyages. In 2004, Mrs. Rachel Picard joined the SNCF as Deputy Chief Executive Officer (*Directrice Générale Adjointe*) and then Chief Executive Officer of Voyages-SNCF.com (2007-2010). From October 2010 to April 2012, Mrs. Rachel Picard was Chief Executive Officer of Thomas Cook France. Then, she was Chief Executive Officer of SNCF Gares & Connexions from June 2012 to September 2014. From October 2014 to February 2020, she was Chief Executive Officer of SNCF Voyages (TGV). In June 2017, she was appointed member of the Board of Directors of Criteo and became Chairwoman of the Board of Directors in July 2020.

Mandate held within the AXA Group

Director: AXA*

Mandates held outside the AXA Group

Chairwoman of the Board of Directors: Criteo*

Chairwoman: Adoxa Finance, The RP Agency

Member of the Supervisory Board: Rocher Participations

Mandates held during the last five years

Chief Executive Officer: SNCF Voyages (TGV)

Director: Compagnie des Alpes, Eurostar Group, Thalys, SNCF e-voyageurs

Marie-France Tschudin

Member of the Board of Directors of AXA (independent)

Companies' director

Professional address:

AXA
25 avenue Matignon
75008 Paris - France

Born on September 24, 1971

Swiss nationality

Appointed on June 30, 2020
Term expires at the 2024 Shareholders' Meeting

First appointment on June 30, 2020

Member of the AXA Compensation, Governance & Sustainability Committee

Expertise and experience

Mrs. Marie-France Tschudin graduated with a Master of Business Administration from IMD business school in Switzerland, and a Bachelor of Science from Georgetown University in the United States. Before joining Novartis, Mrs. Marie-France Tschudin spent 10 years at Celgene International in a variety of leadership positions across Europe. She joined Novartis in 2017 as Europe Region Head of Novartis Pharmaceuticals. From March to June 2019, she was President of Advanced Accelerator Applications, a Novartis company. In June 2019, she became President of Novartis Pharmaceuticals. In April 2022, Mrs. Marie-France Tschudin was President, Innovative Medicines International & Chief Commercial Officer of Novartis Pharma AG (Switzerland) and a member of the Executive Committee of Novartis (Switzerland) up until September 2023 when she left the Novartis group.

Mandate held within the AXA Group

Director: AXA*

Mandate held outside the AXA Group

Director: IMD Foundation (Switzerland)

Mandates held during the last five years

President, Innovative Medicines International & Chief Commercial Officer: Novartis Pharma AG (Switzerland)

President: Novartis Pharmaceuticals (Switzerland)

Director: European Federation of Pharmaceutical Industries and Associations (EFPIA) (Belgium)

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CORPORATE GOVERNANCE
3.1 CORPORATE GOVERNANCE STRUCTURE

DIRECTORS' INDEPENDENCE

Each year, the Board of Directors assesses the independence of each of its members under the criteria set forth in the Afep-Medef Code.

The following table sets out the position of each director of the Company in consideration of such criteria as of December 31, 2023.

Afep-Medef criterion *(the criterion is considered to be met when it is identified by ✔)*	**Antoine Gosset-Grainville**	**Thomas Buberl**	**Martine Bièvre**	**Helen Browne**	**Bettina Cramm**	**Clotilde Delbos**	**Rachel Duan**	**Guillaume Faury**	**Ramon Fernandez**	**André François-Poncet**	**Gérald Harlin**	**Isabel Hudson**	**Angelien Kemna**	**Ramon de Oliveira**	**Rachel Picard**	**Marie-France Tschudin**
1 Not have been an employee or executive officer of the Company, or an employee, executive officer or board member of a consolidated subsidiary of the Company within the previous five years	✔	X	X	X	X	✔	✔	✔	✔	✔	X	✔	X	X	✔	✔
2 Not have cross-directorships	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
3 Not have significant business relationships with the Company or any consolidated subsidiary of the Company	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
4 Not be related by close family ties to any Board member of the Company or any consolidated subsidiary of the Company	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
5 Not have been an auditor of the Company within the previous five years	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
6 Not have been a director of the Company for more than twelve years	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	X	✔	✔
7 Not represent a major shareholder of the Company (holding more than 10% of the Company's share capital or voting rights)	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	X	✔	✔	✔	✔	✔
INDEPENDENT DIRECTOR AFTER ASSESSING THE AFEP-MEDEF CRITERIA	✔	X	X	X	X	✔	✔	✔	✔	✔	X	✔	✔	X	✔	✔

On February 21, 2024, the Board of Directors reviewed the independence of each of its members under the Afep-Medef criteria, based on the conclusions of the assessment performed by its Compensation, Governance & Sustainability Committee.

In this context, the Compensation, Governance & Sustainability Committee and the Board of Directors notably considered the specific situation of Mrs. Angelien Kemna. Consistent with its assessment in past years, the Board of Directors concluded that the fact that she sits on the Board of AXA Investment Managers (AXA IM) as non-executive director does not impair her independence under the Afep-Medef Code. In particular, the Board considered that this role does not prevent Mrs. Angelien Kemna from exercising her mandate as a director of AXA with complete independence because **(i)** AXA IM is an unlisted 97% owned subsidiary of the Group, and **(ii)** any potential conflicts that may arise are manageable by Mrs. Angelien Kemna abstaining from any debate and/or vote on the matter in question, in line with the Board's Terms of Reference. Finally, the Board considered that, in her capacity as a director of AXA IM, she brings to the Board useful and precise knowledge of the strategy, operations, processes and teams of AXA IM and more generally on the Group's asset management activities.

The Compensation, Governance & Sustainability Committee and the Board of Directors also assessed the materiality of the business relationships between independent Board members and the Company. In this context the Board: **(1)** reviewed the declaration Board members provide to the Company each year detailing their business relationships with the Group over the past year and confirming that these relationships do not create any potential conflicts of interests and **(2)** analyzed from a qualitative and quantitative perspective the business relationship, notably based on the following criteria: **(i)** the nature of the relationship: they considered the position of the Board member in the contracting organization (*i.e.*, does he/she have specific decision-making powers which could impact the relationship or does he/she get paid in this regard); and **(ii)** the significance of the relationship: they ensured that the business relationships do not represent a significant part of the Group's revenues or lead to dependency or exclusivity. The Board concluded that none of the independent Board members had business relationships with the Company or its consolidated subsidiaries that are material at the level of the Group or that could call into question their independence.

The Chief Executive Officer (Mr. Thomas Buberl), the member of the Board representing the employee shareholders (currently Mrs. Helen Browne) and the members of the Board representing the employees (currently Mrs. Martine Bièvre and Mrs. Bettina Cramm), are by definition not independent.

Following this assessment, the Board of Directors concluded that 10 out of 16 Board members are considered as independent under the Afep-Medef Code: Mrs. Clotilde Delbos, Mrs. Rachel Duan, Mrs. Isabel Hudson, Mrs. Angelien Kemna, Mrs. Rachel Picard, Mrs. Marie-France Tschudin, Mr. Antoine Gosset-Grainville, Mr. Guillaume Faury, Mr. Ramon Fernandez and Mr. André François-Poncet.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Board is collectively responsible for determining the strategic orientations of the Company, ensuring their implementation in accordance with its corporate purpose, including regarding environmental, social and governance matters, and establishing the internal framework for oversight of the Executive Management, subject to relevant laws and regulations and the Bylaws of the Company. In addition, the Board *inter alia:*

- chooses the appropriate corporate governance framework;
- appoints and dismisses the Chairman, any Vice-Chairman/ Senior Independent Director, the Chief Executive Officer, any Deputy Chief Executive Officer *(Directeur Général Délégué)*, any *dirigeant effectif* (as defined under the Solvency II regulation);
- determines the compensation the Chief Executive Officer and any Deputy Chief Executive Officer (*Directeur Général Délégué*);
- convenes Shareholders' Meetings;
- proposes directors for appointment to the Shareholders' Meeting and/or coopts directors to the Board;
- reviews and sets *(arrête)* the Company's and the Group's half-year and annual financial statements;
- presents a report on corporate governance to the Shareholders' Meeting;
- decides to grant stock-options and/or performance/restricted shares;
- authorizes agreements referred to in Article L.225-38 of the French Commercial Code (*conventions réglementées*);
- fulfills all the obligations entrusted to it under Solvency II regulations;
- sets the risk appetite and overall risk tolerance limits for AXA SA;
- reviews the strategies and the policies on the taking, management and monitoring of risks as well as the conclusions of the internal assessment of risks and solvency (ORSA – Own Risk and Solvency Assessment – report);
- adopts and oversees the general principles of the Group Remuneration Policy; and
- proposes Statutory Auditors for appointment to the Shareholders' Meeting and approves non-audit services.

The Chief Executive Officer, who is also a Board member, is vested with the broadest powers to act in all circumstances on behalf of the Company and to represent the Company in its relationships with third parties. However, the Board of Directors has reserved the right to approve certain material transactions as set out in the Board's Terms of Reference, including disposals or acquisitions over €500 million per transaction or €2 billion in aggregate in any single year), granting of sureties, guarantees, endorsements and warrantees in favor of third parties (over €200 [1]/100 [2] million per transaction or €1 billion in aggregate in any single year), material financing transactions and any material transaction outside the strategy announced by the Company.

To ensure that the personal interests of the members of the Board of Directors and those of the Company are appropriately aligned, the Board's Terms of Reference provide that each member of the Board of Directors (with the exception of the directors representing the employees) must hold, within two years following his/her first appointment, a number of AXA shares with a value at least equal to the gross annual amount of his/her compensation (directors' fees) earned in respect of the previous fiscal year [3].

CHAIRMAN OF THE BOARD OF DIRECTORS

In accordance with French law, the Chairman's role is to organize and oversee the work of the Board of Directors. In this context, he sets the agenda of the Board meetings, holds regular discussions with the Chief Executive Officer and the directors, requests any document or information necessary to help the Board of Directors for the preparation of its meetings, ensures that the documents are provided early enough to enable directors to have the time to examine the documents and verifies the quality of the information provided. More generally, he ensures that Board members are in a position to fulfill their role.

The Chairman convenes the members of the Board without directors who are members of the Executive Management *(Direction Générale)* being present, in particular to debate their performance, compensation and succession planning.

Following its decision to appoint Mr. Antoine Gosset-Grainville as Chairman of the Board of Directors in April 2022 and considering his experience and extensive knowledge of the AXA Group, the Board decided to extend the duties entrusted to its Chairman to include the following [4]:

- promoting the Company's values and culture in particular in relation to sustainability and professional ethics;
- upon request by the Chief Executive Officer, representing the Company in its relations, nationally and internationally, with public bodies, institutions, regulators, shareholders and the Company's main strategic partners and stakeholders;

(1) *To guarantee obligations of its subsidiaries or sureties put up to guarantee its own obligations.*

(2) *For other guarantees, endorsements and warrantees.*

(3) *For this purpose, AXA shares are valued using the closing price of the AXA share on December 31 of the preceding fiscal year.*

(4) *The role of the Chairman is set out in the Board's Terms of Reference which are available on AXA's website.*

- consulting with the Chief Executive Officer on major topics and events relating to the Company (including the Company's strategy, major acquisition or divestment projects, significant financial transactions, major community projects and the appointment of the most senior executives of the Group);
- upon invitation of the Chief Executive Officer, taking part in internal meetings with Group executives and teams to provide his opinion on strategic issues or projects; and
- assisting and advising the Chief Executive Officer.

In this context, in 2023, the Chairman of the Board of Directors, notably:

- represented the Company at various national and international events attended by certain of the Group's main partners and strategic stakeholders;
- had discussions with the main institutional shareholders of the Company, in particular prior to the Shareholders' Meeting through governance roadshows with major shareholders/investors to present the composition of the Board and its functioning, the proposed changes in governance, the compensation of the corporate officers and the Group's climate strategy and commitments;
- participated in several events with individual shareholders (*e.g.* AXA Investor Day); and
- at the request of the Chief Executive Officer, participated in internal meetings in connection with significant events concerning the Company.

While the Chairman acts in close collaboration with the Chief Executive Officer, his role is contributory in nature and does not confer any executive power. Under French law, the Chief Executive Officer is solely responsible for the Company's operational leadership and management.

SENIOR INDEPENDENT DIRECTOR

Mr. Jean-Pierre Clamadieu, Board member and Senior Independent Director, whose term of office expired at the close of the 2023 Shareholders' Meeting, was not replaced. The Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, decided not to maintain the position of Senior Independent Director further to the appointment of an independent director, Mr. Antoine Gosset-Grainville, as Chairman of the Board.

In 2023 (until the term of his mandate on April 27, 2023), the Senior Independent Director, who also acted as Chairman of the Compensation, Governance & Sustainability Committee:

- maintained regular dialogue with the Chairman of the Board and with the Executive Management (*i.e.,* the Chief Executive Officer and the Deputy Chief Executive Officers *(Directeurs Généraux Adjoints)*);
- was actively involved in the preparation of Board and Committees meetings, working closely with the Chairman of the Board of Directors and the Executive Management; and
- contributed to the review of all communications made to shareholders on corporate governance topics and Executive Management compensation and participated in corporate governance roadshows with major shareholders/investors prior to the Shareholders' Meeting.

He reported on his activities at the Shareholders' Meeting held on April 27, 2023.

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BOARD ACTIVITIES IN 2023

In 2023, the Board of Directors met ten times and the directors held three executive sessions without the presence of the Executive Management (*i.e.*, the Chief Executive Officer and the two Deputy Chief Executive Officers *(Directeurs Généraux Adjoints)*).

In 2023, the Board notably focused on:

- the preparation of the new Group strategic plan 2024-2026 (see further details below);
- the Group's sustainability strategy, of which the climate strategy is an essential element, (see Section 4.1 "AXA Group's sustainability strategy" of this Annual Report);
- the examination of the 2022 consolidated and statutory financial statements and the 2023 half-year consolidated financial statements;
- capital management;
- significant disposal and acquisition projects;
- Board Committee reports;
- the Solvency II reports for both the Group and AXA SA including the ORSA (Own Risk and Solvency Assessment), SFCR (Solvency and Financial Condition Report), RSR (Regular Supervisory Report) and Internal Model validation report as well as written policies;
- the Group's Pre-emptive Recovery Plan;
- the reinsurance strategy;
- the approval of non-audit services;

- the self-assessment of the Board of Directors;
- AXA's policy with respect to professional equality and equal pay;
- the independence of the Board members;
- the review of the composition of the Board and its Committees;
- the compensation of the corporate officers;
- the performance of the Chief Executive Officer; and
- the succession plans for the Executive Management.

In June 2023, the Board of Directors held its annual two-day off-site strategy session with Group senior executives to discuss the principal areas of focus for the new Group strategic plan 2024-2026 and met various new members of the Management Committee who will be responsible for its execution to discuss the key drivers and challenges of the plan. This discussion was followed up at successive Committees and Board meetings before being formally approved in February 2024.

In 2023, several training sessions were organized by the Chairman of the Board, led by external and/or AXA Group presenters on **(i)** digitalization for an efficient and sustainable future, **(ii)** the Generative Artificial Intelligence, **(iii)** the implementation of the IFRS 17 accounting standards and **(iv)** science and climate change (provided by AXA Climate).

SELF-ASSESSMENT OF THE BOARD OF DIRECTORS' ACTIVITIES

The Board of Directors conducts an annual self-assessment to review its composition, operating procedures, and overall functioning. The conclusions of this self-assessment are discussed annually.

In 2022, the Board self-assessment was conducted internally, and all directors (except the Chairman of the Board) answered a self-assessment questionnaire and had a meeting with the Chairman of the Board to assess the effectiveness of the Board and each Board member's contribution. The conclusions of each director's personal contribution were shared by the Chairman of the Board who provided individual feedback during dedicated one-on-one meetings with each Board member. Each director also had a meeting with the Chairman of the Compensation, Governance & Sustainability Committee to collect his/her feedback and suggestions on the personal contribution of the Chairman of the Board of Directors.

In 2023, the Board's self-assessment was carried out by an external consultant (Russell Reynolds Associates), under the supervision of the Compensation, Governance & Sustainability Committee. This consultant was selected among several providers following a request for proposal considering notably the following criteria: **(i)** experience in board assessment, **(ii)** independence, **(iii)** knowledge of the industry, etc.

Each director completed an online questionnaire, and then met with the external consultant to assess, in particular **(i)** the progress made against the conclusions of the previous self-assessment in 2022, **(ii)** the composition and the functioning of the Board and its Committees, **(iii)** the role of the Chairman, **(iv)** the relationship between the Board and the Management and **(v)** the alignment of the Board with the Group's strategy, particularly in terms of sustainability.

During the individual interviews, the directors were also asked to comment on the other members' individual contribution to the Board's work.

All results were anonymous, and the directors received individual feedback from the Chairman of the Board on their respective contributions.

During its December 2023 meeting, the Compensation, Governance & Sustainability Committee thoroughly reviewed the conclusions of the Board self-assessment as well as the main areas for improvement before submission to the Board of Directors on December 6, 2023.

The 2023 self-assessment demonstrated that the directors' perception of the overall functioning of the Board of Directors, including its dynamics and its performance, is very positive. The directors also recognized and valued the significant contribution of the Chair to the Board notably his inclusive leadership style and his ability to foster an open debate.

The members of the Board of Directors also recognized the significant progress made by the Board following the recommendations presented in 2022.

The members of the Board identified notably the following areas for improvements:

- adding insurance expertise to the Board in the next rounds of appointments;
- creating a comprehensive long-term agenda to examine strategic and business topics in depth;
- reviewing the M&A approval process; and
- operationalizing the division of responsibilities for sustainability between the three Committees and the Board.

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS IN 2023

In 2023, the Board met ten times and the average attendance rate was 96.93%. Board meetings lasted approximately four hours on average.

	Board of Directors		Audit Committee		Finance & Risk Committee		Compensation, Governance & Sustainability Committee	
Directors	**Number of atten-dance/ Number of meetings**	**Attendance rate**	**Number of atten-dance/ Number of meetings**	**Attendance rate**	**Number of atten-dance/ Number of meetings**	**Attendance rate**	**Number of atten-dance/ Number of meetings**	**Attendance rate**
Antoine Gosset-Grainville	10/10	100%	-	-	-	-	-	-
Thomas Buberl	10/10	100%	-	-	-	-	-	-
Martine Bièvre	9/10	90%	-	-	-	-	-	-
Helen Browne	10/10	100%	-	-	-	-	-	-
Jean-Pierre Clamadieu	3/3	100%	-	-	-	-	1/1	100%
Bettina Cramm	10/10	100%	-	-	-	-	5/5	100%
Clotilde Delbos	10/10	100%	6/7	85.71%	-	-	-	-
Rachel Duan	8/10	80%	-	-	-	-	3/5	60%
Guillaume Faury	9/10	90%	-	-	-	-	5/5	100%
Ramon Fernandez	10/10	100%	7/7	100%	9/9	100%	-	-
André François-Poncet	10/10	100%	-	-	9/9	100%	5/5	100%
Gérald Harlin	10/10	100%	-	-	9/9	100%	-	-
Isabel Hudson	10/10	100%	7/7	100%	9/9	100%	-	-
Angelien Kemna	10/10	100%	7/7	100%	-	-	-	-
Ramon de Oliveira	10/10	100%	-	-	8/9	88.89%	-	-
Rachel Picard	10/10	100%	7/7	100%	-	-	-	-
Marie-France Tschudin	9/10	90%	-	-	-	-	4/5	80%
TOTAL ATTENDANCE RATE		**96.93%**		**97.14%**		**97.78%**		**88.46%**

The Board Committees

In order to ensure a more thorough monitoring of both risks and the sustainability strategy, in 2022, the Board Committees were reorganized as follows: the Finance Committee became the Finance & Risk Committee and the Compensation & Governance Committee became the Compensation, Governance & Sustainability Committee.

To ensure a well-balanced governance, the Board's Terms of Reference specifically provide, in addition to French law requirements, that independent directors play a major role in all Board Committees, as follows:

- each Committee is chaired by an independent director;
- all members of the Audit Committee are independent directors;
- all members of the Compensation, Governance & Sustainability Committee are independent directors, with the exception of the director representing the employees who sits on the Committee pursuant to the Afep-Medef recommendations;
- none of AXA's executive officers may be members of the Committees.

Each Committee issues opinions, proposals or recommendations to the Board of Directors on matters within the scope of its responsibilities with each Committee Chairman reporting to the Board at the following Board meeting. However, under French law, Board Committees do not have any formal decision-making power and are advisory only.

The Committees may request external consulting expertise if necessary. They may also invite external participants to attend their meetings.

All Committees are composed of members with expertise in the relevant areas, and their composition is regularly reviewed by the Board of Directors.

The role, organization and responsibilities of each Committee are set out in the Board's Terms of Reference and in the AXA Group Audit Committee Terms of Reference available on AXA's website.

AUDIT COMMITTEE IN 2023 (1)

Composition: Isabel Hudson (Chairwoman) – Clotilde Delbos – Ramon Fernandez – Angelien Kemna – Rachel Picard

In accordance with the Afep-Medef recommendations, the Audit Committee members are notably competent in the areas of finance and/or accounting. For further information on the expertise, experience and directorships of the members of the Board of Directors, please refer to Section "Information on current members of the Board of Directors" above.

MEETINGS	ATTENDANCE	INDEPENDENT DIRECTORS
7	97.14%	100%

Main responsibilities

The Scope of the Audit Committee's responsibilities is set out in its AXA Group Audit Committee Terms of Reference which are reviewed and approved each year by the Board of Directors.

The main missions of the Committee are to:

- monitor the financial reporting process and the integrity *of* the publicly reported results and disclosures made in the financial statements;
- monitor the adequacy and effectiveness of the internal control and risk management frameworks for both AXA SA and the Group;
- form an opinion on the effectiveness, performance and independence of the Group's internal auditors;
- consider the appointment and oversee the process for selecting Statutory Auditors, monitor the Statutory Auditors' audits and review of the Group's consolidated financial statements, as well as the auditors' independence and the breakdown of their fees and make recommendations to the Board as to the appointment of the Statutory Auditors to provide non-audit services;
- consider and make a recommendation to the Board regarding the appointment, reappointment, dismissal or resignation of the independent third-party(ies) responsible for providing assurance on the Group's sustainability reporting;
- monitor the process for preparation of the Group's extra-financial information, and review the extra-financial performance statement (*déclaration de performance extra-financière*) included in the Annual Report as well as any other similar extra-financial report which may require Board approval pursuant to applicable regulations;
- review the documents required under the Solvency II regulations, including written policies for AXA SA and the Group and, jointly with the Finance & Risk Committee, both AXA SA and the Group's ORSA reports as well as any other report which may require Board approval pursuant to Solvency II regulations.

The review of financial statements by the Audit Committee is accompanied by a report from the Statutory Auditors on the main results of the statutory audit and the accounting methods chosen in this regard.

The Committee regularly receives presentations from the Group Chief Financial Officer, the Group Chief Risk Officer, the Group General Counsel, the Group Head of Internal Audit, the Group Chief Compliance Officer, the Group Chief Operating Officer and the Group Chief Security Officer describing the Company's principal risk exposures including those of a social and environmental nature, and where applicable the material off-balance-sheet commitments.

The Committee regularly meets the Statutory Auditors and the Group Head of Internal Audit during *ad hoc* sessions.

The Group Deputy Chief Executive Officer (*Directeur Général Adjoint*) & General Secretary, the Group Deputy Chief Executive Officer (*Directeur Général Adjoint*), Finance, Operations, Strategy, Risk , Underwriting, the Group Chief Financial Officer, the Group Head of Internal Audit, the Group Chief Risk Officer, the Group Chief Accounting Officer as well as the Statutory Auditors are invited to attend each Audit Committee meeting.

The Chairman of the Board of Directors, as well as the Chief Executive Officer, although not members of the Committee, contribute to the work of the Committee and attend its meetings.

Main activities in 2023

The Audit Committee focused, in particular, on the following:

- the 2022 consolidated and statutory financial statements;
- the 2022 Annual Report (Universal Registration Document);
- the review of the main extra-financial disclosures, including the extra-financial performance statement *(déclaration de performance extra-financière)*;
- the 2023 half-year consolidated financial statements;
- the report on AXA SA's procedures for the preparation and verification of financial and accounting information;
- an overview of the 2022 consolidated results in accordance with IFRS 17 and IFRS 9 accounting standards;
- various internal control and risk management matters including: reports on financial and operational risks, the investigations annual report/whistleblowing, the bi-annual compliance report (with a special focus on anti-money laundering (AML) and sanctions), the bi-annual litigation reports, the report on the Group's Internal Financial Control (*IFC*) function, etc.;
- the regular review of the main tax issues and the annual review of the Group's tax policy;
- the Group's Standards (including the new standard on Vendor Management) and the Group and AXA SA Solvency II policies;
- the results of internal audit;
- the Statutory Auditors' work;
- the review of Management's draft response to ACPR letters;
- the review of the non-audit services provided by the Statutory Auditors;
- the internal audit and Statutory Auditors plans and resources;
- the implementation of the Digital Operational Resilience Act (DORA);
- the Group insurance policies' renewal;
- the review of the Statutory Auditors' rotation plan in accordance with Article L.823-1, II of the French Commercial Code;
- the strategy and the quarterly security updates covering information security, including cyber security and physical security matters).

The Audit Committee held several joint sessions with the Finance & Risk Committee notably on the following topics:

- the review of the Solvency II reports for both the Group and AXA SA (ORSA, SFCR and RSR) and the internal model;
- the reinsurance strategy.

(1) On December 31, 2023.

FINANCE & RISK COMMITTEE IN 2023 (1)

Composition: Ramon Fernandez (Chairman) – André François-Poncet – Gérald Harlin – Isabel Hudson – Ramon de Oliveira

MEETINGS	ATTENDANCE	INDEPENDENT DIRECTORS
9	97.78%	60%

Main responsibilities

The main missions of the Committee are:

- to examine and issue an opinion on any plan to dispose of ownership interests held by the Company, or any acquisition or strategic partnership, whatever form they may take, when their immediate or deferred value exceeds €500 million;
- to examine and issue an opinion on any sureties, guarantees, endorsements and warrantees in favor of third parties which exceed the delegations of power granted to the Chief Executive Officer by the Board of Directors;
- to examine and issue an opinion on any of the following:
  - securities issuances giving a claim, whether directly or indirectly, to the Company's share capital,
  - share repurchase programs proposed to the Ordinary Shareholders' Meeting,
  - financing transactions that could substantially change the Company's financial structure;
- to review any subject relating to the financial management of the AXA Group including:
  - the policy on financial risk management,
  - the liquidity and financing of the Group,
  - solvency and capital management,
  - the responsible investment policy, its implementation, and its impact on the Group investment portfolio and plans;
- to examine the impact of the main orientations and limits of the Asset Liability Management policy on the Group's capital and solvency;
- to review the Group's risk appetite framework developed by the Executive Management for financial, extra-financial, (re)insurance and operational exposures;
- to review AXA SA's risk strategy and appetite and overall risk tolerance limits (including the reinsurance risk);
- jointly with the Audit Committee, review both AXA SA's and the Group's ORSA reports, as well as any report which may require Board approval pursuant to Solvency II regulations.

The Group Deputy Chief Executive Officer (*Directeur Général Adjoint*), Finance, Operations, Strategy, Risk, Underwriting, the Group Chief Financial Officer and the Group Chief Risk Officer are invited to attend each Finance & Risk Committee meeting.

The Chairman of the Board of Directors, as well as the Chief Executive Officer, although not members of the Committee, contribute to the work of the Committee and attend its meetings.

Main activities in 2023

The Finance & Risk Committee focused, in particular, on the following:

Finance matters:

- macroeconomic environment and market's view on AXA;
- activity and profitability;
- financial structure and capital management;
- transactions on AXA shares;
- investment plan strategy (AXA SA and Group);
- Group Pre-emptive Recovery Plan;
- main M&A projects;
- review of financial authorizations including guarantees;
- capital increase reserved for the employees of the Group (Shareplan 2023);
- new Group Strategic Plan 2024-2026, including the new capial management policy;
- budget.

Risk matters:

- AXA SA's & the Group's risk appetite including the liquidity framework;
- Group & AXA SA Solvency roll-forward;
- regulatory developments;
- AXA SA's and the Group's written policies.

The Finance & Risk Committee held several joint sessions with the Audit Committee notably on the following topics:

- the review of the Solvency II reports for both the Group and AXA SA (ORSA, SFCR and RSR) and the internal model;
- the reinsurance strategy.

(1) *On December 31, 2023.*

COMPENSATION, GOVERNANCE & SUSTAINABILITY COMMITTEE IN 2023 (1)

Composition: Guillaume Faury (Chairman) – Bettina Cramm – Rachel Duan – André François-Poncet – Marie-France Tschudin

MEETINGS	ATTENDANCE	INDEPENDENT DIRECTORS (2)
5	88.46%	80%

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Main responsibilities

The main missions of the Committee are:

- to issue proposals to the Board of Directors on:
  - the recommendations to the Shareholders' Meeting for the appointment and the re-appointment of the members of the Board of Directors;
  - the composition of the Board Committees; and
  - the appointment of the Chairman, any Vice-Chairman or Senior Independent Director, the members of the Executive Management and the persons who effectively run the Company (*dirigeants effectifs*) as defined under the Solvency II regulations.
- to prepare, with the Chairman of the Board of Directors and the Chief Executive Officer, the succession of the Executive Management.
- to issue proposals to the Board of Directors on:
  - the compensation of the Chairman of the Board of Directors and the Chief Executive Officer and the preparation of their annual assessment;
  - the Chief Executive Officer's Group and individual performance conditions (financial and extra-financial) and associated targets used to determine his annual variable compensation;
  - the total annual maximum amount of directors' fees to be allocated to the members of the Board of Directors to be submitted to the Shareholders' Meeting; and
  - the number of Company performance shares and performance shares dedicated to retirement to be granted to the Chief Executive Officer and the other members of the Management Committee as well as related performance conditions (financial and extra-financial);
- to give an opinion on:
  - the principles and conditions for the determination of the compensation of the main executives of the AXA Group; and
  - the overall annual allocation of Company performance/restricted shares to employees of the AXA Group.

Main activities in 2023

The Committee in particular focused on the following:

Compensation matters:

- the Chief Executive Officer annual assessment and compensation for 2023;
- the members of the Management Committee and the Key Function Holders' compensation;
- Group STIC (Short Term Incentive Compensation);
- the plans relating to, and the grant of, performance/restricted shares and performance shares dedicated to retirement;
- the Group Remuneration Policy (Solvency II regulation);
- the *ex post* and *ex ante "say-on-pay"* for corporate officers; and
- the allocation of directors' fees.

Governance matters:

- the composition of the Board and its Committees as well as the composition of the Management Committee;
- the election of the employee shareholder representative at the 2024 Shareholders' Meeting;
- the independence of the members of the Board;
- the self-assessment of the Board of Directors;
- the succession plan (short, medium, long) for the Chief Executive Officer as well as for each member of the Management Committee.

Sustainability matters:

- the Group's sustainability strategy including the climate strategy (see Section 4.1 of this Annual Report for further details);
- 2030 net zero commitments for investments and underwriting;
- the Group's inclusive insurance strategy;
- the Group diversity and inclusion strategy (including AXA's policy with respect to professional equality and equal pay);
- the results of the employee survey (Pulse) including the employee net promoter score (eNPS) and questions on hybrid working.

(1) On December 31, 2023.

(2) All members of the Compensation, Governance & Sustainability Committee are independent directors, with the exception of the director representing the employees who sits on the Committee pursuant to the AFEP-MEDEF recommendations.

Main responsibilities	Main activities in 2023
■ to review, at least annually, the Group's sustainability strategy as well as any material sustainability commitments (and updates thereto) to be disclosed publicly; ■ to review certain Group human resources topics, including the annual review of the Company's policy with respect to professional equality and equal pay; ■ to review certain governance matters relating to the operation and organization of the Board of Directors and the organization of the periodic self-assessment of the Board of Directors; and ■ to review the AXA Compliance & Ethics Code. The Group Deputy Chief Executive Officer (*Directeur Général Adjoint*) & General Secretary attends each Compensation, Governance & Sustainability Committee meeting. The Chairman of the Board of Directors, as well as the Chief Executive Officer, although not members of the Committee, contribute to the work of the Committee and attend its meetings, except when their personal situation is discussed.	

Group Senior Management

The Chief Executive Officer is assisted in the day-to-day operational management of the Group by a Management Committee and a Partners group.

THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company and to represent the Company in its relationships with third parties. He exercises these powers within the scope of the Company's corporate purpose and subject to the powers expressly assigned by law to the Shareholders' Meetings and the Board of Directors. In addition, the Board's Terms of Reference provide for specific limitations of the powers of the Chief Executive Officer and require, in addition to legal requirements, prior Board approval for certain significant transactions as indicated in the Section "Board of Directors" above.

The Chief Executive Officer reports to the Board on a regular basis on the Company's financial condition and all key issues.

THE MANAGEMENT COMMITTEE

The Management Committee's role is to assist the Chief Executive Officer in the operational management of the Group.

The Management Committee meets fortnightly to discuss Group strategic, financial and operational matters. The Management Committee has no formal decision-making authority and is advisory in nature.

COMPOSITION OF THE MANAGEMENT COMMITTEE ON JANUARY 1, 2024

Name	Principal function within AXA
Thomas Buberl	Chief Executive Officer of AXA
Frédéric de Courtois	Group Deputy Chief Executive Officer (*Directeur Général Adjoint*), Finance, Operations, Strategy, Risk, Underwriting
George Stansfield	Group Deputy Chief Executive Officer (*Directeur Général Adjoint*), General Secretary, oversight of AXA Japan, AXA Greater China (China and Hong Kong)
Nancy Bewlay	Group Chief Underwriting Officer
Guillaume Borie	Chief Executive Officer of AXA France
Helen Browne	Group General Counsel
Patrick Cohen	Chief Executive Officer of European Markets and Health
Ulrike Decoene	Group Chief Communication, Brand and Sustainability Officer
Hassan El-Shabrawishi	Chief Executive Officer of International Market (Africa, Türkiye, Middle East, Latin America, Thailand, Indonesia, the Philippines, India)
Françoise Gilles	Group Chief Risk Officer
Scott Gunter	Chief Executive Officer of AXA XL
Alban de Mailly Nesle	Group Chief Financial Officer
Marco Morelli	Executive Chairman of AXA Investment Managers
Karima Silvent	Group Chief Human Resources Officer
Anu Venkataraman	Group Chief Strategy Officer and Head of Investor Relations
Alexander Vollert	Group Chief Operating Officer and Chief Executive Officer of AXA Group Operations

THE PARTNERS GROUP

The Partners group is composed of the members of the Management Committee and close to thirty other senior executives from across the Group. Its principal role is to assist the Chief Executive Officer and the Management Committee in the definition and implementation of key strategic initiatives in the context of the Group strategic plans and to contribute to a permanent strategic dialogue throughout the Group. It has no formal decision-making authority and is advisory in nature. The Partners group meets at least twice a year.

The complete list of the members of the Partners group is available on the AXA Group website (www.axa.com).

Other information

SERVICE CONTRACTS BETWEEN THE AXA GROUP AND MEMBERS OF THE BOARD OF DIRECTORS

Mrs. Helen Browne, who is the employee shareholder representative on AXA's Board of Directors, is currently an employee of the GIE AXA (France).

Mrs. Martine Bièvre, who is an employee representative on AXA's Board of Directors, is currently an employee of AXA France IARD, which is one of AXA's main French subsidiaries.

Mrs. Bettina Cramm, who is also an employee representative on AXA's Board of Directors, is currently an employee of AXA Konzern AG, which is one of AXA's main German subsidiaries.

FAMILY RELATIONSHIPS

To the best of the Company's knowledge, there are no family relationships among the members of the Board of Directors or with members of the Executive Management.

OTHER INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS

Absence of conflicts of interests

According to the Board's Terms of Reference and the recommendations of the Afep-Medef Code, each member of the Board of Directors is required to inform the Chairman of the Board of Directors and/or the Senior Independent Director, if any, of any situation concerning her/him which may create a conflict of interest with the Company or the companies of the AXA Group, and to abstain from voting on any related resolution.

The Chairman of the Board of Directors and the Chief Executive Officer do not currently carry out any professional activity or hold any mandate outside the AXA Group that the Board believes substantially interfere with or impede in any material way their availability to focus on the Group and its business. Certain members of the Board of Directors, however, are corporate officers and/or executives of companies that may have agreements or enter into transactions from time to time with the AXA Group including furnishing services or goods, providing credit facilities, purchases of securities (for their own account or for third parties), and/or underwriting of securities, purchases of insurance and/or product and service providing. These agreements or deals are systematically negotiated and performed at arm's length terms and conditions. Consequently, AXA does not believe that any of these agreements or transactions give rise to any conflicts of interests between **(i)** the director's duties towards AXA and **(ii)** their private interests and other duties (see Section "Directors' independence" above).

To the best of the Company's knowledge, there are no arrangements or understandings with major shareholders, customers, suppliers, or others pursuant to which a director has been selected as member of the Board of Directors of the Company, aside from Mr. Gérald Harlin who was appointed as the member of the Board representing the Mutuelles AXA (AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle) who together held 15.65% of the Company's share capital and 26.02% of the Company's voting rights as of December 31, 2023, during the Shareholders' Meeting of April 28, 2022.

Absence of any conviction in relation to fraudulent offences, any official public incrimination and/or sanctions, or any responsibility in a bankruptcy for the last five years

To the best of the Company's knowledge, none of the members of its Board of Directors have been, during the last five years **(i)** subject to any conviction in relation to fraudulent offences or to any official public incrimination and/or sanction by statutory or regulatory authorities (including designated professional bodies), **(ii)** disqualified by a court from acting as a member of the administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of any issuer, or **(iii)** associated as a member of the administrative, management or supervisory body with any company that has declared bankruptcy or been put into receivership, liquidation, or administration provided, however, that AXA has from time to time sold, discontinued and/or restructured certain business operations and voluntarily liquidated affiliated companies in connection with these or similar transactions and certain members of AXA's Board of Directors may have been associated with other companies that have undertaken similar solvent liquidations.

The table below sets forth the salaried employees (Full-Time Equivalent) of the AXA Group over the past three years, as of December 31:

EMPLOYEES

Salaried employees (full time equivalent)	At December 31, 2023	At December 31, 2022 restated [(a)]	At December 31, 2021 restated [(a)]
France [(b)(c)]	**17,834**	**17,013**	**16,905**
Europe	**29,514**	**28,517**	**28,713**
Of which Switzerland	4,305	4,159	4,082
Of which Germany [(d)]	7,883	8,177	8,365
Of which Belgium & Luxembourg	3,243	3,243	3,313
Of which United Kingdom & Ireland [(e)]	9,778	8,953	8,859
Of which Spain [(f)]	2,443	2,194	2,290
Of which Italy	1,800	1,726	1,737
AXA XL [(g)]	**9,916**	**9,317**	**9,136**
Asia, Africa & EME-LATAM	**21,618**	**19,851**	**20,860**
Of which Japan	3,887	3,850	3,951
Of which Hong Kong	1,667	1,662	1,674
Of which China	2,714	2,811	2,819
Of which South Korea	1,607	1,612	1,604
Of which Mexico	4,006	3,903	3,935
Of which Colombia [(h)]	4,208	2,818	2,804
Of which Türkiye [(i)]	1,039	780	765
Asset Management	**2,763**	**2,782**	**2,617**
Transversal & Central Holdings	**13,061**	**12,963**	**14,325**
Of which Group Management Services	1,182	1,127	1,094
Of which AXA Group Operations and AXA Business Services	4,546	4,469	6,099
Of which AXA Assistance	7,231	7,255	6,952
TOTAL	**94,705**	**90,443**	**92,556**

Employees of non-consolidated companies or companies accounted for using the equity method are not included in the above table.

(a) Reclassification of Luxembourg (previously reported as part of International) and AXA Life Europe (previously reported as part of Transversal & Central Holdings), reported now in Europe

(b) A portion of the employees of AXA's French affiliates is included in GIEs.

(c) In 2022, FTE were calculated using the number of salaried employees of non-consolidated entities and omitting some subcontracting entities. On comparable basis, FTE increased by 508 mainly driven by nearshoring and to support the quality of service, in line with business growth.

(d) In 2023, the decrease by 294 in Germany was due to the efficiency programs.

(e) In 2023, the increase in UK & Ireland is mainly driven by the acquisition of Laya in Ireland.

(f) In 2023, the increase in Spain by 250 is mainly driven by the acquisition of Groupe Assurances du Crédit Mutuel España.

(g) In 2023, the increase of 599 FTEs at AXA XL is mainly from growth initiatives and ramp up of offshore resources.

(h) In 2023, the increase of 1,390 FTE in Colombia is mainly driven by the consolidation of Emermedica.

(i) In 2023, the increase of 259 FTE in Türkiye is mainly due to the acquisition of Groupama.

3.2 EXECUTIVE COMPENSATION AND SHARE OWNERSHIP

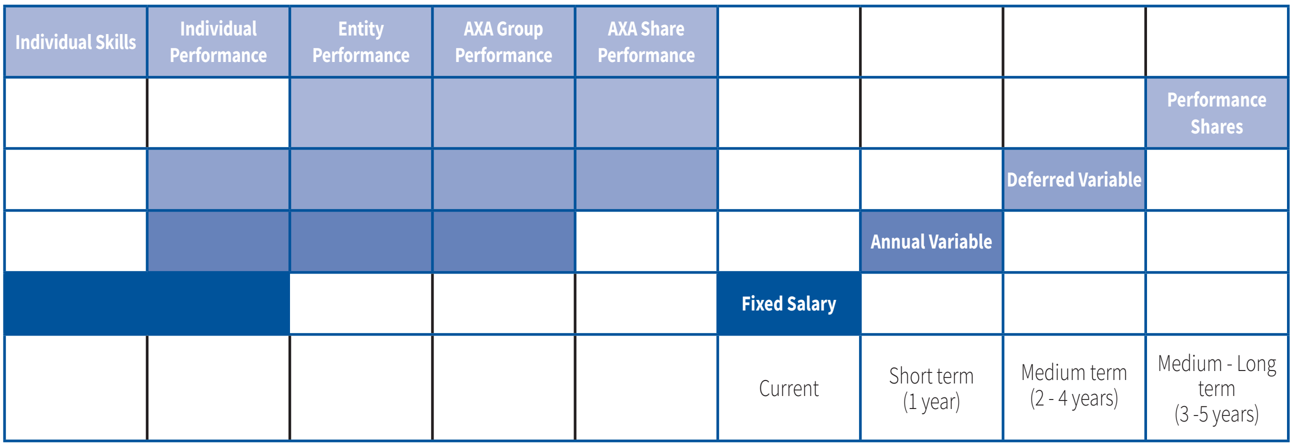
INTRODUCTION

AXA's global executive compensation policy is designed to align the interests of the executives with those of the Company and its shareholders while establishing a clear and straightforward link between performance and compensation. In this context, its main objective is to encourage the achievement of ambitious objectives and the creation of long-term value by setting challenging performance criteria.

AXA's executive compensation structure is based on an in-depth analysis of market practices in France and abroad, within the financial services sector (insurance and reinsurance companies, banks, asset managers, etc.) and of other international groups.

AXA Group's overall policy on executive compensation focuses on the variable part of the compensation package, which is the compensation at risk for beneficiaries. The structure of AXA's executive compensation is composed of a variable portion which represents a significant part of the aggregate compensation. This is designed to align executive compensation more directly with the operational strategy of the Group and the interests of the shareholders while encouraging performance:

- both on an individual and collective level; and
- over the short, medium, and long term.



Corporate officers' and executives' compensation (1)

COMPENSATION OF THE CORPORATE OFFICERS AND MANAGEMENT COMMITTEE MEMBERS ON DECEMBER 31, 2023

Governance

The mission of the Compensation, Governance & Sustainability Committee of AXA's Board of Directors is to formulate propositions to the Board regarding, in particular, **(i)** the Company's compensation policy and principles, **(ii)** the determination of the corporate officers' compensation and performance assessment, and **(iii)** the grant of AXA performance shares to the Group Chief Executive Officer and the other members of the Management Committee.

All of the members of the Compensation, Governance & Sustainability Committee are independent, with the exception of the director representing the employees who sits on the Committee pursuant to the recommendations set by the Afep-Medef Code. Their independence is assessed annually by the Board in accordance with the criteria set forth in the Afep-Medef Code. The Chairman presents the compensation policy of the Company each year at the Shareholders' Meeting.

The Committee meets frequently with the Group Executives and the departments of the Company including Group Human Resources and Group Legal. The Committee is empowered to undertake or commission specific reviews and to use external consulting expertise to the extent deemed appropriate. Thus, during the last few years, the Committee worked several times with a compensation-consulting firm in order to benefit from external technical expertise and an independent overview in order to compare AXA's variable compensation practices with general market practices.

AXA Group Remuneration Policy

In line with Solvency II regulations, the Group Remuneration Policy, applicable to all AXA employees, is designed to support the Group's Long-Term Business strategy and to align the interests of its employees with those of other stakeholders by **(i)** establishing a clear link between performance and remuneration over the short, medium and long term, **(ii)** ensuring that the Group can offer competitive compensation arrangements across the multiple markets in which it operates while avoiding potential conflicts of interest that may lead to undue risk taking for short-term gain, and **(iii)** ensuring compliance with Solvency II regulations and any other applicable regulatory requirements.

The Group Remuneration Policy is designed to:

- attract, develop, and motivate critical skills and best talents;
- drive superior performance;
- align compensation levels with business performance;
- ensure that employees are not incentivized to take inappropriate and/or excessive risks and that they operate within AXA's overall risk framework; and
- ensure compliance of the Group's practices with all applicable regulatory requirements.

It follows four main guiding principles:

- competitiveness and market consistency of the remuneration practices;
- fairness based on individual and collective performance, in order to ensure remuneration is reflecting employees' individual quantitative and qualitative achievements and impact;
- internal equity based on remuneration policies and procedures designed to ensure that employees are paid equitably based on objective and justifiable professional criteria (such as, but not limited to, role, skills, contribution or impact), and do not discriminate on the basis of factors irrelevant to duties of the role;
- achievement of the Group's overall financial and extra-financial, as well as operational objectives over the short, medium, and long term and execution against medium and long-term strategic objectives as a prerequisite to fund any mid-to-long term award.

The requirements set out in the Group Remuneration Policy may be supplemented in order to comply with local regulatory requirements or best practices. The Policy is reviewed and updated annually to mirror, as the case may be, changes in the internal organization and the nature, scale and complexity of the risks inherent to AXA's business and to reflect exchanges with the French insurance regulator (*Autorité de contrôle prudentiel et de résolution* (ACPR)).

Remuneration structure

AXA applies a pay-for-performance approach which **(i)** promotes long-term sustainable performance by incorporating risk adjustment mechanisms in variable compensation schemes, and **(ii)** recognizes employees who bring the greatest value to the Group on the basis of financial results while demonstrating individual leadership and behaviors. The intent of this approach is to attract and retain the best skills and talents, to foster employee engagement and to strengthen AXA's leadership.

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(1) *The information in this section is presented in accordance with the position-recommendation No. DOC-2021-02 of the AMF: guidance on preparing Universal Registration Documents and with the recommendations of the Afep-Medef Code.*

The overall remuneration structure for executives is based on the following components, which are designed to provide balance and avoid excessive risk taking for short-term financial gain:

- a fixed component which comprises a base salary and any other fixed allowances. Fixed remuneration primarily reflects the relevant organizational responsibility, professional experience, technical and leadership skills required of the role, criticality, or scarcity of skills, as well as the individual's capability to sustainably perform the duties of the role;
- a variable component which primarily reflects the business and individual performance, including performance in excess of that required to fulfil the role description. It comprises an upfront cash element (annual cash bonus) and a deferred element recognizing the importance of aligning remuneration over long-term value creation. The deferred element is awarded through Performance Shares. This variable component depends on the Group's global performance, on the beneficiary's operating business performance, and on the achievement of the executive's individual objectives including demonstrated abilities for leadership. The variable portion is designed to represent a substantial component of the executive's global compensation and, where an executive attains or exceeds the set objectives, to position the compensation levels of AXA executives between the median and the third quartile (or, in certain cases, beyond the third quartile) of the market reference.

The target level of the executives' compensation and the structure of the elements which compose such compensation are based on a detailed analysis of market practices as well as potential applicable national and international regulations, and also take into consideration various other factors including the equity principles within the Group and the previous individual compensation level of the executive.

Each year, AXA, with the assistance of specialized firms, conducts compensation reviews in order to ensure the competitiveness and consistency of executives' compensation and to measure the suitability of the remuneration policies. In this context, three markets are used as a reference:

- a first market composed of 12 companies in the French CAC 40 index (companies selected to form the panel, which may vary from year-to-year, which are comparable to AXA in terms of stock capitalization, revenues, sector, number of employees and/or geographic coverage);
- a second market composed exclusively of international financial companies comparable in terms of size and scope to the AXA Group (mainly insurance and reinsurance companies and banks) which are principally based in the main European markets (France, Germany, Italy, the Netherlands, the United Kingdom, Spain and Switzerland);
- a third market composed exclusively of international financial companies comparable in terms of size and scope to the AXA Group (mainly insurance and reinsurance companies and banks) which are principally based in the United States and Asia.

Annual cash compensation

TOTAL TARGET COMPENSATION

Total target compensation of the Chief Executive Officer

The Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, has decided to maintain unchanged in 2023 the total annual cash compensation target of the Chief Executive Officer, Mr. Thomas Buberl, at €3,400,000.

The Chief Executive Officer's total target compensation is composed of a fixed annual compensation and a target annual variable compensation.

The fixed annual compensation of the Chief Executive Officer amounts to €1,650,000 and his annual target variable compensation amounts to €1,750,000, *i.e.* 106% of his fixed annual compensation.

The Board of Directors decided that, in accordance with the Company's past practice, this compensation package would remain unchanged for the Chief Executive Officer's entire term of office (*i.e.,* until April 2026). When establishing the Chief Executive Officer's compensation package, the Board therefore made sure that it was balanced and aligned with the interests of the shareholders in order for it to remain competitive throughout this period.

The total amount of compensation of the Chief Executive Officer and the balance between its different components (fixed and variable) are mainly based on a study by an external advisory firm (Willis Towers Watson) on compensation practices for similar positions within a sample of CAC 40 companies as well as AXA's main European and international competitors (insurance and reinsurance companies, banks), and follows the recommendations of the Afep-Medef Code, the G20, the European Commission and the Financial Stability Board in terms of compensation.

Total compensation of the Chairman of the Board of Directors

The Board of Directors, upon proposal from its Compensation, Governance & Sustainability Committee, decided to maintain unchanged the amount of Mr. Antoine Gosset-Grainville's fixed annual compensation as Chairman of the Board of Directors at €925,000 for 2023.

The Board of Directors upon recommendation from its Compensation, Governance & Sustainability Committee and pursuant to the recommendations of the Afep-Medef Code considered that the compensation structure best suited for the Chairman of the Board of Directors was a sole fixed annual compensation, and therefore decided that the Chairman of the Board of Directors would not be entitled to any variable compensation, nor any remuneration as per article L.22-10-14 of the French Commercial Code (Directors' fees), performance shares or other long-term compensation, nor would he benefit from any other form of compensation.

In order to determine the Chairman of the Board of Directors' fixed annual compensation, the Board of Directors consulted an external advisory firm (Willis Towers Watson) regarding compensation practices for similar positions in CAC 40 companies and the main European companies in the financial sector (insurance companies, banks).

The Board of Directors also took into account Mr. Antoine Gosset-Grainville's expertise and experience as well as the extensive duties that it entrusted him with as Chairman of the Board of Directors as described in Section 3.1 of this Annual Report.

ANNUAL VARIABLE COMPENSATION AND PERFORMANCE CONDITIONS

Performance conditions

The variable annual compensation is entirely subject to performance conditions and no minimum payment is guaranteed.

The determination of the variable compensation to be paid to Mr. Thomas Buberl as Chief Executive Officer was based in 2023 on the following two metrics:

- Group performance for 70%. This metric is measured based on **(i)** Underlying Earnings per share, **(ii)** cash remittance, **(iii)** a sustainability indicator (reduction in Group carbon footprint in General Account assets), and **(iv)** the Net Promoter Score (customer recommendation index). The relative weight of each indicator is respectively 45%, 25%, 15% and 15%.

  The evolution of the choice and weight of the financial and extra-financial indicators of the Group performance is part of a global review destined to simplify and closer align this performance with the Group's strategic orientations, while taking into account regulatory constraints, including the further weight of extra-financial elements.

  The financial and extra-financial indicators chosen to measure the Group performance are directly linked to the Group's strategic orientations. They reflect objectives for growth, capital management, sustainability and customer proximity and rely on the achievement of a predefined budget or target.

  Some of these indicators (Underlying Earnings per share and cash remittance) are identical to share-based compensation indicators, in order to align part of the performance criteria of the short- and long-term compensation with the objectives of the strategic plan and to measure them on different time scales through different acquisition schedules.

- Individual performance for 30%, which is evaluated based on objectives specifically related to strategic initiatives set and reviewed each year.

  The Chief Executive Officer's individual performance is assessed based on **(i)** various indicators and qualitative and quantifiable objectives determined by the Board of Directors in a target letter agreed at the beginning of the year, and **(ii)** demonstrated leadership abilities. The target letter includes detailed objectives related to the Group's progress in the implementation of its strategic plan as well as other performance indicators and objectives assessing the achievement of global strategic initiatives and/or related to certain geographic areas, as well as progress on investments that are expected to contribute to the development of the Group's operations.

To evaluate Mr. Thomas Buberl's individual performance in 2023, the Board of Directors assessed the achievement of the following objectives set in his target letter:

- **Successfully deliver on the last year of "*Driving Progress 2023*" strategic plan, especially on the financial targets and ESG objectives (achievement rate: 125%)**

  Over the course of 2023, the Group successfully delivered on the last year of "*Driving Progress 2023*", achieving the main financial targets over three years, including Underlying Earnings per share growing 9%, cumulative cash remittance of €16.4 billion, and at least €200 million of cost savings reflecting higher inflation, and investments in next plan's growth initiatives.

  The Group established solid foundation for the future with a focus on completing the turnaround of AXA XL (Underlying Earnings of €1.9 billion in 2023, up 49% compared to 2022) and implementing promising growth initiatives such as the Commercial lines mid-market strategy and accelerating the Group's Employee Benefits business with a focus on customer experience and services offers.

  The Group also defined and disclosed an ambitious Net Zero trajectory, including, in the insurance portfolio, **(i)** increasing business in the field of renewable energies as well as developing environmentally sustainable claims management for motor business by 2026, **(ii)** reducing the carbon intensity of the most material personal motor portfolios by 20% by 2030 compared with the 2019 baseline, and **(iii)** reducing the absolute carbon emissions of the Group's largest commercial insurance clients by 30% and the carbon intensity of other corporate clients by 20% by 2030 compared with the 2021 baseline.

- **Design AXA Group's new strategic plan 2024-2026 (achievement rate: 100%)**

  The Group designed the new strategic plan 2024-2026 which is driven by the following priorities: **(i)** local and transversal top line growth initiatives (50 initiatives investigated by entities and transversal teams), **(ii)** technical and operational excellence, **(iii)** new engagement on inclusive protection (notably in mature markets), **(iv)** new HR strategy (built on 'Dare & Care'), and **(v)** continued financial discipline.

- **Manage continued stability in the Management Committee with solid succession plans and drive progress on D&I amongst leadership teams (achievement rate: 125%)**

  The Group successfully managed the Management Committee succession plans together with associated organization adjustments. A new Management Committee was announced

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in June 2023. The new Management Committee marks strong progress towards gender parity with 38% of women and has greater international diversity (with 9 nationalities represented) and generational diversity (ages ranging from 37 to 63). This reorganization highlights the strength of AXA's internal talent pipeline with all promotions sourced internally.

Following this Management Committee reorganization, the Group also restructured its Partners Group (which is composed of the members of the Management Committee and close to thirty other senior executives of the Group) to focus it on the main P&L leaders across the Group. With this revamp, gender parity (48% women) was achieved in the Partners Group.

In AXA's "Global Leadership Network" (GLN), the organization's top 250 executives, the Group achieved 40% of women, and the Management Committee members were coached to deliver on their specific plans to achieve higher diversity within their respective scopes. Overall, employees' engagement reached a record high level, with an eNPS (employee Net Promoter Score) of 40 in Q4 2023.

- **Continue to assess opportunities to optimize the perimeter of the Group, including in-force transactions, simplification initiatives and bolt-on acquisitions (achievement rate: 104%)**

  The Group executed several bolt-on acquisitions designed to reshape and build the Group for the future: **(i)** Credit Mutuelle's insurance business in Spain, **(ii)** Groupama's business in Türkiye, and **(iii)** Laya Healthcare Limited in Ireland.

  The Group further focused its geographic footprint with the disposal of Bharti AXA Life (India) and continued to execute on its in-force strategy with a significant transaction negotiated in France.

  The Group designed and implemented a new strategy and operating model for Asia including **(i)** a review of the current structure (Asia Markets office) and leadership team; and **(ii)** a review of the ICBC-AXA joint venture, the potential launch of wealth management initiatives (AXA IM) and a reorganization of the governance of AXA's "Greater China" operations.

Each of these two metrics (Group Performance and Individual Performance) is evaluated separately so that the overall variable payout reflects performance against two distinct components assessed independently. Each of these two metrics is in any case capped at a 130% achievement rate.

The determination of the actual amount of variable compensation to be paid to the Chief Executive Officer is based on the following additive formula: Variable compensation due = Target Variable compensation x (70% Group Performance +30% Individual Performance).

Since the 2020 performance year, the weight of the Group Performance within the variable compensation assessment has increased to 70% (from 50% previously) leading to a decrease of the Individual Performance weight to 30%. Through this change, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, wanted to strengthen the formulaic/quantitative component of the Chief Executive Officer's variable compensation, in line with market practices in France and abroad, as well as feedback received from a number of institutional investors. Similarly, in order to take into account the comments of some institutional investors, the level of transparency of each Group Performance indicator has been improved to indicate not only the target for each criterion but also the relevant floor and cap as well as the actual level of payout.

MR. THOMAS BUBERL, CHIEF EXECUTIVE OFFICER

	Weighting	Target for 100% achievement (floor/cap versus target)	Achievement 2023	Level of payout at floor (a)	Level of payout at cap (b)	Achievement rate
Group performance based on:	**70%**			**70%**	**130%**	**112%**
■ Underlying Earnings per share	45%	€3.25 (-20%/+20%)	€3.30	70%	130%	103%
■ Cash remittance	25%	5,877 M€ (-20%/+20%)	6,500 M€	70%	130%	116%
■ Reduction in Group carbon footprint in General Account assets	15%	+2%/-2% (on top of plateau -33%/-41%)	-45%	70%	130%	130%
■ Net Promoter Score						
- % of Health and Protection Lines of Business above market	15%	13/16 = 81% (Floor = 9/16 = 56% Cap = 15/16 = 96%)	14/16 = 81%	70%	130%	115%
- % of other Lines of Business at or above market	0%	Progressive Penalty: -0.5pt for 1 LoB below market; -1 pt for 2 LoBs; -2 pts for 3 LoBs; -3.5 pts for 4 LoBs; -5 pts for more than 4 LoBs	No penalty	-	-	-
Individual performance based on:	**30%**				**130%**	**116%**
■ Deliver on the last year of "Driving Progress 2023" strategic plan	35%				130%	125%
■ Design AXA Group's new strategic plan 2024-2026	15%				130%	100%
■ Manage continued stability in the Management Committee	25%				130%	125%
■ Continue to assess opportunities to optimize the perimeter of the Group	25%				130%	104%
Global performance	**100%**				**130%**	**113.2%**

(a) Rate of 0% below the floor.
(b) Rate capped at 130% above the cap.

Since the 2022 performance year, each component of the Group's performance is capped at the same 130% achievement rate (compared to 150% previously). Through this change, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, wanted to align the caps of the different cash- and share-based elements of compensation.

The Chief Executive Officer's total effective variable compensation may not exceed 130% of his variable target compensation, *i.e.,* 138% of his fixed annual compensation.

Pursuant to article L.22-10-34 II of the French Commercial Code, the payment of the Chief Executive Officer's 2023 variable compensation is withheld until approval by the Shareholders' Meeting of April 23, 2024.

Performance conditions applicable to the other members of the Management Committee

In the context of the 2024-2026 strategic plan, a new and differentiating approach to compensation has been designed for the other members of the Management Committee to deliver consistent strong financial and non-financial performance.

Their total variable compensation continues to consist of the annual cash variable compensation and the annual Long Term Incentive grant (AXA Performance Shares).

The total variable compensation payout equals the mechanical business performance score subject to a possible Individual Performance modifier while remaining overall capped at 130%. The business performance score is calculated as follows:

- for MC members with Corporate responsibilities: (50% Group STIC score +50% Average of Operating Business STIC scores), subject to a possible Individual Performance Modifier;
- for MC members with Operating Business responsibilities: (50% Group STIC score +50% Operating Business STIC score), subject to a possible Individual Performance Modifier.

Group performance is measured by the **(i)** Underlying Earnings per Share, **(ii)** cash remittance, **(iii)** a sustainability indicator (reduction in Group carbon footprint in General Account assets), and **(iv)** Net Promoter Score (customer recommendation index). Individual performance is evaluated considering predefined objectives specifically deriving from strategic initiatives.

The performance of operating businesses is notably determined based on the following performance indicators:

- underlying earnings;
- cash remittance;
- Property & Casualty Commercial lines gross written premiums;
- Health and Protection gross written premiums; and New Business Contractual Service Margin;
- net promoter score; and
- non-commission expenses.

For the 2023 performance year, indicators that measure the Group performance have been defined at the beginning of the year with:

- a predefined target, aligned with the strategic plan *(budget),* the completion of which will result in 100% achievement;
- a floor (at a pay-out of 70%), which defines the threshold below which no variable compensation for that component will be paid;
- a cap (at a pay-out of 130%), which defines the threshold above which the variable compensation for that component is capped.

The individual performance modifier is determined based on both **(i)** the achievement of results for each predetermined individual objective and **(ii)** qualitative factors, including leadership skills demonstrated by the members of the Management Committee (quality of earnings/execution, collaboration, delivery on human resources objectives).

In the tables of this section, compensation not paid in Euro was converted into Euro on the basis of the following yearly average exchange rate for 2023: 1 USD = 0.9248 EUR.

The variable compensations paid to the Management Committee members for 2021, 2022 and 2023 were as follows:

VARIABLE COMPENSATION PAID TO MANAGEMENT COMMITTEE MEMBERS

		Variable compensation for the year 2021			Variable compensation for the year 2022			Variable compensation for the year 2023		
(in Euro)	Country	Target	Actual	% Target	Target	Actual	% Target	Target	Actual	% Target
Thomas Buberl Chief Executive Officer	France	1,450,000	1,722,600 [(a)]	118.8%	1,653,014	1,832,366 [(a)]	110.85%	1,750,000	1,981,000 [(a)(b)]	113.20%
Total of the other Management Committee members [(c)]		8,738,958	10,029,609	114.8%	10,834,518	12,003,156	110.79%	10,213,951	11,629,264	113.86%

(a) This amount includes the part of the variable compensation with respect to 2021, 2022 and 2023 that has been deferred in accordance with the mechanism described on page 110. The total amount paid may vary as it depends on performance conditions.

(b) Pursuant to article L.22-10-34 II of the French Commercial Code, the payment of the Chief Executive Officer's 2023 variable compensation is withheld until approval by the Shareholders' Meeting on April 23, 2024.

(c) As at December 31, 2023, the Management Committee was comprised of 16 (14 on December 31, 2022 and 14 on December 31, 2021).

ANNUAL DEFERRED VARIABLE COMPENSATION

Since 2013, the Board of Directors has implemented a deferral mechanism for 30% of the executive officers' variable compensation.

As of 2022, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, decided to extend the deferral period from two years to three years to further align the executive officers' variable compensation with shareholder interests. The Board of Directors also decided to **(i)** eliminate the payout floor (previously set at 80% of the deferred amount) to emphasize the "at risk" nature of this component, and **(ii)** increase the payout cap (from 120% to 130%) in the event of superior share price performance.

Under this mechanism, the Chief Executive Officer's deferred amount of annual effective variable compensation for the 2023 fiscal year will be paid out in three tranches, in 2025, 2026 and 2027. The actual amount to be paid will vary depending on the performance of the AXA share price over the deferral period and will be subject to a cap at 130% of the deferred amount; provided, however that no deferred variable compensation would be paid **(i)** in the event that the Group's underlying earnings are negative for the year ending immediately prior to the year of the scheduled payout, or **(ii)** in case of resignation or dismissal, for gross or willful misconduct prior to the payout date (malus).

The variable compensation deferral is subject to the above malus mechanism which, while not required by applicable laws in France, is designed to further align AXA's policy with international practices and regulations on executive compensation in the financial services industry.

At the end of February 2024, **(i)** the second tranche of Mr. Thomas Buberl's deferred variable compensation for the 2021 fiscal year, *i.e.,* an amount of €297,149, and **(ii)** the first tranche of Mr. Thomas Buberl's deferred variable compensation for the 2022 fiscal year *i.e.,* an amount of €205,225 were paid.

These amounts reflect the evolution of the AXA share price and were set at 115% of the deferred variable compensation granted in respect of the 2021 fiscal year and at 112% in respect of the 2022 fiscal year.

All the amounts presented in this Section 3.2 are gross amounts and before taxation.

Long-Term Incentive (LTI) annual allotment

Each year, LTIs (Performance Shares) are granted to Group executives.

In order to associate the Group executives to the creation of long-term value, these LTIs represent a significant part of their global variable compensation. In this context, the number of LTIs granted is set so that the executives are between the median and the 75th percentile of market references considering the global amount of the variable part (comprising one part in cash and one part in LTIs). The Compensation, Governance & Sustainability Committee and the Board of Directors however ensure that the Performance Shares granted to the Group executives and valued in accordance with IFRS standards are not disproportionate compared to the aggregate compensation and shares granted to the executives concerned.

These Performance Shares are integrally subject to performance conditions (please refer to pages 115 *et seq.*) and therefore do not guarantee any grant or minimal gain for the beneficiaries.

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SUMMARY OF COMPENSATION, OPTIONS AND PERFORMANCE SHARES GRANTED TO MANAGEMENT COMMITTEE MEMBERS

MEMBERS OF THE MANAGEMENT COMMITTEE

		Year 2022					Year 2023				
(in Euro)	Country	Compensation granted in respect of the year	Value of options granted during the year	Value of performance shares granted during the year	Value of international performance shares granted during the year	Total	Compensation granted in respect of the year	Value of options granted during the year	Value of performance shares granted during the year	Value of international performance shares granted during the year	Total
Thomas Buberl Chief Executive Officer	France	3,421,342 (a)	-	1,910,398	-	5,331,740	3,634,975 (a)	-	2,835,384	-	6,470,360 (b)
Total of the other Management Committee members (c)		23,981,808	-	6,473,424	4,963,255	35,418,487	21,963,273	-	5,859,789	4,434,173	32,257,235

(a) *This amount includes* **(i)** *the fixed compensation,* **(ii)** *the amount of variable compensation in respect of the year (including the part of the variable compensation with respect to the year which has been deferred in accordance with the mechanism described on page 110), and* **(iii)** *benefits in kind. The total amount paid may vary as it depends on performance conditions.*

(b) *This amount includes the payment of the Chief Executive Officer's 2023 variable compensation which will be withheld until approval by the Shareholders' Meeting on April 23, 2024*

(c) *As at December 31, 2023, the Management Committee was comprised of 16 members.*

On each date of grant, the fair value of Performance Shares is determined in accordance with IFRS standards. This is a historical value on the date of grant, calculated for accounting purposes as described in Note 23.3.1 "Share-based compensation instruments issued by the Group" in Section 6 "Consolidated Financial Statements" of this Annual Report. This value does not represent a current market value or a current valuation of these options and performance shares, nor does it represent the actual amounts that may be paid to beneficiaries if and when the options are exercized, or the Performance Shares are acquired.

On March 15, 2022, the fair value of one Performance Share was €16.33.

On March 14, 2023, the fair value of one Performance Share was €18.95.

SUMMARY OF THE MANAGEMENT COMMITTEE MEMBERS' COMPENSATION FOR THE YEAR 2023

MEMBERS OF THE MANAGEMENT COMMITTEE

		Year 2023											
		Amounts granted with respect to the year						Amounts paid during the year					
(in Euro)	Country	Fixed compen-sation	Variable compen-sation	Exceptional compen-sation	Board fees	Benefits in kind	Total	Fixed compen-sation	Variable compen-sation	Exceptional compen-sation	Board fees	Benefits in kind	Total
Thomas Buberl Chief Executive Officer	France	1,650,000	1,386,700 [(a)(b)]	-	-	3,975	3,040,675	1,650,000	1,750,916	-	-	3,975	3,404,891
Total of the other Management Committee members [(c)]		10,261,896	10,992,667	-	-	75,560	21,330,123	10,261,896	8,160,906	-	-	75,560	18,498,362

(a) This amount does not include the part of the variable compensation with respect to 2023 which has been deferred in accordance with the mechanism described on page 110.

(b) Pursuant to article L.22-10-34 II of the French Commercial Code, the payment of the the Chief Executive Officer's 2023 variable compensation is withheld until the approval by the Shareholders' Meeting on April 23, 2024.

SUMMARY OF THE MANAGEMENT COMMITTEE MEMBERS' COMPENSATION FOR THE YEAR 2022

MEMBERS OF THE MANAGEMENT COMMITTEE

		Year 2022										
		Amounts granted with respect to the year					Amounts paid during the year					
(in Euro)	Country	Fixed compen-sation	Variable compensation	Board fees	Benefits in kind	Total	Fixed compen-sation	Variable com-pensation	Exceptional compen-sation	Board fees	Benefits in kind	Total
Thomas Buberl Chief Executive Officer	France	1,585,000	1,282,656 [(a)]	-	3,975	2,871,632	1,585,000	1,606,676	-	-	3,975	3,195,652
Total of the other Management Committee members		11,840,067	11,419,293	-	147,448	23,406,808	11,840,067	10,640,058	-	-	147,448	22,627,573

(a) This amount does not include the part of the variable compensation with respect to 2022 which has been deferred in accordance with the mechanism described on page 110.

The corporate officers do not receive any remuneration as per the article L.22-10-14 of the French Commercial Code (Board fees) from AXA SA.

The only benefit in kind for Mr. Thomas Buberl is a company car.

COMPENSATION RATIOS

As required by the regulations in force and in accordance with the Afep guidelines updated in February 2021, the table below sets out the ratios comparing, on the one hand, the Chief Executive Officer's and the Chairman's compensation paid or granted in 2023 and, on the other hand, the mean and median 2023 compensation of employees of the holding company in France (AXA SA) [(1)] and, on a voluntary basis, of employees of the Group's France-based entities [(2)].

2023 Fiscal Year *(Compensation paid or granted during the 2023 fiscal year)* [(a)]	**Ratio against the mean compensation of AXA SA employees**	**Ratio against the median compensation of AXA SA employees**	**Ratio against the mean compensation of AXA employees in France**	**Ratio against the median compensation of AXA employees in France**
Chief Executive Officer's Compensation	1.99	1.99	72.28	94.21
Chairman's Compensation	0.29	0.29	10.58	13.78

(a) The elements of compensation selected for the purpose of the table above are: the fixed and variable compensation, LTIs (in IFRS value), Board fees, benefits in kind and collective profit sharing, paid or granted to each relevant executive or employee during the fiscal year. These elements of compensation are in gross (employer charges excluded).

As required by the regulations in force, the annual evolutions over the five last fiscal years of **(i)** AXA SA's executive officers' compensation, **(ii)** AXA's performance, **(iii)** the mean compensation of AXA SA employees, **(iv)** on a voluntary basis, the compensation of the employees of the Group's France-based entities, and **(v)** the hereinabove mentioned ratios, are disclosed in the table below.

	Evolution *(as %)* **between 2018 and 2019**	**Evolution** *(as %)* **between 2019 and 2020**	**Evolution** *(as %)* **between 2020 and 2021**	**Evolution** *(as %)* **between 2021 and 2022**	**Evolution** *(as %)* **between 2022 and 2023**
Chief Executive Officer's Compensation (CEO)	+6.70%	-14.07%	-3.95%	+17.89%	+21.06%
Chairman's Compensation [(a)]	0%	-25.00% [(b)]	+25.00% [(b)]	-23.27%[(c)]	0%
AXA SA perimeter information					
AXA SA employees' mean compensation	-6.05%	-20.35%	-0.82%	+65.24% [(d)]	+2.63%
Ratio between AXA SA CEO's compensation and the mean compensation of AXA SA employees	+13.57%	+7.88%	-3.15%	-28.66%	+17.95%
Ratio between AXA SA Chairman's compensation and the mean compensation of AXA SA employees	+6.44%	-5.68%	+34.16%	-53.57% [(c)]	-2.56%
Ratio between AXA SA CEO's compensation and the median compensation of AXA SA employees	+4.51%	+39.59%	-20.69%	-21.96%	+17.95%
Ratio between AXA SA Chairman's compensation and the median compensation of AXA SA employees	-2.06%	+22.04%	+9.86%	-49.21% [(c)]	-2.56%
French entities perimeter information					
AXA entities in France employees' mean compensation	+2.52%	+1.21%	+3.44%	+5.72%	+4.44%
Ratio between AXA SA CEO's compensation and the mean compensation of employees of AXA in France	+4.08%	-15.10%	-7.14%	+11.50%	+15.91%
Ratio between AXA SA Chairman's compensation and the mean compensation of employees of AXA in France	-2.45%	-25.78%	+28.64%	-27.43% [(c)]	-4.25%
Ratio between AXA SA CEO's compensation and the median compensation of employees of AXA in France	+3.68%	-15.68%	-6.40%	+13.66%	+14.50%
Ratio between AXA SA Chairman's compensation and the median compensation of employees of AXA in France	-2.83%	-26.29%	+29.65%	-26.02% [(c)]	-5.41%
AXA's performance information					
Underlying Earnings per share	+5.00%	-33.98%	+60.82%	+12.00%	+7.54%

(a) The term of office of Mr. Denis Duverne as Chairman of the Board of Directors ended on April 28, 2022, following which Mr. Antoine Gosset-Grainville was appointed as Chairman of the Board of Directors.

(b) It should be noted that during the 2020 fiscal year, given the context of the sanitary crisis and in solidarity with the Group's executive teams, Mr. Denis Duverne decided to renounce 25% of his fixed compensation. The compensation that was not paid to Mr. Denis Duverne was donated by AXA to charity.

(c) The compensation paid or granted during the 2022 fiscal year to Mr. Antoine Gosset-Grainville, appointed Chairman of the Board of Directors on April 28, 2022 was annualized for the purpose of the table above.

(d) This increase is justified by changes in salaried workforce at the Company level with respect to the 2022 fiscal year.

(1) Which has less than five employees.

(2) Around 18,000 employees (including salaried sales force).

In accordance with the feedback received from a number of institutional investors, and on a voluntary basis, the ratios between, on the one hand, the remuneration paid or granted to the Chief Executive Officer and Chairman of the Board of Directors, and on the other hand, the average remuneration paid or granted to employees of all entities of the Group during the year 2023 [(1)], are presented in the table below:

2023 Fiscal year *(Compensation paid or granted during the 2023 fiscal year)* [(a)]	**Ratio with the average compensation of the AXA Group's entities employees**
Compensation of the Chief Executive Officer	97.12
Compensation of the Chairman of the Board of Directors	14.21

(a) For the purposes of this table, the compensation components are: fixed and variable compensation, LTI (at IFRS value), Board fees, benefits in kind and incentives/share ownership, paid or granted to each director or employee with respect to the fiscal year. These compensation components are gross (excluding employer's charges and contributions).

BOARD MEMBERS' COMPENSATION

Compensation due in respect of Board members' mandates (directors' fees)

During the 2023 fiscal year, the members of the Board of Directors, except for the corporate officers, only received compensation from the Company in respect of their mandate as Board member. The amount paid to each AXA Board member is indicated in the table below.

(Gross amounts in Euro)	**Compensation for the 2023 fiscal year paid in 2024***	**Compensation for the 2022 fiscal year paid in 2023***
Current members of the Board of Directors		
Antoine Gosset-Grainville – Chairman of the Board of Directors	0	34,230.71
Thomas Buberl – Chief Executive Officer	0	0
Martine Bièvre [(a)]	90,344.08	86,210.29
Helen Browne	96,203.51	93,793.62
Bettina Cramm [(a)]	127,098.90	112,917.15
Clotilde Delbos	152,250.93	141,871.82
Rachel Duan	107,605.06	112,917.15
Guillaume Faury	144,428.08	96,885.78
Ramon Fernandez	218,717.50	195,810.71
André François-Poncet	157,677.31	140,139.37
Gérald Harlin	126,781.91	79,201.80
Isabel Hudson	249,496.28	238,911.13
Angelien Kemna	157,560.69	148,949.60
Ramon de Oliveira	124,728.14	121,015.84
Rachel Picard	157,560.69	88,740.69
Marie-France Tschudin	117,351.98	91,996.36
Former members of the Board of Directors		
Denis Duverne – Chairman of the Board of Directors until April 28, 2022	-	0
Patricia Barbizet	-	30,117.32
Jean-Pierre Clamadieu – Senior Independent Director until April 27, 2023	72,194.96	219,624.01
TOTAL	**2,100,000**	**2,033,333.33**

* *Amount granted and amount paid.*
(a) Mrs. Martine Bièvre and Mrs. Bettina Cramm, members of the Board of Directors representing the employees, are employed by subsidiaries of the Company and as such, receive a compensation that has no link with their mandate. Their compensation as employees is therefore not published.

(1) Entités incluses dans le périmètre de consolidation d'AXA telles que définies dans la Section 4.2 « Responsabilité employeur » du présent Rapport Annuel.

Criteria of allocation of compensation as per article L.22-10-14 of the French Commercial Code (directors' fees)

The total annual maximum amount of directors' fees to be allocated to the members of the Board of Directors was set by the Shareholders' Meeting of April 28, 2022, at €2,100,000. A fixed amount determined by the Board of Directors drawn on this total amount shall be paid annually to the Senior Independent Director (set at €80,000)

No directors' fees are paid by the Company to the corporate officers (*i.e.,* Chairman of the Board of Directors and Chief Executive Officer).

The total annual maximum amount of directors' fees is determined by the Shareholders' Meeting, in accordance with applicable laws, and apportioned by the Board of Directors to its members.

Pursuant to the recommendations of the Afep-Medef Code, a minority part of the fees is distributed evenly among the members of the Board of Directors as a fixed fee:

- 65% of the remaining amount (after payment to the Senior Independent Director where applicable) shall be allocated to the Board as follows: 40% shall be divided equally among Board members and paid as a fixed fee, and 60% shall be paid according to Board attendance; and
- the remaining 35% shall be allocated by the Board of Directors to the Board Committees. In 2023, 25% was allocated to the Finance & Risk Committee, 25% to the Compensation, Governance & Sustainability Committee, and 50% to the Audit Committee. Each Committee shall then allocate such amount to its members as follows: 40% shall be divided equally amongst members and paid as a fixed fee, and 60% shall be paid according to Committee attendance, with the Chair of the Committee receiving in each case a double fee.

Mrs. Helen Browne, member of the Board of Directors representing the employee shareholders of the AXA Group, received in 2023 an annual gross cash compensation of €1,060,223 in connection with her position as Group General Counsel. This compensation consists of €600,000 of fixed compensation and €460,223 of variable compensation.

Mrs. Angelien Kemna received in 2023 directors' fees of €90,000 in respect of her non-executive mandate in a Group subsidiary (AXA Investment Managers SA).

In 2023, Mr. Gérald Harlin received a gross amount of €211,513 with respect to his non-executive mandates in Group subsidiaries (AXA Investment Managers SA, AXA XL US, AXA France IARD and AXA France Vie).

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Shares subject to performance conditions (Performance shares and international performance shares, restricted shares and international restricted shares)

Shares subject to performance conditions are designed to recognize and motivate the Group's best talents and core skills by aligning the individuals' interests with the overall performance of the AXA Group, and the corresponding operational entity/ business unit as well as with the stock performance of the AXA share over the medium-long term. Shares subject to performance conditions generally result in low shareholder dilution due to the possibility to deliver existing shares, this choice being the one made up to this date.

Since 2022, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, may grant Performance Shares to Senior Management [(1)], including members of the Management Committee and Restricted Shares to other beneficiaries.

Performance Shares and Restricted Shares are usually granted to beneficiaries residing in France, while International Performance Shares and International Restricted Shares are generally granted to beneficiaries residing outside of France.

GRANT PROCEDURE

Within the multi-annual cap authorized by the Shareholders' Meeting, the Board of Directors approves all programs of shares subject to performance conditions prior to their implementation.

Each year, the Board of Directors, acting upon recommendation from its Compensation, Governance & Sustainability Committee, approves a pool of global performance shares to be granted subject to performance.

The recommendations for grants of shares subject to performance conditions are made by the management of each operating business and by the Group's functional department heads. These recommendations are reviewed by the Executive Management to ensure a global coherence and respect of the Group's internal equity principles. The amount and nature of individual share grants (in the form of Performance Shares or Restricted Shares) subject to performance conditions are then decided by the Board

(1) *Performance Shares are granted to approximately 250 senior managers as well as employees who are subject to specific local regulations on the date of grant.*

of Directors, provided that individual grants to the Chief Executive Officer and other members of the Management Committee are preceded by a proposal of the Compensation, Governance & Sustainability Committee of the Board of Directors, taking into consideration their aggregate compensation elements as well as the market studies carried out by the Group together with an independent compensation-consulting firm. Furthermore, the grant to AXA executive officers shall depend on the level of achievement of the strategic objectives previously defined by the Board of Directors.

The Company, in line with market best practices, applies a regular and consistent formula to determine the number of shares to be granted each year to the beneficiaries.

The Board of Directors also decided that the total number of performance shares granted to the Company's executive officers each year may not exceed 10% of the aggregate number of shares subject to performance conditions (Performance Shares and Restricted Shares) granted during the same year, to avoid an excessive concentration of performance shares granted to the executive officers.

Since 2020, the annual grant of shares subject to performance conditions occurs in March in order to simplify the structure of the senior executives' total variable compensation, so that they are granted **(i)** a variable compensation in the form of cash (annual bonus), and **(ii)** shares during the same month.

RULES REGARDING SHARES SUBJECT TO PERFORMANCE CONDITIONS

Each beneficiary receives an initial preliminary allocation of shares subject to performance conditions (Performance Shares or Restricted Shares) which is then used as a reference to calculate the number of shares that will be definitely granted at the end of a 3-year performance period.

During the performance period, all shares subject to performance conditions initially granted are integrally subject to performance criteria regardless of the beneficiary's status.

Performance Shares SNFP

For the Performance Shares granted in 2023, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, had reviewed the weight and the calibration of the Group financial relative performance (Total Shareholder Return) criterion and decided, in line with market practices in France and abroad, as well as feedback received from a number of institutional investors, to increase the weight of this criterion from 10% to 20%, while maintaining a balance between financial and extra-financial criteria.

For the Performance Shares granted in 2023, the global performance rate will therefore be calculated as follows: 25% performance of the operating business (cash remittance) +25% performance of the operating business (underlying earnings) +10% sustainability strategy (S&P Global Corporate Sustainability Assessment) (CSA) +10% sustainability strategy (operations carbon emission) +10% sustainability strategy (Inclusion and Diversity – proportion of women within the Group's executive population [1]) +20% Group financial relative performance (TSR), all capped at 130%.

(1) Around 2,000 employees, in accordance with Group's executive population defined in the Section 4.2 "Employer Responsibility" of this Annual Report.

Performance conditions for the 2023 grant are summarized in the chart below:

FOR 100% OF THE PERFORMANCE SHARES 2023

			% granted	
Operating business performance (50%)		**Performance**	**Executive officers & Management Committee**	**Other beneficiaries**
Cash remittance (25%)	Floor	70% of the target	50%	70%
	Target	Cash remittance target [(a)]	100%	100%
	Cap	130% of the target	130%	130%
Underlying earnings (or Underlying Earnings per share for the Group) (25%)	Floor	70% of the target	50%	70%
	Target	UE (or UEPS) target [(b)]	100%	100%
	Cap	130% of the target	130%	130%

Group Sustainability Performance (30%)		**Performance**	**Executive officers & Management Committee**	**Other beneficiaries**
Score AXA versus S&P Global Corporate Sustainability Assessment- CSA (DJSI) (10%)	Floor	AXA score = 90^{th} percentile	50%	70%
	Target	AXA score = 95^{th} percentile	100%	100%
	Cap	AXA score ≥ 99^{th} percentile	130%	130%
Reduction in operations' carbon emission (10%)	Floor	Cumulated reduction = 17.5%	50%	70%
	Target	Cumulated reduction = 25%	100%	100%
	Cap	Cumulated reduction ≥ 32.5%	130%	130%
Increase the proportion of women in the Group's executive population (10%)	Floor	Cumulated increase = +4.2 pts	50%	70%
	Target	Cumulated increase = +6 pts	100%	100%
	Cap	Cumulated increase ≥ +7.8 pts	130%	130%

Group financial relative performance (20%)		**Performance**	**Executive officers & Management Committee**	**Other beneficiaries**
Score AXA TSR versus SXIP TSR	Floor	AXA score = 50^{th} percentile of the index	50%	70%
	Cap	AXA score ≥ 75^{th} percentile of the index	130%	130%

Calculation of the global performance rate = 25% performance of the operating business (cash remittance) +25% performance of the operating business (underlying earnings) +10% sustainability (S&P Global Corporate Sustainability Assessment) (DJSI) +10% sustainability (operations carbon emission) +10% sustainability (Inclusion and Diversity) +20% Group financial relative performance (TSR).

Performance rate divided by two should no dividend be proposed by the Board of Directors for any of the fiscal years of the performance period. The total number of shares definitively acquired is capped at 130% of the initial grant.

(a) In line with the objectives of the Group's strategic plan.
(b) Target performance corresponding to a 5% compound annual growth rate, in line with the objectives of the Group's strategic plan.

For the Performance Shares granted in 2024, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, reviewed the nature of the performance conditions and the relative weight of each with the objectives of strengthening alignment with the Group's strategic orientations and maintaining a balance between financial and extra-financial criteria, while taking into consideration market practices observed in France and abroad as well as feedback from certain institutional investors.

It has thus been decided to **(i)** replace the relative criterion linked to the S&P Global Corporate Sustainability Assessment (CSA) index with the internal criterion of reducing the Group carbon footprint in General Account assets, also accounting for 10%, and **(ii)** strengthen the variety of selected financial performance conditions by introducing a new internal criterion linked to the Group's Return on Equity (RoE), accounting for 15%.

For the Performance Shares granted in 2024, the global performance rate will therefore be calculated as follows: 17.5% performance of the operating business (cash remittance) +17.5% performance of the operating business (underlying earnings) +20% Group's financial performance (Total Shareholder Return) +15% Group's financial performance (Return on Equity) +10% sustainability strategy (carbon footprint in General Account assets) +10% sustainability strategy (operations carbon emission) +10% sustainability strategy (Inclusion and Diversity – proportion of women within the Group's executive population [(1)]), all capped at 130%.

Performance conditions for the 2024 grant are summarized in the chart below:

FOR 100% OF THE PERFORMANCE SHARES 2024

			% granted	
Operating business performance (35%)		**Performance achievement**	**Executive officers & Management Committee**	**Other beneficiaries**
Cash remittance (17.5%)	Floor	70% of the target	50%	70%
	Target	Cash remittance target [(a)]	100%	100%
	Cap	130% of the target	130%	130%
Underlying Earnings (or Underlying Earnings per Share for the Group) (17.5%)	Floor	70% of the target	50%	70%
	Target	UE (or UEPS) target [(b)]	100%	100%
	Cap	130% of the target	130%	130%

Group financial performance (35%)		**Performance achievement**	**Executive officers & Management Committee**	**Other beneficiaries**
Score AXA TSR versus Index TSR (20%)	Floor	AXA score = 50th percentile of the index	50%	70%
	Target	AXA score: - Executive officers & Management Committee = 66th percentile of the index - Other beneficiaries : 63rd percentile of the index	100%	100%
	Cap	AXA score ≥ 75th percentile of the index	130%	130%
Return on Equity (RoE) (15%)	Floor	70% of the target	50%	70%
	Target	RoE target [(a)]	100%	100%
	Cap	130% of the target	130%	130%

(1) Around 2,000 employees, in accordance with Group's executive population defined in the Section 4.2 "Employer Responsibility" of this Annual Report

Group Sustainability Performance (30%)		Performance achievement	Executive officers & Management Committee	Other beneficiaries
Reduction in Group carbon footprint in General Account assets (10%)	Floor	Cumulated reduction = 37.2 tCO_2e/M€	50%	70%
	Target	Cumulated reduction = 35.9 – 30.9 tCO_2e/M€	100%	100%
	Cap	Cumulated reduction ≤ 29.6 tCO_2e/M€	130%	130%
Reduction in operations carbon emission (10%)	Floor	Cumulated reduction = 21%	50%	70%
	Target	Cumulated reduction = 30%	100%	100%
	Cap	Cumulated reduction ≥ 39%	130%	130%
Increase the proportion of women in the Group's executive population (10%)	Floor	Cumulated increase = +4.2 pts	50%	70%
	Target	Cumulated increase = +6 pts	100%	100%
	Cap	Cumulated increase ≥ +7.8 pts	130%	130%

Calculation of the global performance rate = 17.5% performance of the operating business (cash remittance) +17.5% performance of the operating business (underlying earnings) +20% Group financial performance (TSR) +15% Group financial performance (RoE) +10% sustainability (G/A carbon footprint) +10% sustainability (operations carbon emission) +10% sustainability (Diversity and Inclusion).

Performance rate divided by two should no dividend be proposed by the Board of Directors for any of the fiscal years of the performance period. The total number of shares definitively acquired is capped at 130% of the initial grant.

(a) In line with the objectives of the Group's strategic plan.
(b) Target performance corresponding to a 7% compound annual growth rate, in line with the objectives of the Group's strategic plan.

The Performance Shares and International Performance Shares granted to the Management Committee members (except for the Chief Executive Officer) will be acquired after a three-year acquisition period, and 50% of the shares acquired will be subject to a further two-year holding period. The Performance Shares granted to the Chief Executive Officer will remain acquired at the end of a three-year acquisition period, with the entirety of the acquired shares restricted from sale during a two-year holding period.

The amounts corresponding to International Performance Shares and International Restricted Shares are operating expenses during the vesting period. They do not create any dilution for shareholders as no new shares are issued. The payment is made in shares. Should this type of payment not be possible for legal, tax or any other reason, the payment could be made in cash.

Restricted Shares

Since 2022, the Board of Directors, upon the recommendation from its Compensation, Governance & Sustainability Committee, may grant Restricted Shares to Group employees who are not senior managers. For Restricted Shares beneficiaries, the sole performance condition is the achievement of an average result of AXA's score in the S&P Global Corporate Sustainability Assessment (DJSI), calculated over the performance period, greater than or equal to the 75th percentile. Should AXA's average score, calculated over the performance period, be equal to the 50th percentile, only half of the shares initially granted would be acquired. Finally, should AXA's average score, calculated over the performance period, be lower than the 50th percentile, no shares would be granted. This scheme does not guarantee a minimum gain to the beneficiaries. Among the different performance levels, the number of shares definitively granted is calculated on a linear basis depending on the achieved performance.

For Performance Shares and Restricted Shares, the achievement rate of the performance criterion (performance rate) is used to determine the number of AXA shares that will be definitively acquired by the beneficiaries at the end of the acquisition period, under the condition that the beneficiary is still employed by the AXA Group. The number of AXA shares definitively granted shall therefore be equal to the number of rights to AXA shares initially granted multiplied by the performance rate, which may not exceed 130% for the Performance Shares and 100% for the Restricted Shares. Furthermore, for the Performances Shares and Restricted Shares, should no dividend be proposed for payment (outside regulatory constraints) by the Board of Directors to the Company shareholders for any of the fiscal years of the performance period, the number of shares definitively acquired would be automatically divided by two.

SHARES PLANS SUBJECT TO PERFORMANCE SUMMARY

Performance Shares and Restricted Shares plans

Date of the Shareholders' Meeting	27/04/2016	24/04/2019	24/04/2019	24/04/2019	24/04/2019	28/04/2022	28/04/2022
Grant date (Board of Directors)	27/06/2018	19/06/2019	12/03/2020	11/03/2021	15/03/2022	14/03/2023	13/03/2024
Total number of beneficiaries of Restricted Shares	-	-	-	-	2,093	2,257	2,257
% of women beneficiaries	-	-	-	-	42.0%	43.4%	44.3%
Total number of *Restricted Shares* granted	-	-	-	-	1,761,859	1,745,075	1,359,488
Total number of beneficiaries of *Performance Shares*	2,812	2,793	2,623	2,508	232	237	284
% of women beneficiaries	39.7%	40.2%	42.9%	41.3%	36.2%	36.3%	38.0%
Total number of *Performance Shares* granted	2,979,171	2,961,225	4,020,077	3,102,813	1,363,552	1,225,184	1,111,415
Number granted to corporate officers:							
Thomas Buberl	112,211	133,458	168,648	133,539	116,987	149,593	130,922
Helen Browne [a]	-	-	-	15,107	19,143	24,316	21,423
Gerald Harlin [b]	-	-	-	-	-	-	-
Acquisition date of the shares	27/06/2021 [c]	19/06/2022	12/03/2023	11/03/2024	15/03/2025	14/03/2026	13/03/2027
End of restriction	27/06/2023	19/06/2022	12/03/2023 [e]	11/03/2024 [e]	15/03/2025 [e]	14/03/2026 [e]	13/03/2027 [e]
Number of shares acquired at 31/12/2023	2,386,580	2,699,592 [f]	3,725,874 [f]	5,723 [d]	1,276 [d]	-	-
Number of shares cancelled at 31/12/2023	597,928	320,075	453,472	204,647	123,682	35,402	-
Balance at 31/12/2023	0	0	0	2,892,855	2,999,602	2,934,857	-

(a) The number of Performance Shares granted to Mrs. Helen Browne before her nomination as director representing the employee shareholders is not disclosed.

(b) The number of Performance Shares granted to Mr. Gerald Harlin before his nomination as director is not disclosed.

(c) Thirty-four employees have chosen the 4+0 vesting calendar (aquisition at June 27, 2022 with no restricted period), based on the plan rules due to moves out of France during the acquisition period.

(d) Acquisition by anticipation following death or disability events.

(e) 100% of the Performance Shares for the Chief Executive Officer as well as 50% of the Performance Shares for the other members of the Management Committee have a 2-year holding period.

(f) The conversion rate of the shares initially granted to the Management Commitee members for 2019 and 2020 plans was capped at 80%, in accordance with the dispositions approved by the Shareholders' Meeting of April 29, 2021.

International Performance Shares and International Restricted Shares plans

Grant date (Board of Directors)	19/06/2019	12/03/2020	11/03/2021	15/03/2022	14/03/2023	13/03/2024
Total number of beneficiaries of *International* Restricted Shares	-	-	-	2,674	3,656	3,382
% of women beneficiaries	-	-	-	33.0%	34.7%	35.7%
Total number of *International Restricted* Shares granted	-	-	-	2,993,626	3,432,921	2,521,116
Total number of beneficiaries of *International Performance* Shares	4,279	3,978	4,207	927	295	326
% of women beneficiaries	33.8%	34.0%	34.2%	35.4%	35.3%	38.0%
Total number of *International Performance* Shares granted	4,514,526	6,314,782	5,819,786	2,015,382	1,569,674	1,608,135
Number granted to corporate officers:						
Thomas Buberl	-	-	-	-	-	-
Helen Browne	-	-	-	-	-	-
Gerald Harlin	-	-	-	-	-	-
Acquisition date of the shares	19/06/2022 [(a)]	12/03/2023 [(b)]	11/03/2024 [(b)]	15/03/2025 [(b)]	14/03/2026 [(b)]	13/03/2027 [(b)]
Number shares acquired at 31/12/2023	3,551,709 [(d)]	4,706,564 [(d)]	55,365 [(c)]	30,660 [(c)]	6,800 [(c)]	-
Number of shares cancelled at 31/12/2023	1,105,856	1,853,215	1,041,620	485,218	156,123	-
Balance at 31/12/2023	-	27,597	4,731,360	4,494,078	4,833,977	-

(a) The members of Management Committee have a 1-year deferred acquisition period.
(b) 50% of International Performance Shares of the Management Committee members have a 2-year holding period.
(c) Acquisition by anticipation following death or disability events.
(d) The conversion rate of the shares initially granted to the Management Committee members for 2019 and 2020 plans was capped at 80%, in accordance with the dispositions approved by the Shareholders' Meeting of April 29, 2021.

In the table above all dates indicated are in the format of day/month/year.

PERFORMANCE SHARES GRANTED TO CORPORATE OFFICERS DURING 2023 AND 2024

Corporate officers		Plan date	Nature of the plan	Number of shares granted	% of capital	Value (in Euro)	Acquisition date	End of restriction	Performance conditions
Thomas Buberl	Chief Executive Officer	14/03/2023	*Performance Shares*	149,593	0.006%	2,834,787	14/03/2026	14/03/2028	- Cash remittance - Underlying Earnings per Share - Sustainability - Financial relative performance
		13/03/2024	*Performance Shares*	130,922	0.006%	3,144,746	13/03/2027	13/03/2029	- Cash remittance - Underlying Earnings per share - Sustainability - Financial performance
Helen Browne	Representative of employee shareholders to the Board of Directors	14/03/2023	*Performance Shares*	24,316	0.001%	467,961	14/03/2026	14/03/2026 [(a)]	- Cash remittance - Underlying Earnings per Share - Sustainability - Financial relative performance
		13/03/2024	*Performance Shares*	21,423	0.001%	514,580	13/03/2027	13/03/2027 [(b)]	- Cash remittance - Underlying Earnings per share - Sustainability - Financial performance

(a) 50% of the Performance Shares will be available on 14/03/2026 and 50% of the Performance Shares will be available after a 2-year holding period, i.e. on 14/03/2028.
(b) 50% of the Performance Shares will be available on 13/03/2027 and 50% of the Performance Shares will be available after a 2-year holding period, i.e. on 13/03/2029.

In the table above all dates indicated are in the format of day/month/year.

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The fair value of shares subject to performance conditions (Performances Shares and Restricted Shares) is determined in accordance with IFRS standards. It corresponds to a historical value at the date of grant, calculated for accounting purposes as described in Note 23.3.1 "Share based compensation instruments issued by the Group" in Part 6 "Consolidated Financial Statements" of this Annual Report. This value does not represent a current market value, a current valuation of these performance shares or the actual proceeds if and when the shares subject to performance conditions are acquired.

Under the AXA Group Compliance & Ethics Code, all employees (including the executive officers of the Company) are prohibited from engaging in any transaction designed to hedge the value of equity-based compensation awards (shares subject to performance conditions) granted under any plan or arrangement maintained by AXA or any of its subsidiaries. This restriction applies from the date of grant until such time as the beneficiary receives the securities underlying the award upon, for example, the lapse of restrictions on shares subject to performance conditions or similar events. In accordance with the recommendations of the Afep-Medef Code, the executive officers of the Company make a formal commitment to not resort to such hedging transactions.

PERFORMANCE SHARES ACQUIRED BY CORPORATE OFFICERS DURING 2023 AND 2024

Corporate officers		Plan date	Nature of the plan	Number of shares granted	Acquisition date	Shares acquired during the year	Performance rate over the acquisition period	End of the restriction period
Thomas Buberl	Chief Executive Officer	12/03/2020	*Performance Shares*	168,648	12/03/2023	134,919	80.00% [(a)]	12/03/2025
		11/03/2021	*Performance Shares*	133,539	11/03/2024	157,671	118.07%	11/03/2026
Helen Browne	Representative of employee shareholders to the Board of Directors	12/03/2020	*Performance Shares*	24,233	12/03/2023	24,820	102.42%	12/03/2023
		11/03/2021	*Performance Shares*	15,107	11/03/2024	17,837	118.07%	11/03/2024
Gérald Harlin	Director	12/03/2020	*Performance Shares*	72,825	12/03/2023	58,261	80.00% [(a)]	12/03/2023 [(b)]

(a) The conversion rate of the shares initially granted to the Management Committee members for 2019 and 2020 plans is capped at 80%, in accordance with the dispositions approved by the Shareholders' Meeting of April 29, 2021.

(b) 50% of the Performance Shares are available after a 2-year holding period.

In the table above all dates indicated are in the format of day/month/year.

The tables below present the weighting, the target objective, the realized performance, as well as the achievement rate for each criterion of performance shares/international performance shares acquired by corporate officers during 2023 and 2024:

2020 plan acquired in 2023

	Weighting	Target objective	Realized performance	Achievement rate		
				Thomas Buberl	**Helen Browne**	**Gérald Harlin**
Average of Adjusted earnings and Underlying earnings	50%	6,759 M€	6,268 M€	76.27%	92.73%	76.27%
Adjusted Earnings per share	40%	2.89 €	2.68 €	85.41%	95.14%	85.41%
Score AXA versus CSA (ex-DJSI)	10%	85th percentile	99th percentile	130%	130%	130%
Total Shareholding Return adjustment [(a)]	+/-5pts	Average SXIP growth = -2%	Average AXA share price growth = +3%	+5 pts	+5 pts	+5 pts
Global Performance rate				**90.3% capped at 80% [(b)]**	**102.42%**	**90.3% capped at 80% [(b)]**

(a) The average AXA share price growth is compared to the average SXIP growth.
(b) The conversion rate of the shares initially granted to the Management Committee members for 2019 and 2020 plans is capped at 80%, in accordance with the dispositions approved by the Shareholders' Meeting of April 29, 2021.

2021 plan acquired in 2024

	Weighting	Target objective	Realized performance	Achievement rate	
				Thomas Buberl	**Helen Browne**
Operating business performance (60%)					
Cash remittance	30%	13,900 M€	16,125 M€	116.01%	116.01%
Underlying earnings (or Underlying Earnings per share for the Group)	30%	2.89 €	3.06 €	105.90%	105.90%
Group Sustainability Performance (30%)					
Score AXA *versus* CSA (ex-DJSI)	10%	95th percentile	98th percentile	125%	125%
Reduction in operations carbon emissions	10%	Cumulated reduction = 16.6%	Cumulated reduction = 34%	130%	130%
Decrease the carbon footprint of the Group's General Account assets	10%	Cumulated reduction = 12%	Cumulated reduction = 47.6%	130%	130%
Group financial relative performance - TSR (10%)	10%	100% of the index	194% of the index	130%	130%
Global Performance rate				**118.07%**	**118.07%**

PERFORMANCE SHARES BECOMING UNRESTRICTED DURING 2023 FOR EACH CORPORATE OFFICER

Corporate officers		Plan date	Nature of the plan	Number of shares becoming unrestricted during the year	Date of availability
Thomas Buberl	Chief Executive Officer	27/06/2018	*Performance Shares*	66,068	27/06/2023
Helen Browne	Representative of employee shareholders to the Board of Directors	27/06/2018	*Performance Shares*	13,099	27/06/2023
Gerald Harlin	Director	27/06/2018	*Performance Shares*	45,392	27/06/2023

In the table above all dates indicated are in the format of day/month/year.

Stock options

From 1989 to 2018, AXA granted stock options to its corporate officers and its employees in France and abroad. The purpose of these grants was to associate them with AXA's share price performance and encourage their performance over the long term. In 2019, after having progressively reduced the number of stock options beneficiaries over the past few years, AXA's Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, in order to simplify AXA's compensation policy and in line with market practice and feedback received from a number of institutional investors, decided to cease awarding stock options to corporate officers and AXA employees.

Previous plans are still valid until their expiration (maximum duration period of 10 years). They were granted at market value, with no discount, and become exercisable by tranches, generally in thirds between 3 and 5 years following the grant date.

Pursuant to the stock option plan rules, beneficiaries who resign from the Group lose the right to exercise their options.

On December 31, 2023, 133 AXA employees held a total of 5,148,652 outstanding options, representing 0.23% of the Company's share capital on the same date.

PERFORMANCE CONDITIONS

All options granted to all members of the Management Committee until 2018 were subject to a performance condition. This performance condition also applied to the last tranche of each option grant (*i.e.,* the last third of the options granted) for all other beneficiaries of options.

Pursuant to this performance condition, the options become fully exercisable only if the AXA share price outperformed the stock reference index of the insurance sector [1]. No option subject to such performance condition can be exercised as long as this criterion has not been reached. This external performance condition subjects the acquisition of the right to exercise the options to the achievement of a fully objective and public performance and allows the measure of the relative performance of AXA compared to its main European competitors over a period of at least three years.

If the performance condition has not been met at the expiry date of the options, these options are automatically cancelled.

Furthermore, the Board of Directors decided that a second performance condition would apply to all options granted in 2017 and 2018, pursuant to which beneficiaries would not be able to exercise their stock options in the event the net income of the Group is negative, and for as long as it remains so.

(1) SXIP index (STOXX Insurance Index): a capitalization-weighted index, which includes European companies that are involved in the insurance sector. As at December 31, 2023, the index included 33 companies of the sector.

STOCK OPTIONS PLAN SUMMARY

In the table below all dates indicated are in the format of day/month/year.

Date of the Shareholders' Meeting	27/04/2011	27/04/2011	23/04/2014	23/04/2014	26/04/2017	26/04/2017
Grant date (Board of Directors)	22/03/2013	24/03/2014	19/06/2015	06/06/2016	21/06/2017	27/06/2018
Total number of beneficiaries	162	158	148	158	144	117
Total number of shares to be subscribed	3,480,637	3,100,000	3,014,469	3,323,259	3,070,397	2,730,217
or purchased, from which to be subscribed						
or purchased by:						
Corporate officers:						
Thomas Buberl	-	48,800 [c]	50,272 [c]	70,598 [c]	175,917	196,366
The first 10 employees beneficiaries [b]	789,382	661,900	683,100	813,477	787,665	761,168
Start date of exercise	22/03/2015	24/03/2017	19/06/2018	06/06/2019	21/06/2020	27/06/2021
Expiry date of options	22/03/2023	24/03/2024	19/06/2025	06/06/2026	21/06/2027	27/06/2028
Subscription or purchase price of options [a]	13.81	18.68	22.90	21.52	23.92	21.60
Exercise schedule of options	33% after 2 y 66% after 3 y 100% after 4 y	33% after 3 y 66% after 4 y 100% after 5 y	33% after 3 y 66% after 4 y 100% after 5 y	33% after 3 y 66% after 4 y 100% after 5 y	33% after 3 y 66% after 4 y 100% after 5 y	33% after 3 y 66% after 4 y 100% after 5 y
Number of options exercised at 31/12/2023	3,169,508	2,660,404	1,736,985	1,823,033	1,147,415	872,152
Options cancelled at 31/12/2023	311,129	319,246	385,275	571,131	416,293	157,756
Options outstanding at 31/12/2023	-	120,350	892,209	929,095	1,506,689	1,700,309

(a) The number of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) Employees who are not corporate officers at the date of grant.
(c) Options were granted to Mr. Thomas Buberl prior to his appointment as AXA Chief Executive Officer.

Under the AXA Group Compliance & Ethics Code, all employees (including the corporate officers of the Company) are prohibited from engaging in any transaction designed to hedge the value of equity-based compensation awards (stock options and shares subject to performance conditions) granted under any plan or arrangement maintained by AXA or any of its subsidiaries. This restriction applies from the date of grant until such time as the beneficiary receives the securities underlying the award upon, for example, the exercise of a stock option or the lapse of restrictions on shares subject to performance conditions. In accordance with the recommendations of the Afep-Medef Code, the executive officers of the Company make a formal commitment to not resort to such hedging transactions.

STOCK OPTIONS HELD BY CORPORATE OFFICERS THAT BECAME EXERCISABLE DURING 2023

No options held by corporate officers became exercisable during 2023.

Only the last tranche of the last Stock Option plan granted in 2018 (representing one third of the total grant) remains subject to the performance condition. This condition has not been met over 2023 and the concerned options are therefore not exercisable.

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STOCK OPTIONS EXERCISED BY CORPORATE OFFICERS DURING 2023

Corporate officers		Date of grant	Number of options exercised during the year	Exercise price *(in Euro)*	Date of exercise
Thomas Buberl	Chief Executive Officer	27/06/2018	81,625	21.60	13/12/2023
Helen Browne	Representative of employee shareholders to the Board of Directors	06/06/2016	16,132	21.52	14/12/2023
		19/06/2015	6,500	22.90	20/12/2023
Gérald Harlin	Director	27/06/2018	15,000	21.60	14/11/2023
		27/06/2018	29,500	21.60	27/12/2023
		06/06/2016	41,184	21.52	14/11/2023

In the table above all dates indicated are in the format of day/month/year.

STOCK OPTIONS EXERCISED BY THE TOP 10 BENEFICIARIES (OUTSIDE THE CORPORATE OFFICERS) DURING 2023

	Number of options exercised	Weighted average exercise price *(in Euro)*
Stock options of AXA or any eligible AXA Group subsidiaries, exercised during the year by the ten employees, outside management bodies' members of the Company or of eligible AXA Group subsidiaries, who exercised the highest number of stock options (aggregate information)	939,777	22.42

STOCK OPTIONS HELD BY CORPORATE OFFICERS (OPTIONS GRANTED BUT NOT EXERCISED AS OF DECEMBER 31, 2023)

Corporate officers		Balance of options at December 31, 2023
Thomas Buberl	Chief Executive Officer	139,046
Helen Browne	Representative of employee shareholders to the Board of Directors	51,954
Gérald Harlin	Director	155,075

Share ownership policy for executives of the Group

AXA implemented a shareholding policy applicable to the main senior executives of the Group. This policy requires each executive to hold, during the entire duration of his/her functions, a minimum number of AXA shares (the "Minimum Shareholding Requirement") representing a multiple of the annual fixed compensation received for his/her functions within the Group:

- the Chief Executive Officer is required to hold the equivalent of his annual fixed compensation multiplied by 3;
- Management Committee members are required to hold the equivalent of their annual fixed compensation multiplied by 2;
- Partners Group members are required to hold the equivalent of their annual fixed compensation multiplied by 1.

AXA shares, ADS AXA or shares of listed Group subsidiaries, held directly or indirectly through Mutual funds or similar investment vehicles, regardless of their acquisition procedure, are taken into account for the purposes of calculating this Minimum Shareholding Requirement.

Each concerned senior executive is required to meet this Minimum Shareholding Requirement within a period of 5 years as from the date of her/his first appointment.

Pursuant to articles L.22-10-59 II and L.22-10-57 of the French Commercial Code, the Board of Directors has decided that, as long as the Chief Executive Officer has not met his Minimum Shareholding Requirement, all Stock Options and Performance Shares granted to him will be subject to the following restrictions:

- upon each exercise of these stock options granted, the Chief Executive Officer must continue to hold in registered form a number of shares obtained upon exercise equal in value to at least 25% of the pre-tax capital gain realized upon exercise. These shares shall be held during his entire term of office as Chief Executive Officer; and
- for Performance Shares granted, the Chief Executive Officer must, at every Performance Share acquisition date, hold in registered form at least 25% of the Performance Shares acquired during his entire term of office as Chief Executive Officer.

These restrictions do not apply if the Chief Executive Officer complies with his Minimum Shareholding Requirement.

CHIEF EXECUTIVE OFFICER

On December 31, 2023, based on the AXA share value on that date (€29.49), the Chief Executive Officer met his Minimum Shareholding Requirement as described in the above Section "Share ownership policy for executives of the Group".

	Shareholding requirement				Shareholding on 31/12/2023			
	Fixed compensation	Number of years	Amount	Target date	Number of years	Amount	AXA shares	AXA Shareplan units
Thomas Buberl	€1,650,000	3	4,950,000	01/09/2021	19.8	€32,724,763.31	1,108,732	958

MEMBERS OF THE MANAGEMENT COMMITTEE

On December 31, 2023, based on the AXA share value on that date (€29.49), the members of the Management Committee held, on average, 2.8 times the equivalent of their fixed annual compensation.

MEMBERS OF THE BOARD OF DIRECTORS

To the best knowledge of the Company and based on information reported to it, each AXA Board of Directors member held, on December 31, 2023, the number of AXA shares or ADS AXA indicated in the table below.

	Number of shares [(a)] owned on December 31, 2023	
	AXA shares	**ADS AXA**
Antoine Gosset-Grainville – Chairman of the Board of Directors	4,268	-
Thomas Buberl – Chief Executive Officer	1,266,403 [(c)]	-
Martine Bièvre [(b)]	419	-
Helen Browne	196,424 [(c)]	-
Bettina Cramm [(b)]	2,625	-
Clotilde Delbos	5,300	-
Rachel Duan	5,600	-
Guillaume Faury	5,000	-
Ramon Fernandez	7,514	-
André François-Poncet	7,842	-
Gérald Harlin	484,475	-
Isabel Hudson	9,168	-
Angelien Kemna	7,250	-
Ramon de Oliveira	38,234	-
Rachel Picard	5,343 [(d)]	-
Marie-France Tschudin	3,980 [(e)]	-

(a) AXA shares which could be indirectly held through Mutual funds are not taken into account.
(b) The holding of AXA shares by directors representing the employees (Mrs. Martine Bièvre and Mrs. Bettina Cramm) is not mandatory.
(c) On March 11, 2024.
(d) On March 13, 2024.
(e) On March 12, 2024.

Transactions involving Company securities completed in 2023 by the members of the Board of Directors

To the best of the Company's knowledge and based on the information reported to it, several members of the Board of Directors made the following disclosures in the course of 2023 concerning their transactions involving Company securities. Detailed information about all of these transactions, as well as individual disclosures filed in accordance with Article L.621-18-2 of the French Monetary and Financial Code and Articles 223-22-A to 223-26 of the AMF General Regulations, are published on the Company's website (www.axa.com) and on the AMF website (www.amf-france.org).

Name	Sale of AXA shares *(Number)*	Purchase of AXA shares *(Number)*	Acquisition of performance shares (end of acquisition period) *(Number)*	Automatic reinvestment into the Company Savings Plan of dividends attached to shares held in the Company Savings Plan *(Number of units)*	Subscription of stock options: Subscription of AXA shares *(Number)*	Subscription and sale of stock options followed by a sale of AXA shares *(Number)*	Sale of units of AXA Group Mutual funds invested in AXA shares *(Number)*	Transfer of units of AXA Group Mutual funds invested in AXA shares to other AXA Group Mutual funds *(Number of units)*	Equity issue reserved for employees (Shareplan): Subscription to units of AXA Group Mutual funds invested in AXA shares *(Number of units)*
Martine Bièvre			242						
Helen Browne			24,820 3,926 (a)	869.2142	16,132 (b) 6,500 (b)		11,648.8340 5,791.4067	5,809.8308	8,539.0546
Thomas Buberl			134,919 23,190 (a)	25,863.4230	81,625 (b)		64,811.1577	7,258.2741	46,307.7796
Bettina Cramm									47.4667
Clotilde Delbos		2,300							
Guillaume Faury		2,995							
Ramon Fernandez		2,000 1,937							
Antoine Gosset-Grainville									10,173.7791
Gérald Harlin	15,000		58,261		29,500 (b)	41,184 15,000	19,315.5384		10,370.6533
Isabel Hudson		233							
Marie-France Tschudin		836							

(a) Retirement performance shares.
(b) AXA shares locked in under the AXA employee-stock purchase (Plan d'Épargne d'Entreprise du Groupe).

Pursuant to the AXA Compliance & Ethics Code, corporate officers and other employees of the Company must refrain from any purchase or sale of AXA securities during specific time periods ("blackout periods") prior to the earnings releases. These blackout periods generally begin about 30 days before its annual or half-year earnings releases and 15 days before its quarterly financial information. Depending on the circumstances, these blackout periods could be declared at other times or be extended.

Commitments made to executive officers

PENSION COMMITMENTS

Mr. Antoine Gosset-Grainville, Chairman of the Board of Directors, and Mr. Thomas Buberl, AXA's Chief Executive Officer, do not benefit from the collective defined benefits pension scheme within the AXA Group in France.

However, the Chief Executive Officer of the Company. Mr. Thomas Buberl, as well as all other employees of AXA group entities in France, participate in a mandatory and collective supplementary pension scheme with defined contributions (collective insurance contract – *contrat d'assurance de Groupe* as defined in article L.141-1 of the French Insurance Code). This AXA pension fund was implemented in 2011 and benefits to the employees of AXA group entities in France falling within the Scope of the Collective Agreement of December 18, 2009. The individual employer contribution rate is set at 0.75% of the total gross compensation, which is not capped. The contribution base is the same as the one used for contributions related to the Social Security General Scheme. Contributions are subject to 9.7% social charges (9.2% for CSG and 0.5% for CRDS).

Retirement performance shares

Since December 2016, AXA has implemented a retirement performance shares plan which benefits all executive employees *(directeurs)* of AXA group entities in France including the Chief Executive Officer, Mr. Thomas Buberl.

It provides beneficiaries with portable pension benefits until retirement in line with Directive 2014/50/UE/of the European Parliament and of the Council of April 16, 2014, on minimum requirements for enhancing worker mobility between Member States by improving the acquisition and preservation of supplementary pension rights.

These performance shares are subject to **(i)** an acquisition period of three years, and **(ii)** an obligation to hold the shares until retirement, provided that the beneficiaries may sell all or part of their shares for diversification purposes (following the three-year acquisition period), as long as the sale proceeds are invested in a long-term savings plan until the beneficiary's retirement.

The definitive acquisition of these performance shares is subject to **(i)** the beneficiary's presence in the AXA Group on December 31 of the year during which the grant is decided, and **(ii)** the achievement of a performance condition related to the average AXA Group Solvency II ratio calculated during the performance period.

For all beneficiaries, to benefit from the totality of performance shares initially granted, the average AXA Group Solvency II ratio calculated during the performance period must be greater than or equal to 170%. However, if the average ratio is 150%, only half of the shares initially granted will be acquired. No shares will be acquired if the average ratio is below 150%. No minimum number of shares is guaranteed.

Between these performance levels, the number of shares definitely acquired is calculated on a linear basis depending on the achieved performance.

In the event that no dividend would be proposed for payment (outside regulatory constraint) by the Board of Directors to the Company shareholders for any of the fiscal years of the performance period, the number of shares definitively acquired shall be automatically divided by two.

The Board of Directors also decided that no more than 10% of the total number of shares granted during any fiscal year should be granted to AXA's executive officers, to avoid an excessive concentration of retirement performance shares granted to the executive officers.

On December 6, 2023, the Board of Directors approved a grant of retirement performance shares. Accordingly, 608,728 retirement performance shares were granted to 489 officers, which represent 0.027% of the outstanding share capital on the date of the grant, of which 18,125 retirement performance shares were granted to AXA's Chief Executive Officer representing 3.0% of the total grant.

All retirement performance shares granted are subject to the performance conditions described above and calculated over a three-year period beginning on January 1, 2023 and ending on December 31, 2025.

TERMINATION PROVISIONS

	Employment contract		Supplementary pension scheme		Indemnities or advantages due or likely to be due upon termination of functions		Indemnities due for non-competition clause	
Executive officers	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Thomas Buberl Chief Executive Officer Beginning of current mandate: 28/04/2022 Term of office: 2026 Shareholders' Meeting	–	X	X [(a)]	–	X	–	–	X
Antoine Gosset-Grainville Chairman of the Board of Directors Beginning of current mandate: 28/04/2022 Term of office: 2024 Shareholders' Meeting	–	X	-	X	–	X	–	X

(a) Mr. Thomas Buberl is a beneficiary of the retirement performance shares plans.

In accordance with the recommendations of the Afep-Medef Code, Mr. Thomas Buberl has decided to renounce his employment contract as of the date of his appointment as Chief Executive Officer.

In connection with this decision, the Board of Directors upon recommendation from its Compensation, Governance & Sustainability Committee undertook a review of the consequences of this renunciation including with respect to the continuity of the social benefits (Health insurance, Life insurance, Disability insurance, etc.) to which Mr. Thomas Buberl was entitled as an employee. In this context, the Board of Directors was concerned that the decision of Mr. Thomas Buberl to renounce his employment contract in accordance with the recommendations of the Afep-Medef Code would jeopardize the continuity of his accrued and future social benefits.

As a result, on August 2, 2016, the Board of Directors took the following decisions:

- the Board of Directors authorized that, following the termination of his employment contract, Mr. Thomas Buberl would continue to have social benefits (Health insurance, Life insurance, Disability insurance, etc.) on terms equivalent to those of all other Group senior employees of the AXA Group in France;
- the Board of Directors authorized a contractual severance benefit for Mr. Thomas Buberl designed to replicate the benefits to which he would have been entitled as AXA employee under the 1993 collective agreement covering director-level employees of the insurance sector, but with the addition of performance conditions in accordance with the Afep-Medef Code recommendations. A severance benefit would be applicable, except in the case of gross or willful misconduct, solely in the event of dismissal or non-renewal further to the Board of Directors' decision. The payment of the severance benefit would be subject to the three following performance conditions as determined by the Board of Directors during its August 2, 2016, meeting: **(i)** achievement, for at least 2 of the 3 preceding fiscal years, of the objectives set for the beneficiary's variable compensation and corresponding to the payment of at least 60% of his variable compensation target, **(ii)** evolution of the AXA share price at least equal to the stock reference index of the insurance sector (SXIP) (in percentage) over a 3-year period preceding the termination of the term of office, and **(iii)** the average consolidated adjusted ROE over the 3 preceding years higher than or equal to 5%.

The amount of severance benefit to be paid to the beneficiary would be adjusted in accordance with the level of achievement against these performance conditions: 100% of the severance benefit will be paid if at least two of the three performance conditions are met; 40% of the severance benefit will be paid if only one performance condition is met; and no severance benefit shall be paid if none of the performance conditions are met. Notwithstanding the foregoing, if only two of the three performance conditions are met, the amount of severance benefit will be reduced by 50% if performance condition **(i)** above is not met or if AXA's consolidated net income for the preceding fiscal year is negative.

No severance benefit will be paid if the beneficiary is entitled to a pension scheme within the 6 months following his termination.

The initial amount of the severance benefit is equal to 12 months of the average compensation (fixed and variable) paid during the 24-month period preceding termination. One month should then be added to the initial amount of the severance benefit for each additional year of future service up to a maximum cap of 24 months.

These commitments were approved by AXA's Shareholders' Meeting. They took effect upon Mr. Thomas Buberl's effective renunciation of his employment contract on September 1, 2016, and will continue as such for the duration of his mandate and under any potential renewed mandates.

Compensation policy of the Company's corporate officers (Ordinary and Extraordinary Shareholders' Meeting of April 23, 2024)

This policy was prepared in accordance with articles L.22-10-8 and R.22-10-14 of the French Commercial Code and presents the principles and criteria for determination, distribution, and allocation of all elements of compensation of the corporate officers (*mandataires sociaux*, *i.e.*, Chief Executive Officer, Chairman of the Board and other members of the Board) of the Company as approved by the Board of Directors during its meeting held on February 21, 2024, after recommendation from its Compensation, Governance & Sustainability Committee.

AXA regularly engages with its shareholders to discuss governance, compensation and sustainability matters. Following the 2023 Shareholders' Meeting and after having analyzed investors' feedback as well as the results of the votes reflecting the large shareholders' support expressed, the Board of Directors has decided to maintain the overall compensation policy, which was considered appropriate, fair and balanced. As part of the continuous shareholder engagement approach, the Board of Directors will keep monitoring investors' and proxy advisors' expectations, along with market practices in the future.

The Compensation, Governance & Sustainability Committee, the role and composition of which are presented in detail in Section 3.1 of this Annual Report, is notably responsible for formulating propositions to the Board of Directors regarding the Company's principles and policy on corporate officers' compensation.

The Compensation, Governance & Sustainability Committee is entirely composed of independent members, with the exception of the director representing the employees who sits on the Committee pursuant to the Afep-Medef recommendations. The Compensation, Governance & Sustainability Committee exchanges frequently with the Group's Management and some departments of the Company including Group Human Resources, Group Legal and Group Sustainability. The Committee is also empowered to undertake or commission specific reviews by external experts when deemed appropriate. Such reviews allow the Committee to benefit from a technical expertise and independent insights in comparing AXA's compensation practices with general market practice.

COMPENSATION POLICY FOR THE CHIEF EXECUTIVE OFFICER

Guiding principles of AXA's compensation policy

AXA's compensation policy is designed to support the Company's Long-Term Business strategy and to align the interests of its management with those of its shareholders and all other stakeholders by **(i)** establishing a close relation between financial and extra-financial performance and compensation over the short, medium and long term, **(ii)** ensuring that the Group can offer competitive compensation that is consistent with the various markets in which it operates while avoiding potential conflicts of interests that may lead to undue risk taking for short-term gain, and **(iii)** ensuring compliance of the Company's practices with all applicable regulatory requirements.

AXA's compensation policy notably aims to:

- attract, develop and motivate critical skills and best talents;
- drive superior performance; and
- align compensation levels with the Company's results both on a financial and a sustainability level.

This compensation policy is based, in particular, on compensation practices for similar functions in AXA's main European and international competitors (insurance and reinsurance companies, banks) and other CAC 40 companies. The policy also complies with the remuneration recommendations of the Afep-Medef Code, the G20, the European Commission and the Financial Stability Board.

Structure and criteria for determining the Chief Executive Officer's compensation

In this context, the compensation policy for the Chief Executive Officer is based on a pay-for-performance approach which **(i)** requires the achievement of challenging financial and operational targets that are defined and aligned with the Group's strategy, **(ii)** promotes long-term sustainable performance while incorporating risk adjustment measures in performance metrics, and **(iii)** determines the effective amount of the actual individual compensation on the basis of both financial and extra-financial results.

Thus, the “at-risk” portion of the Chief Executive Officer’s total compensation (variable cash compensation and share-based compensation) represents a significant component of his compensation structure to align his compensation more directly with the operational strategy of the Group and the interests of the shareholders.

In connection with the renewal of Mr. Thomas Buberl’s mandate as Chief Executive Officer in 2022, the Compensation, Governance & Sustainability Committee and the Board of Directors reviewed his compensation package as well the compensation policy applicable to him. At that time, the Board of Directors also decided that, consistent with the Company’s past practice, this new compensation package should remain unchanged for the duration of the Chief Executive Officer’s next term as a director (*i.e.*, until 2026).

Therefore, the Board decided to maintain for 2024 his compensation package and that no major change would be made to the compensation policy except the review of the objectives for 2024 notably in the context of the new Group Strategic Plan 2024-2026.

The different components of the Chief Executive Officer’s total compensation are presented in detail hereafter:

FIXED ANNUAL COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

The determination of the amount of the Chief Executive Officer’s fixed compensation, in 2022, was notably based on an in-depth analysis of market practices carried out by an independent external advisory firm (Willis Towers Watson) as well as applicable national and international regulations. It also took into consideration various other factors such as experience, skills, as well as the criticality and scarcity of such skills, and the Group’s fairness principles or the individual’s compensation history.

Upon recommendation from its Compensation, Governance & Sustainability Committee, the Board confirmed that the Chief Executive Officer’s annual fixed compensation, set in 2022, at €1.65 million will be maintained for 2024.

VARIABLE ANNUAL COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

When it determined the Chief Executive Officer’s target variable annual compensation, in 2022, following a comparative review of national, European, international and industry practices, the Board of Directors sought to establish a balanced structure between the fixed part and the variable part of his cash compensation.

Upon recommendation from its Compensation, Governance & Sustainability Committee, the Board confirmed that the Chief Executive Officer’s target variable annual compensation, set in 2022, at €1.75 million (*i.e.*, 106% of the amount of his fixed annual compensation) will be maintained for 2024 and would continue to be subject in its entirety to challenging performance conditions and closely aligned with the Group’s strategy.

It is specified that no minimum payment is guaranteed to the Chief Executive Officer and that his total effective variable compensation may not exceed 130% of his target variable compensation (*i.e.*, 138% of his fixed annual compensation).

The evaluation of the Chief Executive Officer’s annual performance with respect to the 2024 fiscal year will be based on the following two components, each of them capped at a 130% achievement rate:

- The Group’s performance, evaluated on the basis of **(i)** underlying Earnings per share, **(ii)** cash remittance, **(iii)** the reduction in Group carbon footprint in General Account assets, and **(iv)** the Net Promoter Score (customer recommendation index). The relative weight of each indicator will remain unchanged (*i.e.*, 45%, 25%, 15% and 15% respectively). Each of the indicators will be capped at a 130% achievement rate.

  The financial and extra-financial indicators chosen to measure the Group performance are directly linked to the Group’s strategic orientations. They reflect objectives for growth, capital management, sustainability and customer proximity and rely on the achievement of a predefined budget or target. Some of these indicators (underlying Earnings per share, cash remittance and the reduction in Group carbon footprint in General Account assets) are identical to share-based compensation indicators in order to align part of the performance criteria of the short- and long-term compensation with the objectives of the strategic plan and to measure them on different time scales through different acquisition schedules. Nevertheless, the weight of common indicators in share-based compensation has decreased in 2024.

- The Individual performance, based on **(i)** various indicators and qualitative and quantifiable objectives determined by the Board of Directors in a target letter drawn up at the beginning of the year, and **(ii)** demonstrated leadership abilities by the Chief Executive Officer. The target letter includes detailed objectives related to the Group’s progress in the implementation of its strategic plan as well as other performance indicators and objectives assessing the achievement of global strategic initiatives or related to certain geographic areas, as well as progress on investments that are expected to contribute to the development of the Group’s operations;

  With respect to the 2024 fiscal year, the Board of Directors, after recommendation from its Compensation, Governance & Sustainability Committee, set the five following objectives and their respective weights: **(i)** finalizing and launching AXA’s new strategic plan for 2024-26 (the “Plan”) (15%), **(ii)** implementing the Plan and delivering 2024 Performance (40%), **(iii)** managing continued stability in the

Management Committee, with solid succession plans and strong collaboration while continuing to drive progress on diversity and inclusion amongst leadership teams (15%), **(iv)** navigating the Group through political, regulatory, and reputation risks in the context of a turbulent political and geopolitical environment (15%), and **(v)** continuing to assess opportunities to optimize the perimeter of the Group. The rate of achievement of these different objectives will be made public.

Each of these two components will be evaluated separately so that the Chief Executive Officer's overall variable pay-out reflects his performance against two distinct components assessed independently.

With respect to the 2024 fiscal year, the determination of the actual amount of variable compensation to be paid to the Chief Executive Officer will continue to be based on the addition of two components: the Group performance for 70% and the individual performance for 30%.

To ensure that AXA remains aligned with current market practice and regulations within the financial industry, both in France and abroad, the Board of Directors decided to continue to use a deferral mechanism with respect to the Chief Executive Officer's variable annual compensation.

Under this mechanism, the payment of 30% of his actual variable annual compensation will be deferred over a three-year period paid out in three equal tranches and will remain subject to performance conditions. The deferred amount effectively paid out for each tranche will vary accordingly depending on the performance of the AXA share price over the deferral period within the limit of a cap at 130% of the deferred amount but without a floor. No deferred variable compensation would be paid **(i)** in the event that the Group's underlying earnings are negative for the year ending immediately prior to the year of the scheduled payout, or **(ii)** in case of resignation or dismissal, for gross or willful misconduct prior to the payout date.

In case of significant change affecting the calculation of the Group's economic parameters (significant transaction approved by the Board of Directors, change in accounting standards…), the Board would be able to calculate the parameters *mutatis mutandis*, *i.e.*, without taking into account extraordinary external elements.

The Board of Directors also reserves the right to exercise its discretionary power regarding the determination of the Chief Executive Officer's compensation pursuant to legal provisions and in accordance with articles L.22-10-8 and L.22-10-34 of the French Commercial Code, should any particular circumstance arise and justify an exceptional adjustment, either upwards (within the limit of 130% of the target variable compensation) or downwards to ensure that the application of the abovementioned criteria fairly reflect the Chief Executive Officer's performance as well as that of the Group. Such adjustment would be decided by the Board of Directors, upon proposal from its Compensation, Governance & Sustainability Committee and would be made public.

Payment of the Chief Executive Officer's variable cash compensation for 2024 is subject to the approval by the Shareholders' Meeting to be held in 2025 of the compensation elements paid during, or granted with respect to, the 2024 fiscal year to the Chief Executive Officer.

SHARE-BASED COMPENSATION GRANTED TO THE CHIEF EXECUTIVE OFFICER

Each year, the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, decides to grant Long-Term Incentives (LTI) to the Chief Executive Officer in the form of performance shares.

To give the Chief Executive Officer a stake in long-term value creation, these performance shares represent an important part of his compensation. However, the value of the performance shares granted to the Chief Executive Officer, as determined in accordance with the IFRS standards, may not in any event exceed half of his total compensation.

The Board of Directors also decided that the number of LTI granted to the Company's corporate officers, including the Chief Executive Officer, may not exceed 10% of the total number of LTI granted to all beneficiaries within the Group.

The performance shares granted to the Chief Executive Officer are entirely subject to demanding internal and external performance conditions (the details of which are presented in Section 3.2 of this Annual Report), which are assessed over a period of three years (followed by a two-year holding period), and do not guarantee a minimum grant or gain. Moreover, the performance shares plan rules provide that should the Chief Executive Officer leave his position [(1)] at any time before the end of the performance period, any performance shares initially granted with respect to such period would be irremediably lost, unless otherwise decided by the Board of Directors in a decision publicly disclosed at the time of the Chief Executive Officer's departure (in such case, all or part of the performance shares could be maintained, and the vesting calendar and performance conditions attached to the performance shares set at the grant date would remain unchanged).

In order to align the Chief Executive Officer's compensation more directly with the Group's long-term performance and the interests of shareholders, the Board of Directors, upon proposal from its Compensation, Governance & Sustainability Committee, has decided in 2022 that the total value of the performance shares to be granted to the Chief Executive Officer during 2023, shall not exceed 180%

(1) *Except in the event of death, invalidity or retirement.*

of the amount of his target annual variable compensation. Through this change, the Board of Directors sought to **(i)** give significant importance to the Chief Executive Officer' share-based compensation, which will represent almost 50% of his total compensation, and **(ii)** strengthen the "at-risk" portion of his total compensation (variable cash compensation and share-based compensation) so that it represents the vast majority (approximately 75%) of his total compensation. The Board has decided to maintain this principle for 2024.

Pursuant to article L.22-10-57 of the French Commercial Code, the Board of Directors has decided to maintain for 2024 the principles according to which, as long as the Chief Executive Officer has not met his Minimum Shareholding Requirement (*i.e.*, holding a number of shares representing his annual fixed compensation multiplied by three), all stock options and performance shares granted to him will be subject to the following restrictions:

- upon each exercise of these stock options granted, the Chief Executive Officer must continue to hold in registered form a number of shares obtained upon exercise equal in value to at least 25% of the pre-tax capital gain realized upon exercise. These shares shall be held during his entire term of office as Chief Executive Officer;
- for performance shares granted, the Chief Executive Officer must, at every performance share acquisition date, hold in registered form at least 25% of the performance shares acquired during his entire term of office as Chief Executive Officer.

These restrictions do not apply if the Chief Executive Officer complies with his Minimum Shareholding Requirement.

EXCEPTIONAL COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

The Board of Directors does not contemplate granting any exceptional compensation to the Chief Executive Officer.

CHIEF EXECUTIVE OFFICER'S DIRECTORS' FEES

The Chief Executive Officer, who is also a member of the Board of Directors of the Company, is not entitled to payment of any directors' fees from the Company.

BENEFITS IN KIND GRANTED TO THE CHIEF EXECUTIVE OFFICER

The only benefit in kind granted to the Chief Executive Officer is the use of a company car.

ELEMENTS OF COMPENSATION RELATING TO THE CHIEF EXECUTIVE OFFICER'S RETIREMENT

The Chief Executive Officer does not participate in any pension schemes with defined benefits.

As all other executives of AXA group entities in France, he participates in the retirement performance share plan, under which grants are made on an annual basis.

The retirement performance shares granted under such plans are subject to **(i)** an acquisition period of three years, and **(ii)** an undertaking not to sell the retirement performance shares before the date on which the beneficiary retires, subject to the option offered to the beneficiaries, for diversification purposes, to sell their shares (after the end of the acquisition period of three years) as long as the proceeds of such sale are invested in a long-term savings plan until the beneficiary retires.

The acquisition of the retirement performance shares is subject to the satisfaction of a performance condition (the details of which are set out in Section 3.2 of this Annual Report), linked to the average AXA Group Solvency II ratio calculated over the performance period. No minimum grant or gain is guaranteed to the Chief Executive Officer under this scheme.

The Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, decided that the total value of the retirement performance shares to be granted to the Chief Executive Officer during 2024 shall not exceed 15% of his fixed and cash variable annual compensation.

As all other employees of AXA group entities in France, the Chief Executive Officer of the Company participates in a mandatory and collective supplementary pension scheme with defined contributions (collective insurance contract – *contrat d'assurance de groupe* as defined in article L.141-1 of the French Insurance Code) as further described in Section 3.2 paragraph "Termination provisions" of this Annual Report.

REGULATED COMMITMENTS MADE TO THE CHIEF EXECUTIVE OFFICER

The commitments made to the benefit of the Chief Executive Officer regarding social benefits, approved in 2016, are described in Section 3.2 paragraph "Termination provisions" of this Annual Report.

COMMITMENTS MADE TO THE CHIEF EXECUTIVE OFFICER UPON TERMINATION OF OFFICE

The commitments made to the Chief Executive Officer upon termination of office, approved in 2016, are described in Section 3.2 paragraph "Termination provisions" of this Annual Report.

OTHER ELEMENTS REGARDING THE COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer does not benefit from any non-compete indemnity.

Appointment of a new Chief Executive Officer after the Shareholders' Meeting to be held on April 23, 2024

For purposes of this policy only, and in accordance with applicable regulations, the Board of Directors also considered the hypothetical appointment of a new Chief Executive Officer following the Shareholders' Meeting to be held on April 23, 2024.

Under such circumstances, the compensation structure applicable to a new Chief Executive Officer would comply with this policy and the Board of Directors would perform a comprehensive review of the situation of the relevant executive, provided that:

- the amount and criteria of the executive's compensation would be determined in accordance with existing practices within the Company by reference to compensation practices for similar functions in AXA's main European and international competitors (insurance and reinsurance companies, banks) and other CAC 40 companies; and
- the experience, skills and individual compensation history of the executive would also be considered.

Finally, should the Chief Executive Officer be recruited externally, the Board of Directors would retain the right to grant to the newly appointed executive a lump sum (in cash and/or in shares), the amount of which, in accordance with the recommendations set forth in the Afep-Medef Code, may not under any circumstances exceed the amount of the benefits the executive would have had to forgo by resigning from his previous position.

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For further information on the Chief Executive Officer's compensation, please see Section 3.2 of this Annual Report.

COMPENSATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS

Structure and criteria for determining the Chairman of the Board of Directors' compensation

The Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, and in accordance with the recommendations set forth in the Afep-Medef Code, has considered that the most appropriate compensation structure for the Chairman of the Board of Directors would be the payment of a sole fixed compensation.

In determining the fixed annual compensation of its Chairman, the Board of Directors consulted an independent external advisory firm (Willis Towers Watson) in order to identify compensation practices for similar functions in a sample of CAC 40 companies and in the main European companies in the financial sector.

The Board of Directors also took into account the experience and expertise of Mr. Antoine Gosset-Grainville, as well as the extensive role it decided to entrust him with as Chairman of the Board of Directors. This role is presented in detail in the Board's Terms of Reference as well as in Section 3.1 of this Annual Report and goes beyond the statutory duties of a chairman of board of directors under French law.

Accordingly, the Board of Directors decided, upon recommendation from its Compensation, Governance & Sustainability Committee, to maintain the amount of the fixed annual compensation of the Chairman of the Board of Directors unchanged, for 2024, *i.e.*, at €925,000.

Having considered that the most appropriate compensation structure for the Chairman of the Board of Directors would be a fixed compensation only, the Board of Directors has resolved, consequently, that the Chairman of the Board of Directors will not benefit from any variable compensation, any compensation provided for in article L.22-10-14 of the French Commercial Code (directors' fees), any performance share grants, any other long-term compensation element, or any benefit in kind.

In addition, the Board of Directors does not contemplate granting any exceptional compensation to the Chairman of the Board of Directors.

Finally, there is no employment contract between the Company and the Chairman of the Board of Directors, and the Chairman is not entitled to any severance benefits, any allowance relating to any non-compete clause in the event that he ceases to be Chairman of the Board of Directors, or any pension scheme.

REGULATED COMMITMENTS MADE TO THE CHAIRMAN OF THE BOARD OF DIRECTORS

There is no regulated commitment made to the benefit of the Chairman of the Board of Directors.

Appointment of a new Chair of the Board of Directors after the Shareholders' Meeting to be held on April 23, 2024

For purposes of this policy only, and in accordance with applicable regulations, the Board of Directors also considered the hypothetical appointment of a new Chair of the Board of Directors following the Shareholders' Meeting to be held on April 23, 2024.

Under such circumstances, the compensation structure applicable to a new Chair of the Board of Directors would comply with this policy and the Board of Directors would perform a comprehensive review of his/her situation, provided that:

- the amount of his/her fixed compensation would be determined in accordance with existing practices within the Company by reference to compensation practices for similar functions in a sample of CAC 40 companies and in the main European companies in the financial sector; and
- his/her experience and skills as well as the scope of his/her assignments as defined by the Board of Directors in connection with his/her appointment would also be considered.

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For further information on the compensation of the Chairman of the Board of Directors, please see Section 3.2 of this Annual Report.

COMPENSATION POLICY OF THE OTHER MEMBERS OF THE BOARD OF DIRECTORS

The members of the Board of Directors other than the corporate officers *(dirigeants mandataires sociaux)* receive no remuneration from the Company in relation to their Board mandate other than directors' fees [1].

Criteria for allocation of directors' fees (compensation in accordance with article L.22-10-14 of the French Commercial Code)

The total annual maximum amount of directors' fees is determined by the Shareholders' Meeting, in accordance with applicable laws, and apportioned by the Board of Directors to its members in accordance with the Board's Terms of Reference.

The total annual maximum amount of directors' fees to be allocated to the members of the Board of Directors was set by the Shareholders' Meeting of April 28, 2022 at €2,100,000 and remains unchanged (the "Directors' fees Envelope").

Pursuant to the recommendations of the Afep-Medef Code, a minority part of the directors' fees is distributed equally among the members of the Board of Directors as a fixed fee:

- 62.5% of the Directors' fees Envelope shall be allocated to the Board as follows: 40% shall be divided equally among Board members and paid as a fixed fee and 60% shall be paid depending on Board attendance;
- 32.5% of the Directors' fees Envelope shall be allocated by the Board of Directors to the Board Committees members as follows: 40% shall be divided equally among members and paid as a fixed fee and 60% shall be paid depending on Committee attendance, with the Chairman of the Committee receiving in each case a double fee.

No directors' fees are paid by the Company to the Chairman of the Board of Directors and Chief Executive Officer.

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For further information on the members of the Board of Directors' compensation, please see Section 3.2 of this Annual Report.

(1) *It is specified that the employee shareholder representative and the employee representatives also receive remuneration under their employment contract with the relevant Group entity.*

3.3 CORPORATE GOVERNANCE CODE OF REFERENCE

AXA adopted the AFEP-MEDEF recommendations on corporate governance in 2008, including the recommendations on the compensation of corporate officers.

These recommendations are consolidated in a corporate governance Code of Listed Corporations published by the Afep *(Association française des entreprises privées)* and the Medef *(Mouvement des entreprises de France)* revised for the last time in December 2022 (hereafter the "Afep-Medef Code").

AXA complies with the recommendations of the Afep-Medef Code that are in line with its long-established corporate governance principles as detailed in Sections 3.1 "corporate governance structure" and 3.2 "Executive compensation and share ownership" of this Annual Report describing corporate governance mechanisms and containing information about executives' compensation.

As explained in paragraph "Directors' independence" in Section 3.1 of this Annual Report, in line with paragraph 10.4 of the Afep-Medef Code, the Board has considered that, while not meeting criteria 10.5.1 relating to the independence of parent company directors holding a directorship in a Group subsidiary, Mrs. Angelien Kemna was nevertheless an independent director.

Having considered Mrs. Angelien Kemna's specific situation, the Board, consistent with its assessment in past years, concluded that the fact that she sits on the Board of AXA IM as Non-Executive Director does not impair her independence under the Afep-Medef Code. In particular, the Board considered that this role does not prevent Mrs. Angelien Kemna from exercising her mandate as a director of AXA with complete independence considering **(i)** AXA IM is an unlisted 97% owned subsidiary of the Group, and **(ii)** any potential conflicts that may arise are manageable by Mrs. Angelien Kemna abstaining from any debate and/or vote on the matter in question, in line with the Board's Terms of Reference. Finally, the Board considered that, in her capacity as a director of AXA IM, she brings to the Board useful and precise knowledge of the strategy, operations, processes and teams of AXA IM and more generally on the Group's Asset Management activities.

3.4 RELATED PARTY TRANSACTIONS

For further information concerning related-party transactions, please see Note 25 "Related-party transactions" included in Part 6 "Consolidated Financial Statements" of this Annual Report.

DESCRIPTION OF THE PROCEDURE FOR ASSESSMENT OF ORDINARY AGREEMENTS CONCLUDED AT ARM'S LENGTH TERMS AND CONDITIONS AND ITS IMPLEMENTATION

During its meeting of February 19, 2020, and in accordance with article L.22-10-12 of the French Commercial Code, the Board of Directors adopted a procedure to regularly assess whether agreements relating to ordinary transactions concluded at arm's length terms and conditions actually meet these conditions. The assessment procedure has been implemented within AXA since that date.

This procedure, which is reviewed by the Board of Directors annually, provides for the Group Legal Department to be informed prior to the conclusion, amendment, renewal, extension, or termination of any agreement falling within the Scope of article L.225-38 of the French Commercial Code, regardless of the ordinary nature of the transaction or the arm's length basis of the agreement. This information enables the Group Legal Department to carry out a prior review of the agreement in order to determine whether it should be subject to the "regulated" agreements procedure provided for under articles L.225-38 *et seq.* of the French Commercial Code or whether it is exempted from such procedure. To this end, the Group Legal Department may seek the advice of the AXA Group's other relevant departments and of the Company's Statutory Auditors.

In addition, the Group Legal Department annually assesses whether ordinary agreements concluded at arm's length terms and conditions continue to meet the conditions for such qualification, in cooperation with the AXA Group's relevant departments and the Company's Statutory Auditors where necessary. If the Group Legal Department considers that an agreement initially qualified as ordinary and concluded at arm's length terms and conditions constitutes a "regulated" agreement, the Board of Directors decides on the qualification of the said agreement and on the actions to be taken on it according to the qualification adopted.

PricewaterhouseCoopers Audit
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92208 Neuilly-sur-Seine cedex

ERNST & YOUNG Audit
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Statutory Auditors' special report on related party agreements

Shareholders' Meeting of April 23, 2024 held to approve the financial statements for the year ended December 31, 2023

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders' Meeting

AXA SA

25, avenue Matignon
75008 Paris, France

Ladies and Gentlemen,

In our capacity as Statutory Auditors of your Company, we hereby present to you our report on related party agreements referred to in Article L.225-38 of the French Commercial Code *(Code de commerce)* and on the information specified in Article R.322-7 of the French Insurance Code *(Code des assurances).*

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code, to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R.225-31 of the French Commercial Code of the continuation of the implementation, during the year ended December 31, 2023, of the agreements previously approved by the Shareholders' Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED FOR APPROVAL TO THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been notified of any agreements authorized and concluded during the year ended December 31, 2023 to be submitted to the Shareholders' Meeting for approval in accordance with Article L.225-38 of the French Commercial Code and Article R.322-7 of the French Insurance Code.

AGREEMENT PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

In accordance with Article R.225-30 of the French Commercial Code, we have been notified that the implementation of the following agreeement, which was approved by the Shareholders' Meeting in prior years, continued during the year ended December 31, 2023.

With Mr. Thomas Buberl (Chief Executive Officer)

On August 2, 2016, the Board of Directors acknowledged the effective renunciation of Mr. Thomas Buberl, in accordance with the recommendations of the Afep-Medef Code, of his employment contract with effect from September 1, 2016, the date on which he became Chief Executive Officer of AXA.

Consequently, the Board of Directors performed an overall review of the future social status of Mr. Thomas Buberl, once his employment contract termination takes effect pursuant to the recommendations of the Afep-Medef Code.

In this context, and given the seniority of Mr. Thomas Buberl in his employee status and the significance of his services rendered to the Company, the Board of Directors confirmed its wish that, as a corporate officer, he should continue to receive the same social benefits as AXA Group director-level employees in France, and took the following decisions for this purpose:

- The Board of Directors confirmed its wish that, as a corporate officer, Mr. Thomas Buberl should continue to receive social benefits (health, life and disability insurance, etc.) on terms equivalent to those of all other director-level employees of the AXA Group in France;
- The expenses incurred by the Company in this context amount to €11,363.

Neuilly-sur-Seine and Paris-La Défense, March 18, 2024

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		ERNST & YOUNG Audit	
Bénédicte Vignon	Grégory Saugner	Olivier Durand	Patrick Menard

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4

SUSTAINABILITY SNFP

4.1 AXA GROUP'S SUSTAINABILITY STRATEGY

This chapter describes the sustainability strategy implemented by AXA Group and includes the extra-financial performance statement that AXA Group publishes in accordance with the provisions of the European Union (EU) Directive 2014/95 related to extra-financial reporting (the "**NFRD**") (1) and French law (2). This statement includes the AXA Group's business model and information on its principal extra-financial risks ("sustainability risks") related to environmental, employer responsibility, society, human rights, and tax development strategy implemented by the AXA Group. For more information on the risks to which the Group is exposed, please refer to Section 5.1 "Risk factors" of this Annual Report.

Further detailed information on the AXA Group's sustainability policies and practices is also available in the "Integrated Report", AXA SA's annual "Climate & Biodiversity Report", the online "Group Human Capital Report" (3) and on the AXA Group's website (www.axa.com), in the section entitled "Commitments".

In this Section 4 of the Annual Report, unless provided otherwise, "ESG" and "sustainability", as used in the context of describing criteria, risks, or objectives, refer to Environmental, Social and Governance matters.

Sustainability is also an increasingly regulated area: AXA Group is currently working on the implementation of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022, as regards corporate sustainability reporting (the "**CSRD**"), which is applicable to financial years starting on or after January 1, 2024. It requires AXA Group to disclose for the first time in 2025, with respect to the financial year ending on December 31, 2024, the impacts, risks and opportunities in relation to Environmental, Social and Governance sustainability matters that are material to the Group's activities and operations. Thus, AXA Group is in the process of carrying out a double-materiality assessment of the risks and opportunities (*i.e.*, outside-in perspective) and its positive and negative impacts (*i.e.*, inside-out perspective) based on the European Sustainability Reporting Standards (the **"ESRS"** (4)).

The results of this assessment will be disclosed in the 2024 Annual Report (for the fiscal year ending December 31, 2024) to be published in compliance with the CSRD.

AXA Group's purpose entails sustainable value creation

Sustainability is considered both as a risk and an opportunity for AXA Group: it allows AXA Group to take steps to reduce social and environmental risks, while at the same time, opening market opportunities in emerging business segments and helping drive innovation.

AXA Group's purpose ***"Act for human progress by protecting what matters"***, which was announced in June 2020, highlights the creation of sustainable value for the environment and for society thanks to several factors: the Group's ability to invest in the global economy and to provide protection services to individual and corporate customers, its expertise in improving resilience against risks, but also the responsible management of its different stakeholders' interests. By leveraging its understanding of risks to help better protect the basic needs of individuals and communities (environmental protection, access to healthcare, prosperity, and quality of life), AXA Group's goal is to enable these individuals and communities to progress.

(1) Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014, amending Directive 2013/34/EU as regards disclosure of non-financial information and information relating to diversity by certain large companies and groups.

(2) Articles L.225-102-1, R.225-104 to R.225-105-2, L. 22-10-36, R. 22-10-29 and A. 225-1 to A. 225-4 of the French Commercial Code.

(3) No information, documents or items contained in AXA Group's "Integrated Report", or the Group "Human Capital Social Data Report", or AXA Group's "Climate & Biodiversity Report", or available on the Company's website in connection therewith, is incorporated by reference in this Annual Report.

(4) Commission Delegated Regulation (EU) 2023/2772 of July 31, 2023, supplementing Directive 2013/34/UE of the European Parliament and of the Council as regards sustainability reporting standards.

AXA Group is also committed to being:

- **a responsible employer** by creating a workplace that fosters diversity and equal opportunity for all, promotes engagement, encourages professional development, and supports employee well-being;
- **an inclusive and purpose driven employer** with the implementation of a flexible "*Smart Working*" policy for its global workforce and the launch of a global employee well-being program focused on both physical and mental health.

For more information on AXA Group's business model, please refer to the Section "Certain preliminary information about this Annual Report".

Preparing AXA's next chapter on sustainability

SUSTAINABILITY STRATEGY

In 2021, AXA Group started a new strategic cycle, with the plan *"Driving Progress 2023"*. Recognizing the fundamental importance of ESG for the Group's business and its customers, the Management Committee dedicated for the first time a pillar of the strategic plan to the Group's ESG ambition: *"Sustain our Climate leadership position"* – please refer to Section "Certain preliminary information about this Annual Report".

The Group's sustainability strategy aimed to fulfill two main goals: to act against climate change and to develop health and protection activities as an inclusive insurer.

On February 22, 2024, AXA Group presented the main priorities of its new strategic plan "Unlock the Future" [1], which integrated climate and inclusion challenges. In line with its purpose, AXA remains firmly committed to help building a resilient society by putting at the core of its strategy financial inclusion and climate transition. As an integral part of the strategic plan, AXA Group will expand on the next chapter of its sustainability strategy in the second quarter of 2024.

"*AXA FOR PROGRESS INDEX*": MEASURING THE IMPACT OF OUR PURPOSE

AXA Group has implemented a set of strategic key performance indicators (KPIs) to measure and track its progress: the *"AXA for Progress Index"*. Launched in April 2021 during the Annual Shareholders' Meeting, the "*AXA for Progress Index*" is a set of seven commitments, translated into targets and shared across the Group to further embed sustainable development in its activities: as an investor, as an insurer and as an exemplary company. In 2022, AXA Group announced its targets for the insurance pillar of the *"AXA for Progress Index"* (please refer to Section 4.3 "Climate change and biodiversity loss" and Section 4.4 "Inclusive insurer"). In 2023, the Group focused its efforts on delivering on the current *"AXA for Progress Index"* and designing the next edition of its strategic KPIs.

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(1) *https://www.axa.com/en/press/events/2023-full-year-earnings*

AXA for Progress Index

As an **Investor**	As an **Insurer**	As an **Exemplary company**
Reduce the carbon intensity of the Group's portfolio (General Account assets) by 20% by 2025 [a] **Increase the Group's Green investments** to reach €26 billion by 2023 [b]	**Increase premiums on green insurance products** to €1.3 billion by 2023 [c] **Increase the number of customers covered by an inclusive protection** to 12 million by 2023 [d]	**Lead transformation by people:** upskill the Group's employees in climate issues by 2023 [e] **Achieve carbon neutrality:** reduce the carbon footprint of the Group's own operations (energy, car fleet, business travel, digital) by 20 % by 2025 & offset the residual emissions [f]

A transversal consolidated indicator: Group's S&P Global Corporate Sustainability Assessment (CSA) percentile ranking (95th-99th percentile) [g]

(a) Variation of the EVIC-based carbon intensity (Scope 1 ans 2) of AXA Group's General Account assets (scope: listed corporate debt and equities; and real estate equity assets where possible) between FY2019 and FY2025. Refer to Section 4.3 "Climate change and biodiversity loss".

(b) Scope: green bonds, infrastructure debt & equity, impact investments, real estate, and commercial real estate loans of AXA Group General Account assets. Refer to Section 4.3 "Climate change and biodiversity loss".

(c) Scope: Gross Written Premiums for Green Business offerings. Based on the strong performance in 2022, AXA Group decided to increase its ambition and set a floor at €1.7bn for 2023. Refer to Section 4.3 "Climate change and biodiversity loss".

(d) Number of customers covered by AXA Group's Inclusive Protection program: number of policies-in-force of products in scope of the Inclusive Protection program as defined in Section 4.4 "Inclusive insurer". The data is collected annually from AXA entities which have 'opted in' the Inclusive Protection program. See Section 4.7 " Transversal information" for the methodological definition of KPI.

(e) Share of permanent employees within the SDR (Social Data Reporting) scope who have been trained in climate issues, completing the AXA Climate Academy or with a similar local initiative, excluding new joiners and long absences (according to local management rules). Refer to Section 4.2 "Employer Responsibility".

(f) Variation of AXA Group carbon emissions (scope: energy, car fleet, business travel & IT equipment and services) between FY2019 and FY2025. Historical numbers have been restated compared to past publications. Refer to Section 4.3 "Climate change and biodiversity loss".

(g) The S&P Global Corporate Sustainability Assessment (S&P CSA) enables companies to benchmark their performance on a wide range of industry-specific economic, environmental and social criteria which are relevant both to the sustainability focused investors and to corporate success.

Note: the definitions are available in Section 4.7 " Transversal information".

The results of the seven commitments within the "*AXA for Progress Index*" are published annually since 2021.

Commitments	Unit	Result 2023	Result 2022	Result 2021	Result 2020	Result 2019	Target	Timeline
Reduce the carbon intensity of AXA Group's portfolio (General Account assets) [(a)]	tCO_2 eq/EVIC m€	34.2	41.5	46.9	59.8	65.3	52.2	2019-2025
	Variation against 2019 baseline in %	-48%	-36%	-29%	n/a	n/a	-20%	
Increase AXA Group's Green investments [(b)]	€ billion	29.9	25.1	22.6	16.1	11.7	26.0	2023
Strengthen the share of insurance products with a positive impact on the environment through the guarantees or services offered [(c)]	€ billion in premiums	2	1.7	1.4	1.1	n/a	1.3	2023
Promote inclusive insurance for vulnerable populations [(d)]	Million customers	14	11	10.6	7	n/a	12	2023
Lead transformation by people: upskill employees on climate [(e)]	Share of current employees	96%	87%	13%	n/a	n/a	100%	2023
Reduce the carbon footprint of AXA Group's own operations (energy, car fleet, business travel, digital) and offset the residual emissions [(f)]	tCO_2 eq	150,458	126,436	98,949	126,545	228,295	173,229	2019-2025
	Variation against 2019 baseline in %	-34%	-45%	-57%	-45%	n/a	-20%	
S&P Global Corporate Sustainability Assessment (CSA) [(g)]	Percentile ranking in CSA	98th	100th	97th	99th	97th	95th-99th	Annually

n/a: not available.
All footnotes are described on previous page.

ESG CRITERIA IN COMPENSATION PACKAGES

AXA Group has reinforced over time the integration of ESG criteria in the performance assessment of short-term and long-term compensation packages of its employees, which include metrics derived from the *"AXA for Progress Index"*.

For more details, please refer to Section 3.2 "Executive compensation and share ownership" of this Annual Report.

AXA Group's contribution to the Sustainable Development Goals of the United Nations

In 2018, the Group developed a strategic framework to identify its commitments to the UN Sustainable Development Goals (17 SDGs – see https://sdgs.un.org) based on its risk analysis expertise. In 2019, the Group aligned its sustainability strategic objectives with the 8 main SDGs with respect to which the Group's initiatives have a significant impact (approved as part of the 2021-2023 Group sustainability strategy).

AXA Group's sustainability strategy contributes significantly to the 8 following SDGs:

Climate and environment	SDG No.13 – Climate Action	As described in Section 4.3 "Climate change and biodiversity loss", AXA Group is incorporating climate change measures into its policies, strategies, and planning (SDG 13.2). Through the nature of its insurance activities, AXA Group contributes to strengthen resilience and adaptive capacities in the face of climate hazards and climate-related natural disasters (SDG 13.1). As a risk expert, AXA Group is active in improving education, awareness, and individual and institutional capacities regarding climate change adaptation, mitigation, and early warning systems (SDG 13.3). By training 96% of AXA employees on climate via the AXA Climate Academy, AXA Group has reinforced the contribution to this goal (please refer to Section 4.2 "Employer Responsibility"). In 2023, AXA Group announced new decarbonization targets [(a)] for its most material underwriting commercial and retail motor portfolios, in addition to its investment targets, to contribute to the global economic climate transition.
	SDG No.14 – Life below water	Since 2019, AXA Group has initiated actions to better take biodiversity into account. The Ocean Risk Initiative developed by its subsidiary AXA XL contributes directly to manage and protect marine and coastal ecosystems on a sustainable basis (SDG 14.2) and minimize ocean acidification and combat its effects (SDG 14.3). By adhering to the UNEP FI-Oceana Insurance Industry Statement and the Poseidon Principles for Marine Insurance (PPMI), AXA Group also contributes to effectively regulate fishing, put an end to overfishing and illegal fishing (SDG 14.4). Since 2022, AXA chairs the Board of Ocean Risk and Resilience Action Alliance (ORRAA), an initiative to bring together finance and insurance sectors with governments and NGOs to address marine risks and opportunities. From 2023 to 2024, AXA Group will support the TARA Ocean Foundation on its expedition "Tara Europa", an innovative research program aiming at understanding the impact of human activities on the biodiversity of European coastal ecosystems (please refer to Section 4.4 "Inclusive Insurer")
	SDG No.15 – Life on land	The participation in the Taskforce on Nature-related Financial Disclosures (TNFD) supports AXA Group's contribution to "mobilize financial resources from all sources and significantly increase them to preserve biodiversity and ecosystems" (SGD 15.a). Since 2021, AXA Group continues to strengthen its contribution to SDG 15, notably through a €1.5 billion target of investments in forests and the creation of the Natural Capital Fund managed by AXA Investment Managers (AXA IM) (please refer to Section 4.3 "Climate change and biodiversity loss"). In addition, AXA IM is actively involved in collaborative engagement initiatives to advance nature and biodiversity topics, such as Nature Action 100, FAIRR, and ChemSec. In 2022, AXA Group initiated the "AXA Forests for Good" project which aims at restoring damaged forests' ecosystems to make them more resilient to climate change and a better host for biodiversity (please refer to Section 4.4 "Inclusive Insurer" for more details).
	SDG No.7 – Affordable and clean energy	To support the development of renewable energy, AXA Group signed a Virtual Power Purchase Agreement (VPPA) [(b)] with the integrated energy company IGNIS, directly contributing to increase the share of renewable energy in the global energy mix from 2025 to 2035 (SDG 7.2). As part of the agreement, AXA Group undertakes to purchase 90% of the renewable electricity produced by a future solar power plant in Spain. This is equivalent to the annual electricity consumption of the buildings and data centers of the Group's European entities.

(a) Refer to https://www.axa.com/en/commitments/axa-net-zero-strategy-for-investment-and-underwriting
(b) Refer to AXA commits to the development of renewable energies in Europe: https://www.axa.com/en/press/press-releases/axa-commits-to-the-development-of-renewable-energy-in-europe

	SDG No.1 – No poverty	AXA Hearts in Action volunteers provide assistance to people living in extreme poverty (SDG 1.1 and 1.2). These actions are described in Section 4.4 "Inclusive insurer". During the 2023 *AXA Week for Good*, teams across the world participated in a global challenge to produce sanitary kits for women in difficult conditions. In 2023, AXA Group provided support to people in need, notably refugees from Ukraine and people affected by the earthquakes in Türkiye, Syria, and Morocco.
	SDG No.3 – Good health and well-being	AXA Group's initiatives to disengage from the tobacco manufacturing industry in its investment and insurance activities (refer to Section 4.4 "Inclusive insurer") are in line with the objective of implementing the WHO Framework Convention on Tobacco Control. In addition, AXA Group's Health initiatives are strongly focused on the prevention of non-communicable diseases. In 2023, AXA Group continued to facilitate access to healthcare for underserved populations in emerging and mature markets, following the €300 million commitment to finance a Global Health investment strategy in 2021. With its new "*We Care*" program, AXA also enhanced its health and wellbeing offer for employees (please refer to Section 4.2 "Employer Responsibility").
Social inequalities and inclusion	SDG No.5 – Gender equality	For many years now, AXA Group has been pursuing a proactive inclusion and diversity policy (described in Section 4.2 "Employer Responsibility"): ending discrimination against women and girls (SDG 5.1), guaranteeing the equal participation of women in management positions (SDG 5.5). The initiative "Women in Insurance" (described in Section 4.4 "Inclusive insurer") constitutes the "business" component of the program, providing women with adapted financial protection solutions. In 2023, AXA launched its Guide to "Women in Insurance" "It's a Woman's World" [c], focused on the key risks faced by women and what AXA entities around the world are doing to support women. Under the new brand promise "*Why should the future be a risk?*", AXA launched a dedicated campaign around the concept that "*Being a woman should not be a risk*" to empower women to take care of their health and business endeavor.
	SDG n°10 – Reduced Inequalities	As a responsible and inclusive employer, AXA Group is committed to ensure a living wage to all its employees worldwide by engaging with the Fair Wage Network and has signed the B4IG pledge as part of the UN Global Compact "*Forward Faster*" initiative (refer to Section 4.2 "Employer Responsibility"). AXA Group philanthropy partnerships and AXA Hearts in Action activities also contribute to the reduction of inequalities. These actions are described in Section 4.4 "Inclusive insurer". AXA Group strives to make insurance accessible to all, namely through initiatives such as the Inclusive Protection program aimed at empowering all people and promote their social, economic, and political integration, regardless of age, gender, disability, race, ethnicity, origin, religion or economic or other status (SDG 10.2) (refer to Section 4.4 "Inclusive insurer"). AXA Investment Managers is part of the *Just Transition* collaborative engagement initiative and has endorsed *Advance*, an initiative by the UN Principles of Responsible Investment to promote the integration of Human Rights into stewardship activities.

(c) *https://www.axa.com/fr/presse/publications/it-s-a-woman-s-world-fr*

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Sustainability governance and Stakeholder dialogue

The AXA Group has established a dedicated governance framework described below in order to develop and implement its sustainability strategy.

In this context, the Board of Directors of AXA and its Committees play a major role by reviewing sustainability matters, including the Group's sustainability strategy and disclosures.

AT THE LEVEL OF THE AXA BOARD OF DIRECTORS AND ITS COMMITTEES

In 2022, the Board of Directors undertook a comprehensive review of its governance on sustainability matters to clarify the duties of each Committee and ensure regular inclusion of sustainability matters on the meeting agendas of the Board of Directors and its Committees. In this context, the Board of Directors decided to update the Board's Terms of Reference, rename the "Compensation & Governance Committee" the "Compensation, Governance & Sustainability Committee" in order to emphasize its leading role on sustainability matters, and specify each Committee's duties in respect of these matters.

More specifically:

- **the Compensation, Governance & Sustainability Committee** reviews, at least once a year, the Group's sustainability strategy as well as material sustainability-related commitments disclosed publicly and reports to the Board of Directors in this regard;
- **the Audit Committee** monitors the process for the preparation and control of the Group's extra-financial information, reviews the Group's extra-financial performance statement and the Climate & Biodiversity Report and considers and makes a recommendation to the Board regarding the appointment, reappointment, dismissal or resignation of the auditor(s) in charge of certifying sustainability-related information; and
- **the Finance & Risk Committee** reviews the Group's risk appetite framework for extra-financial exposures as well as its responsible investment policy.

In 2023, the Group's sustainability strategy (including its climate strategy and the measures, action plans and timeframes to implement such strategy) was reviewed and discussed during several meetings of the Board and the Compensation, Governance & Sustainability Committee before being formally approved by the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee.

For further information on the AXA Group's governance on sustainability matters, please refer to the Board of Directors and Audit Committee Terms of Reference, which are available on the AXA Group's website (https://www.axa.com/en/about-us/board-of-directors and https://www.axa.com/en/about-us/audit-committee), as well as Section 3.1 "corporate governance structure" of this Annual Report.

AT THE EXECUTIVE LEVEL

At the executive level, the **Management Committee** oversees material sustainability-related initiatives across the Group.

The Management Committee is supported by the **"Role in Society Steering Committee" (RISSC)**. The RISSC is charged with developing and overseeing the operational implementation of the Group's sustainability strategy and reviewing material sustainability-related issues faced by the Group as well as monitoring material sustainability-related initiatives across the Group. The RISSC meets monthly and is co-chaired by the Group Chief Underwriting Officer, Group Chief Investment Officer, and Group Chief Communication, Brand and Sustainability Officer. The RISSC reports back to the Group Management Committee on a regular basis concerning material sustainability-related decisions taken or to be taken and issues considered in respect of which Management Committee guidance and/or decisions are needed.

Furthermore, the **Audit Risk and Compliance Committee (ARCC)** is charged with reviewing all material audit, risk (including sustainability-related risks) and compliance issues faced by the Group. The ARCC also reviews mandatory sustainability reporting (including this Chapter 4). The ARCC meets monthly and is chaired by the Group General Counsel, and reports back to the Group Management Committee on a regular basis on such topics. For more information, please refer to Section 5.2 "Internal control and Risk Management" of this Annual Report.

The RISSC and the ARCC report regularly to the Board on material topics of this nature.

The RISSC is supported by the **"Responsible Investment Committee" (RIC)** and the "**Group Underwriting Committee**" **(GUC)** in respect of the Group's sustainable investment and sustainable underwriting strategies respectively. For more information, please refer to Section 4.3 "Climate change and biodiversity loss" of this Annual Report.

In addition, the Group's sustainability strategy and sustainability-related initiatives are presented at least once a year to the Group's social partners.

Across the local entities, a network of sustainability executives oversees the implementation of the sustainability strategy and promotes best practices.

RELATIONSHIP WITH STAKEHOLDERS

The Group also maintains a regular dialogue with shareholders and other stakeholders such as NGOs through meetings or responses to requests (*e.g.,* questionnaires). At the 2023 annual Shareholders' Meeting, AXA Group held a roundtable discussion with four members of the Group's Management Committee on climate issues, the sharing of value created by the Company and investment in the real economy, enabling the Group to explain the main actions and commitments in these areas.

In addition, AXA Group participates in more than 50 coalitions, working groups and pledges, gathering both NGOs and public authorities, around climate change and biodiversity loss, as well as inclusion themes (please refer to Section 4.3 "Climate change and biodiversity loss" and Section 4.4 "Inclusive insurer" of this Annual Report). External stakeholders are also regularly invited to dialogue sessions with the members of the different governance bodies described above. These numerous exchanges enable the Group to integrate major and emerging issues into its strategy.

Sustainability risk assessment

AXA Group has conducted an internal risk assessment to identify its main sustainability risks, in accordance with the **NFRD**.

Furthermore, in connection with the future application of the **CSRD** mentioned above, AXA Group is in the process of carrying out a double-materiality assessment of the financial risks and opportunities (*i.e.*, outside-in perspective) and its positive and negative impacts (*i.e.*, inside-out perspective) based on the **ESRS** for each of the sustainability topics assessed.

For further information about the CSRD, please refer to Section 7.3 "General information - Climate and sustainable finance-related regulatory initiatives" of this Annual Report.

SUSTAINABILITY RISK ASSESSMENT METHODOLOGY

The sustainability risk assessment is updated every year.

For the purpose of the sustainability risk assessment performed in 2023, the approach was led by the Group sustainability team and supported by other relevant departments in order to identify non-financial ESG risks and assess their materiality.

First, risk factors for each area related to sustainability (governance, responsible employer, climate change and biodiversity loss, inclusive insurer and business behavior) are identified, based on sustainability risks studied in prior years and the 2023 Future Risks Report, which outlines major trends on the risk landscape for society at large.

Second, those risks are cross-referenced with the AXA Group Operational Risk Profile (for more information please refer to Section 5.7 "Operational risks") and compared against the S&P Global Corporate Sustainability Assessment (the "S&P CSA").

The S&P CSA provides scores, which are among the key factors considered for determining eligibility of companies for potential inclusion in the ESG Indices. It applies a best-in-class approach for each of the 62 industries that are covered through detailed assessments that contain a mix of cross-industry and industry-specific questions.

Following this comparison, these risks are internally assessed by an expert panel, identified based on their knowledge of specific sustainability risks. The assessment is conducted, using the AXA Group Operational Risks guidelines, to analyze and rate the risks based on three criteria: severity, frequency and impact on interests and expectations of stakeholders. Each expert is asked to rate the risk(s) related to his or her expertise.

After the risks are assessed by the expert panel, cross-sectoral experts, identified based on their transversal knowledge of the extra-financial risk universe, are utilized to assess the relevance of those ratings during the first stage. In that aim, they are asked to rate all the risks, using the same three criteria (severity, frequency and impact on interests and expectations of stakeholders) and the same scales.

During these two steps, the experts are able to take into account the interests and expectations of our stakeholders thanks to regular dialogue between them, notably through the more than 50 coalitions, working groups and pledges gathering both NGOs and public authorities, as described in Section 4.1 "AXA Group's sustainability strategy - Sustainability governance and Stakeholder dialogue". In addition, some experts are in regular contact with investors, journalists and extra-financial ratings agencies.

Following these two steps, a rating is calculated representing, for each risk, the overall materiality (considering the ratings on severity and frequency) and the overall impact on interests and expectations of stakeholders.

SUSTAINABILITY RISK MAPPING IN 2023

The sustainability risk mapping is approved by the Group Audit Risk & Compliance Committee (the ARCC). The ARCC assessed **18 sustainability risks** (detailed in Section 4.7 "Transversal information - 2023 Key performance indicators") for AXA Group in 2023 around **five main themes** [(1)] (governance, responsible employer, climate change and biodiversity loss, inclusive insurer and business behavior) which are further broken down into the following sustainability risks:

- **governance:** stakeholder engagement;
- **responsible employer:** safe environment, inclusion and diversity, talent management/loss of key staff;
- **climate change and biodiversity loss:** AXA Group's impact on biodiversity loss; AXA Group's impact on climate change as an investor, impact of climate change on AXA Group as an investor; AXA Group's impact on climate change as an insurer, impact of climate change on AXA Group as an insurer; AXA Group's own operations' impact on climate change, impact of climate change on AXA Group's own operations;
- **inclusive insurer:** inclusive protection, partnership and philanthropy; and
- **business behavior:** anti-bribery and fight against corruption, business ethics, responsible use of data and AI, data privacy and data security, sustainable procurement and tax policy.

AXA Group defines the risks for each of these themes, the policies and the mitigation initiatives in Chapters 4.1 to 4.5 of this Annual Report and exposes the indicators (KPIs or qualitative results) and their methodology in Chapter 4.7 of this Annual Report.

ESG ratings

The Group's ESG performance is evaluated by specialized rating agencies. The Group generally ranks close to the top in its industry (*e.g.*, for socially responsible investment by S&P CSA, FTSE ESG, Sustainalytics and MSCI) and is also included in the main international sustainability indexes.

These ratings are described in further detail in Section 1.1 "The AXA Group – Key Figures" of this Annual Report.

Third party verification

EY & Associés, one of AXA SA Statutory Auditors, appointed as an independent third-party, presents in its report, featured in Section 4.8 of this Annual Report, a limited assurance opinion on the compliance of the extra-financial performance statement with the provisions of French regulations (article R.225-105 of the French Commercial Code) and on the fairness of the information provided.

(1) The sustainability risks identified in 2023 remain the same compared to 2022.

4.2 EMPLOYER RESPONSIBILITY

AXA is committed to acting for human progress by protecting what matters. That purpose is at the heart of everything AXA does, and AXA's 113,696 employees across the globe play a vital role in bringing it to life. AXA's employees are a diverse and dedicated group of professionals who assist the Group in working towards delivery of its promises to customers, partners, and society at large.

AXA believes in fostering a culture of inclusion which promotes and encourages diversity and endeavours to allow all voices to be heard. AXA is committed to employee engagement, well-being, and continuous learning. Throughout last year, AXA continued to invest in employees by:

- making significant progress on inclusion and diversity and notably on gender balance;
- investing in learning and implementing initiatives to upskill and develop AXA's employees (one of the most significant was the AXA Climate Academy);
- launching the "*We Care*" program in October 2023, a global health and wellbeing policy which will be deployed in all entities (in compliance with local practices and legislation) by end 2024.

2023 has been marked by a record high engagement with AXA eNPS (employee Net Promoter Score), reaching +40. In this chapter, AXA will showcase how our company is fulfilling its purpose through our HR policies, detailing key initiatives and accomplishments from 2023.

HIGHLIGHTS AND KEY FIGURES: GEOGRAPHICAL FOOTPRINT DISTRIBUTION AND AVERAGE AGE

Continent	Headcount [(a)]	Distribution	Evolution	Average age [(b)]
Europe	66,053	58.1%	(0.0 pts)	43.4
Asia-Pacific	26,057	22.9%	(-1.2 pts)	38.6
Americas	13,901	12.2%	(+0.7 pts)	39.5
Africa	7,685	6.8%	(+0.5 pts)	34.0
TOTAL	**113,696**	**-**	**-**	**41.3**

(a) Open-ended and fixed-term contract headcount.
(b) Open-ended contract average age.
AXA's overall salaried workforce on December 31, 2023, was 113,696 employees (open-ended and fixed-term contracts), which represents an increase of 3.1% compared to 2022.

AXA: a purpose-driven and inclusive organization

INCLUSION SURVEY

It is a point of principle at AXA that employees should feel welcomed and fairly treated. To learn about the experiences of its employees and constantly improve, AXA conducts a voluntary and anonymous survey called the *Inclusion Survey* each year. The third *Inclusion Survey* ran in 2023 across 51 countries with a strong and steady participation rate similar to the last 2 years (a 58% participant rate for 2023).

While the survey was adapted to respect nuances of local culture, each version contributed to AXA's overall inclusion Net Promoter Score ("iNPS") (1). That score increased by 7 points (from 40 in 2022 to 47 in 2023), and there was also an improvement in all other scores compared to 2022: 88% of respondents felt they belonged and were included at AXA (+2 pts) and 75% felt they had equal opportunities (+4 pts).

"WE CARE" PROGRAM

In 2023, AXA went one step further in its global health and wellbeing policy for its employees by announcing the launch of its "*We Care*" program, designed to support AXA's workforce at different life stages and during moments that matter. The program aims to provide AXA's employees with the time, support, and resources to make personal and professional decisions with confidence. The new program reflects an important evolution in the existing offering and enables AXA to progress further on its long-term commitment towards an inclusive and supportive global workplace culture.

"*We Care*" program will be deployed across all AXA entities by the end of 2024 (2) through four main pillars:

1. caregiver policy;
2. parent policy;
3. domestic and sexual violence policy;
4. and the "*Healthy You*" program.

Caregiver policy

A new policy was introduced to provide employees caring for immediate family members who require eldercare or care due to a serious health condition and/or disability with up to five days of fully paid leave.

Parent policy

Alongside the existing 16 weeks fully paid parent leave for the primary parent, the "*We Care*" program will also double the length of fully paid co-parent leave from 4 weeks to 8 weeks. Additional leave and flexible working arrangements will be offered to support employees receiving and recovering from in-vitro fertilization, or in the case of pregnancy loss.

Domestic and sexual violence policy

Since 2015, AXA has been combating domestic, intra-family and sexual violence through the Elle's Angels program established by AXA France and AXA Hearts in Action. This unique model, structured around a team of volunteer lawyers and an endowment fund, offers legal and financial support to women victims of violence. 1,700 persons have been supported since the program's inception, including customers, victims taken in by partner associations, and – since 2021 – AXA employees in France.

Actions to support employees impacted by domestic, intra-familial and sexual violence have also been taken in AXA Sigorta, AXA Spain, and AXA UK – and AXA will now expand their commitment to this topic at Global level. All entities will, by the end of 2024, roll out a program of support for all impacted employees by providing access to psychological support, specialist support services, flexible working arrangements, and five days of fully paid leave. In 2023, AXA also joined the Generation Equality Action Coalition on Gender-Based Violence, organized by UN Women.

(1) The inclusion Net Promoter Score (iNPS) is measured by asking employees one question: "How likely are you to recommend AXA as an inclusive and diverse workplace" The answer scale is from 0 to 10, and the result is calculated by taking the percent of promoters (answers of 9-10) and subtracting the percent of detractors (answers of 0 – 5). This then produces a metric on a scale from (-100) to (+100).

(2) In compliance with local practices and legislation. The program sets global minimum standards, and some entities may decide to exceed them.

"*Healthy You*" – for physical and mental health

Since 2020, the "*Healthy You*" program has been improving the physical and mental wellbeing of employees and is now included in the "*We Care*" program. It covers the following services (the list is not exhaustive):

- an in-person medical check-up for all employees over 40 years old every four years and a digital medical check-up for all employees every two years;
- on-site health-related prevention and awareness days;
- an annual flu vaccination campaign;
- an Employee Assistance Program with 24-hour mental health and psychological support;
- medical teleconsultation services;
- digital programs focusing on prevention, and raising awareness on topics related to health and wellbeing;
- a second medical opinion service for employees with a critical illness; and
- financial support (covering at least 75% of medical expenses) as well as mental health support for employees with cancer.

As part of the broader "*We Care*" program, *"Healthy You"* program will expand in 2024 to provide a supportive working environment for employees experiencing menstrual health conditions, menopause or andropause.

In 2023, a second digital medical check-up campaign took place with the participation of more than 39,000 employees, reflecting three main global health risk factors: cardiovascular diseases, musculoskeletal disorders, and nutrition. On top of the digital medical check-up, 26,000 employees have benefited from the in-person medical check-up.

2023's Global Health Days focused on physical activity, nutrition, and mental health. Local entities made the days their own, with AXA buildings hosting physical trainers and other well-being and health prevention activities. Educational resources were also made available to all AXA employees with a video series explaining how and why to adopt a healthy lifestyle. And podcasts, featuring internal and external experts exploring "Mind Health Matters" from the perspective of an individual, a family, a workplace and the society as a whole, were published on internal and external platforms. The topic of cognitive health was revisited in a Group-level conference titled *Caring for your Aging Parents* where speakers taught an online audience of thousands how to support relatives and caregivers and to protect their own mental health.

The AXA Group pays particular attention to providing access to information regarding the benefits, services and entitlements proposed to employees in the various entities.

PROGRESSING TOWARDS GENDER BALANCE

The Group continues to progress towards gender parity at all levels of the organization with a strong focus from managers and leaders across the entire Group. This is illustrated by AXA Group's commitment to reaching gender parity amongst the Global Leadership Network ("GLN", see the definition in the footnote (c) of the table below), which has led to measurable progress. For example, the proportion of women in top executive positions is currently at 40%, up 1 point from 2022 and up 10 points from March 2019. In addition, significant progress has been made in the Partners Group: the proportion of women is up from 24% in 2022 to 48% at the end of 2023.

	Management Committee (a)			Partners Group (b)			Global Leadership Network (c)		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Women	38%	20%	21%	48%	24%	27%	40%	39%	36%
Men	62%	80%	79%	52%	76%	73%	60%	61%	64%
TOTAL	**16**	**15**	**14**	**42**	**41**	**45**	**253**	**237**	**243**

(a) Please refer to Section 3.1 "Corporate governance structure" of this Annual Report for more information.
(b) The Partners group is composed of the members of the Management Committee and over thirty other senior executives from across the Group.
(c) The Global Leadership Network (GLN) is made up of the CEOs and Executive Committees of AXA's largest markets, growth engines, and major transversal entities, as well as senior leaders from the corporate functions, markets, and some country CEOs.

AXA continues to roll out and strengthen inclusive processes, goals and action plans. Steps have been taken to close unjustified pay gaps and give women equal access to mentors, development opportunities, job roles, and promotions. Since 2012, AXA has run yearly programmes across its entities to support women's careers. AXA Evolve has helped talented individuals – the majority of them women – reach GLN-level roles. The program provides 12 months of assessments, sponsorship, development, and feedback. 23 executives participated in the program in 2023, 52% of them women. Alongside this, members of the Management Committee and Partners took part in the Thrive initiative for a second year running, mentoring 40 of AXA's talented women. Thrive is organized to coincide with International Women's Day and this year it was expanded to include members of the GLN, creating a further 101 mentoring opportunities alongside entity mentoring actions. Such efforts embody AXA's purpose and culture as an inclusive employer.

Annually, AXA monitors its unadjusted pay gap which mainly reflects gender balance within organizational structures. An unadjusted pay gap is a broad measure of the difference between the average pay of all women in the organization and the average pay of all men in the same organization, regardless of their role, seniority, level, or location. In 2022, the average global gender pay gap was assessed at 26% on fixed remuneration and at 32% on total compensation.

Moreover, AXA's Group Management Committee and Chief Executive Officers gave specific attention to internal coherence and external market compensation positioning in the past years, which resulted in closing the average compensation gaps towards market positioning between women and men in the GLN population.

CLOSING PAY GAPS

AXA also monitors its adjusted pay gap which compares the average pay of the women with that of the men after accounting for a selected set of professional characteristics. Because it considers characteristics like job families, locations and grades, the adjusted pay gap is a finer calculation than the unadjusted pay gap. A residual gap may still be justifiable based on relevant professional characteristics – other than job families, locations and grades – at AXA, the global residual adjusted pay gap is currently assessed at 2%, below the EU Pay Transparency Directive [(1)].

The residual adjusted pay gaps that are not justified through relevant professional reasons are unjustified. The Group made significant progress in closing unjustified pay gaps to ensure pay is consistent and free from discrimination, that is, not relating to personal factors such as age, nationality, ethnic origin, gender, sexual orientation, gender identity or expression, religion, marital status, or disability. Entities annually monitor and address unjustified pay gaps with dedicated budgets to close any remaining unjustified equal pay gaps.

Since 2022, AXA has been applying a new equal pay methodology applicable to all entities through a regression analysis to ensure a consistent and robust approach to equal pay assessments, while also anticipating regulatory developments (including the EU Pay Transparency Directive). Group standards and processes across entities (relating to recruitment, compensation reviews, and promotions) have also been strengthened to ensure gaps do not arise or reappear in the future as detailed in this chapter - Section 4.2 "Employer Responsibility".

Reporting on ethnicity (especially ethnicity pay gaps) has been harder to address across locations – mainly because of local regulations. Only one entity was able to request data on ethnicity and had the opportunity to gain some insight on ethnicity-related issues.

INCLUSIVE RECRUITMENT

Building a diverse organization begins with recruitment. In 2023, the recruitment process was scrutinized to ensure people feel welcomed and fairly treated at every stage of their relationship with AXA. The result was the AXA Inclusive Recruitment Guide which was published in multiple languages. Teams working in Talent Acquisition, as well as in Inclusion and Diversity, have been trained in best practices – planning interviews around candidate accessibility requirements, for example, and placing job adverts where they are likely to be seen by underrepresented groups.

At the same time, several measures were introduced across the Group, such as asking candidates on recruitment platforms whether they had adequate support during the recruitment process and introducing a pathway for candidates to report any concerns they had.

(1) Directive (EU) 2023/970 of the European Parliament and of the Council of May 10, 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms.

REINFORCING AXA'S FAIR PAY ACTION

AXA has reinforced its Fair Pay approach by considering that employees' pay should not only be fair and competitive, but also at a level determined sufficient for the location they work in. A living wage goes beyond any current statutory minimum wages (although some countries like Ireland have commenced the process to transpose living wages into their domestic law). The living wage is more comprehensive and is defined as the wage needed for employees and their families to cover basic needs including decent housing, food, and access to healthcare and education (depending on their working location).

AXA contracted the Fair Wage Network to conduct an analysis in all the Group's countries of operation to assess employees' pay against local living wages, following which AXA Group has been certified as a Global Living Wage employer. To build onto AXA's journey towards Pay Transparency that will be pursued over the next strategic plan, AXA has made a new commitment to offer all employees a total cash remuneration of at least 110% of local living wage by the end of 2026.

This complements AXA's Fair Pay Framework that includes the newly launched "*We Care*" program (detailed above) next to other forms of remuneration and local benefit offerings. Such recognition enables AXA to progress on its long-term commitment towards an inclusive and supportive workplace culture around the globe.

MULTI-GENERATION ACTION PLAN

AXA takes action to support and value all generations, while combatting age-related stereotypes. In recent years, a number of initiatives have attracted young people with diverse backgrounds to AXA, and many more activities aimed at enhancing the working experience for employees over the age of 50.

At AXA France, a communications campaign launched this year to enhance the status of employees over 50 in the company. Called *L'audace n'a pas d'âge* ("Daring is ageless"), the campaign was aimed internally at combating age-related stereotypes. Externally, it resulted in the release of a series of eight podcasts featuring French celebrities who entered a new career trajectory around the age of 50, with the aim of inspiring and raising awareness among listeners. At the same time, AXA France has set up an HR process dedicated to this target group of employees with tailor-made interviews and collective development workshops.

To mention other entities' practices: AXA Switzerland held conferences to help employees prepare for retirement, and in AXA Japan, older employees can ask for flexible working arrangements like transitioning to a part-time role.

AXA is interested in opening exchanges between generations, so it can continue to be a harmonious workplace for people in diverse age groups. Alongside local measures, AXA Group will implement an action plan to support employees over 50 from January 2024. The action plan will include a global awareness campaign, similar to the one launched in 2023 by AXA France, and will include opportunities for training and development for employees over the age of 50 and for recruiters to ensure everyone has equal opportunities to succeed no matter their age.

DISABILITY INCLUSION

AXA was one of the first signatories of The Valuable 500 – a global collective made up of 500 CEOs and their companies, innovating together for disability inclusion. In 2022, AXA announced its intention to join their new program, Generation Valuable. The program pairs a Group-level executive with a rising leader who has a connection to disability, for the purpose of making progress on disability inclusion.

During 2023, 13 pairs took part in a global mentorship program called Exchange and focused on local disability priorities, which ranged from digital accessibility to the creation of employee resource groups and education programs. Coming together at the AXA Disability Inclusion Forum in Paris allowed for the transference of learning across the Group, as well as raised awareness of other businesses acting for people with disabilities. Leaders from AXA, the Valuable 500, L'Oréal Group and Sanofi shared their perspectives.

Under the sponsorship of AXA's Deputy CEO and the General Counsel for AXA UK and Ireland, entities will take further actions on disability inclusion – adopting practices and reporting against four measures:

1. entity-level executive sponsorship for disability;
2. annualised plans;
3. centralized budgets for workplace accommodations;
4. policies for workplace accommodations.

This approach should create a consistent and comparable baseline from which to track progress on disability inclusion. A playbook and information hub were made to support entities on their journeys.

REWARDING SUSTAINABILITY ACHIEVEMENTS

To engage employees on AXA's purpose and maintain its leadership position in sustainability, AXA keeps building Environmental, Social, and Governance ("ESG") criteria into its total rewards offer. The Group has reinforced ESG's place within its culture and values through short-term and long-term incentives (please refer to Section 3.2 "Executive compensation and share ownership" of this Annual Report for further details):

- the GLN are assessed on qualitative climate and diversity objectives, which are included in their annual target letters;
- a quantitative climate objective is included in the AXA Group performance grid, impacting around 2,000 employees' variable remuneration pay out; and
- long-term incentives include ESG criteria (climate and diversity objectives in Performance Shares plan, AXA ranking in the S&P Global CSA - Corporate Sustainability Assessment- in both Performance Shares and Restricted Shares plans), covering a population of around 6,000 employees every year.

It is also AXA's ambition to increase the weight of sustainability criteria in profit sharing agreements to 30% (prevalent in certain European countries, impacting over 20,000 employees every year) which also ensures employees are empowered to personally take inclusive and tangible actions.

In 2023, around 65% of France-based AXA entities had profit-sharing schemes with at least 20% of their performance conditions being related to ESG. AXA XL has taken the challenge a step further by targeting 40% of performance conditions in their profit-sharing agreement, including a specific criterion for employees' training on climate.

AXA employees: empowered to deliver their best

GLOBAL PULSE SURVEYS

AXA's Global Pulse Surveys are important tools to check how AXA Group employees feel about AXA – both its business and its culture. For example, the survey measures how confident they are in AXA's strategic direction, and how connected they feel to their teams. The surveys are held biannually and ran in June and November 2023.

The survey reached its highest participation rate to date in November 2023: 82% (*versus* 80% in 2022). The level of employee engagement also set records for the Group. At +40 eNPS (+3 pts since June 2023), it is the highest score AXA has ever achieved.

HIGHLIGHTS AND KEY FIGURES: EMPLOYEE NET PROMOTER SCORES

	2023	2022	2021	2020	2019
eNPS [(a)] target	38	36	37	25	14
eNPS [(a)] result	40	35	36	35	21
EMPLOYEE COVERAGE	**100%**	**100%**	**100%**	**100%**	**90%**

(a) The employee Net Promoter Score is measured by asking employees one question: "How likely are you to recommend AXA as a place to work?". The answer scale is from 0 to 10, and the result is calculated by taking the percent of promoters (answers of 9-10) and subtracting the percent of detractors (answers of 0 – 5). This then produces a metric on a scale from (-100) to (+100).

SOCIAL DIALOGUE

AXA has always considered social dialogue at local and global level as essential to its culture. At a Group level, the European Works Council ("EWC") serves as a crucial forum. It meets twice a year in plenary sessions chaired by the Group CEO, and seven times in bureau sessions, which are more restricted. Together, members of the Committee are representing the employees' point of view in the different discussions.

The EWC offers several benefits. It provides a platform for stakeholders with diverse perspectives. Collectively, they can review decisions with the knowledge of working in many regions and markets. There is always a fruitful exchange of ideas, which ultimately helps make AXA more agile, as it adopts tactics and strategies from around the world.

In 2023, the EWC signed a Charter on age inclusion, inspired by the Club Landoy Charter and the initiatives implemented at AXA France. It binds the whole Group to enhancing the role of employees over the age of 50 in the Company from January 1, 2024. Therefore, the EWC is a valuable asset for AXA as it represents its employees.

"SMART WORKING"

In 2020 AXA rolled out a Global Smart Working policy to all employees based on 2-3 days a week in the office, with local adaptations according to local market specifics. By dividing their time between remote working and office hours, employees are empowered to take advantage of each working style, while maintaining service to the customer and connection to their team. Though AXA and its employees have embraced the flexibility that comes with remote work, spending time together in person is an anchor of AXA's culture. For AXA, the office remains a crucial place to collaborate, socialize, share ideas, and feel part of a wider organization.

To support teams in discussing and agreeing how to work most effectively as a hybrid team, Team Agreements are an important tool used across all of AXA. It is a written document that sets out how teams agree to work together – formed through regular, collaborative discussion. When asked about *"Smart Working"* in the 2023 June Global Pulse survey, 81% of all employees said they have a team agreement in place, and 86% said they felt connected to their teams.

LEADERSHIP CAPABILITIES

In a hybrid organization, leadership is as important as ever. "Lead the Way" is the flagship learning journey for the GLN – the organization's top 250 executives. Since its launch in 2022, 16 cohorts have experienced AXA's executive development program, representing 90% of the GLN. During the sessions, participants were joined by members of the Management Committee – who shared their vision and experience in fireside chats – and partners – who acted as coaches – in France's Rambouillet National Forest. The off-site brought AXA's leadership model to life, and individuals had the option of continuing their learning through coaching and check-ins.

The success of "Lead the Way" was evidenced by the GLN's desire to share learning with their colleagues and entities. That feedback inspired the design of "Lead Together", a collective offsite session with the full executive team of the Entity which aims at fostering collaboration between leaders and functions at an entity-level. Seven leadership teams went through "Lead Together" in 2023, including senior leaders from AXA Spain who attended the pilot. The Spanish team were highly involved in the initial design of several activities that have since been developed into a deployment toolbox.

LEADERSHIP MODEL

The leadership model was initially developed for the GLN, but the model has proven so beneficial that it will be shared with the Group's whole community of people managers. In 2024, 10,000 managers will receive information and training explaining the model. They will learn about four pillars of behaviors: energize, navigate, dare and deliver. "Care" is also at the heart of the model. AXA's leaders should exhibit care for customers, for employees, for shareholders, and for society.

The Group model has already inspired development activities. For example, AXA Italy launched *#ANewKindOfLeadership*. All 260 managers from the entity attended four in-person workshops, plus four talks with inspiring testimonials from outside the financial sector.

MANAGEMENT CAPABILITIES

AXA launched the AXA Managers Academy in 2020 to support and upskill people leaders; the first program, "Smart Working at AXA", has been followed by 2,991 managers, representing a major milestone for the Academy.

Since the beginning of 2023, the academy has broadened its focus from the challenges of managing a hybrid team to the skills needed to support, motivate, and develop teams more generally. Managers will learn those skills through a program called "Leading for Growth" which consists of four learning journeys:

1. "Lead with Purpose": connecting individual and Group purpose;
2. "Make it Happen": delivering results through goal-setting and performance management;
3. "Grow Team Potential": developing the skills of teams and enhancing the careers of individuals;

4. “Care & Thrive”: creating a work environment where people feel psychologically safe.

“Leading for Growth” is available to any of the 5,058 managers who have been onboarded since the Managers Academy started spreading [(1)] (in 2023, two new entities joined the program: AXA Philippines and AXA UK). The first 2 learning journeys have been made available (“Lead with Purpose” and “Make it Happen”), while the third one has been successfully piloted in December 2023 (“Grow Team Potential”). Each journey is composed of a blend of live events, discussion groups, and self-guided study. By mid-2024, all four journeys will have been made available to the participating entities.

AXA Spain stands out as an entity that found an innovative way to support managers. Around 350 professionals were invited to join a community of AXA Spain’s Managers. At a practical level, the community (known as Connected Leaders) is a place for managers to regularly share best practices and experiences.

INVESTMENT IN TRAINING

AXA is committed to investing in the learning and development of its employees. As a result, total learning costs have increased by 6.4% and the average cost per employee has increased by 3.8%. The following activities underpin the strong efforts taken in 2023.

In November 2023, employees all over the world were invited to participate to the first edition of the AXA Week for Growth, an initiative designed to empower them; foster personal and professional growth; and equip them with the skills needed to thrive in the future.

Among the many global and local initiatives, employees could:

- exchange with leaders and experts on the future of insurance or personal development;
- discover AXA’s diverse expertise and markets;
- discover employee testimonies, illustrating diverse types of career journeys at AXA;
- attend learning sessions;
- learn about open positions and network across professional families;
- engage in career conversations;
- attend a cross-entity career fair organized by 8 entities in France (400 visitors).

All employees at AXA can access to the large library of courses on LinkedIn Learning according to their needs (approximately 68,000 have activated their account). On top of that, AXA has proposed dedicated programs to support key areas of transformation: climate change, tech, data, and AI.

The AXA Climate Academy has increased climate literacy and an understanding of the overall impacts of climate change among AXA employees, since its inception in 2021. By the end of 2023, 96% of employees were climate certified.

To address AI, AXA launched a new program “Data & AI for Leaders” together with the world-class business school HEC. 80 participants have strengthened their understanding of the topic through three weeks of online learning and a two days bootcamp. They worked in cross-entity teams to apply their knowledge to a business scenario – eventually pitching their ideas to a jury made up of representatives from several AXA functions.

2023 also saw the relaunch of an important program for senior leaders: AXA FINE. It focuses on developing finance and insurance business acumen. AXA FINE has been redesigned – in partnership with IMD – as a residential program in Lausanne and deployed to 30 individuals from 19 entities (with a 50/50 gender balance). The NPS of 91 of this session underlines the impact of such a learning journey. More sessions will be offered to executives in 2024.

These global initiatives and learning journeys were complemented by local programs. For example, AXA Italy developed a program titled “Mastering Data for Insurance” with Bocconi University and AXA Japan invited their 9,000 employees to a course about human rights.

PEOPLE@AXA

Finally, there has been investment in the systems that support the delivery of AXA’s People Strategy. The People@AXA program was launched in 2023 and aims to transform AXA’s Human Resource Information Systems.

Between now and 2026, the program will modernize systems for:

- talent acquisition and internal mobility;
- performance management – to allow for continuous feedback, and new ways of working;
- data management – to increase seamless data management across HR processes;
- learning – to improve learner experience, support reskilling and upskilling, and simplify delivery and reporting.

(1) 22 entities have already implemented this program.

Group social indicators

Workforce Structure [a]	2023		Evolution	2022		2021	
Total headcount of salaried workforce as of December 31	**113,696**	**emp.**	**3.1%**	**110,302**	**emp.**	**110,477**	**emp.**
Headcount of salaried workforce with fixed-term contract	4,445	emp.	0.5%	4,425	emp.	4,349	emp.
Headcount of salaried workforce with open-ended contract	109,251	emp.	3.2%	105,877	emp.	106,128	emp.
■ Headcount of salaried non-sales force	94,682	emp.	3.7%	91,274	emp.	91,218	emp.
■ Headcount of salaried sales force	14,569	emp.	-0.2%	14,603	emp.	14,910	emp.
■ Proportion of Executives [b]	1.8	%	-0.1pp.	1.9	%	1.9	%
■ Proportion of all Professionals	44.4	%	0.1pp.	44.3	%	45.6	%
■ Proportion of Associates	53.8	%	-0.1pp.	53.8	%	52.5	%
Women representation	**54.5**	**%**	**0.2pp.**	**54.3**	**%**	**54.1**	**%**
■ Proportion of Executives women	35.3	%	1.0pp.	34.3	%	33.3	%
■ Proportion of all Professional women	47.3	%	0.6pp.	46.7	%	46.2	%
■ Proportion of Associates women	61.1	%	0.0pp.	61.2	%	61.6	%
Age ranges representation							
■ Proportion of employees aged 30 years or less	19.8	%	0.1pp.	19.7	%	19.2	%
■ Proportion of employees aged from 31 to 40 years	31.3	%	-0.2pp.	31.5	%	32.1	%
■ Proportion of employees aged from 41 to 50 years	25.2	%	-0.1pp.	25.3	%	25.5	%
■ Proportion of employees aged 51 years and more	23.7	%	0.2pp.	23.5	%	23.2	%
Average Full-Time Equivalent [c] of salaried workforce	**108,356.5**	**FTE**	**2.5%**	**105,764.3**	**FTE**	**NA**	**FTE**
Average Full-Time Equivalent of salaried workforce with open-ended contract	104,177.3	FTE	2.6%	101,508.4	FTE	103,985	FTE
Average Full-Time Equivalent of salaried workforce with fixed-term contract	4,179.2	FTE	-1.8%	4,255.8	FTE	NA	FTE
Average Full-Time Equivalent [c] of temporary non-salaried staff	**12,997.4**	**FTE**	**-0.2%**	**13,026.3**	**FTE**	**13,564.5**	**FTE**
■ Non-salaried temporary staff and contingent workers	10,075.7	FTE	0.0%	10,077.3	FTE	10,763.5	FTE
■ Trainees/Apprentices	2,921.7	FTE	-0.9%	2,949.0	FTE	2,801.1	FTE
Employee Profile							
■ Average age of salaried workforce	41.3	yrs	-0.1%	41.3	yrs	41.1	yrs
■ Average length of service of salaried workforce	10.3	yrs	-2.6%	10.6	yrs	10.6	yrs
■ Average number of working days per year	226.1	days	0.2%	225.6	days	226.8	days
■ Proportion of part-time salaried workforce	9.2	%	-0.1pp.	9.3	%	9.4	%
■ Proportion of Teleworkers	85.3	%	1.8pp.	83.4	%	75.5	%
Number of employees with disabilities - concerns entities operating in France only	841	emp.	2.8%	818	emp.	776	emp.

(a) The rates and ratio within this section are the Headcounts as of December 31 of the reporting year.
(b) A global and consistent definition of Executives was implemented in 2021, resulting in a reduction of the global Executives population.
(c) Headcount converted into average Full-Time Equivalent during the reporting year.

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Workforce Dynamics [a]	2023		Evolution	2022		2021	
Movements of salaried workforce: net headcount evolution (entries *minus* departures)	**2,430**	**emp.**		**(72)**	**emp.**	**(4,130)**	**emp.**
Entries	19,065	emp.	7.4%	17,755	emp.	14,142	emp.
■ Number of external recruitments (incl. Rehires)	16,855	emp.	-	15,915	emp.	12,508	emp.
■ Number of fixed-term contracts transformed into open-ended contracts	1,598	emp.	-	1,729	emp.	1,517	emp.
■ Number of entries following external mergers and acquisitions	612	emp.	-	111	emp.	117	emp.
Departures	16,635	emp.	-6.7%	17,827	emp.	18,272	emp.
■ Number of resignations	10,789	emp.	-	12,187	emp.	10,597	emp.
■ Number of economic/collective layoffs	541	emp.	-	219	emp.	1,266	emp.
■ Number of individual layoffs	2,499	emp.	-	2,044	emp.	1,611	emp.
■ Number of retirements/pre-retirements	1,601	emp.	-	1,424	emp.	1,474	emp.
■ Number of departures due to external transfers [b]	1,015	emp.	-	1,703	emp.	3,135	emp.
■ Number of other departures	190	emp.	-	250	emp.	189	emp.
Internal mobility rate of salaried workforce	**8.3**	**%**	**0.0pp.**	**8.3**	**%**	**8.3**	**%**
Turnover rate *of* salaried workforce	**14.5**	**%**	**-0.8pp.**	**15.4**	**%**	**14.1**	**%**
■ Involuntary (layoffs/dismissals)	2.8	%	-	2.2	%	2.7	%
■ Voluntary (resignations)	10.0	%	-	11.6	%	9.9	%
■ Other reasons (pre/retirements and miscellaneous)	1.7	%	-	1.6	%	1.5	%

(a) The rates and ratio within this section are the Average Headcounts of the reporting year.
(b) External transfers: Salaried workforce who have left AXA because of an activity/job transfer to an external company or due to disposal of businesses, are no longer under a contract with AXA.

Compensation, absenteeism and training [(a)]	2023		Evolution	2022		2021	
Compensation cost of salaried workforce	**8,639.9**	**M€**	**3.4%**	**8,353.9**	**M€**	**7,999.9**	**M€**
■ Proportion of fixed pay (related to wages)	81.8	%	-	80.2	%	80.7	%
■ Proportion of variable pay (related to wages)	18.2	%	-	19.8	%	19.3	%
Absenteeism rate of salaried workforce	**4.5**	**%**	**-0.2pp.**	**4.7**	**%**	**4.4**	**%**
■ Sickness absenteeism rate	3.2	%	-	3.3	%	3.0	%
■ Work-related accidents absenteeism rate	0.1	%	-	0.1	%	0.0	%
■ Maternity/paternity leave absenteeism rate	1.2	%	-	1.3	%	1.4	%
■ Number of work-related accidents	800	emp.	-	649	emp.	440	emp.
Number of training days of salaried workforce	**354,445.9**	**days**	**13.4%**	**312,574.5**	**days**	**344,195.3**	**days**
Average number of training days per salaried workforce	3.3	days		3.0	days	3.2	days
■ Average number of training days per salaried non-sales force	3.0	days	-	2.5	days	2.7	days
■ Average number of training days per salaried sales force	5.1	days	-	6.3	days	6.5	days
■ Average number of training days per men	3.3	days	-	3.1	days	NA	days
■ Average number of training days per women	3.3	days	-	2.9	days	NA	days
Percentage of salaried workforce having received at least one training course	100	%	-	100	%	100	%
Training cost of salaried workforce	**90.5**	**M€**	**6.4%**	**85.0**	**M€**	**77.5**	**M€**

(a) As per the definition of compensation, it includes the individual fixed pay, the individual variable pay, employer social contribution and collective profit sharing (if any) and excludes equity based compensation (stocks options, performance shares, AXA Miles).
Compensation and absenteeism: the rates and ratio of those categories are the average salaried FTEs of the reporting year.
Training: the rates and ratio of those categories are the Average Headcounts of the reporting year.
Training costs include external costs: such as (1) the external trainer cost and external instructional designer; (2) the external annual licensing for on the shelves e-learning content, or external unitary cost of acquisition of e-learning modules; (3) the logistics cost; and internal costs: such as (1) The compensation cost of internal trainers meaning any AXA employee whether belonging to the Learning and Development team or other parts of the organization; and (2) the Learning Management System cost.

HEADCOUNT OF SALARIED WORKFORCE BY COUNTRY AS OF DECEMBER 31, 2023

	Europe			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
France	10,072	12,676	215	502
United Kingdom	5,133	6,203	138	190
Germany	4,190	4,668	112	136
Switzerland	2,708	2,191	83	90
Belgium	1,814	2,140	26	70
Spain	1,800	2,525	16	22
Italy	1,162	1,123	67	81
Ireland	1,116	1,201	23	29
Türkiye	564	635	16	18
Poland	288	476	11	18
Czech Republic	102	201	19	58
Portugal	249	189	6	24
Luxembourg	148	184	5	7
Finland	31	66	4	4
Netherlands	54	40	0	0
Austria	36	44	0	3
Sweden	40	44	1	3
Greece	4	7	0	0
Norway	5	5	0	0
Denmark	5	4	0	0
TOTAL	**29,521**	**34,622**	**742**	**1,255**

	Asia-Pacific			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
Japan	3,827	4,383	284	835
India	3,026	2,938	0	0
China	1,496	1,310	0	2
Philippines	897	1,360	13	7
Hong Kong	696	1,142	14	28
Republic of Korea	568	1,081	5	31
Indonesia	358	335	6	6
Thailand	160	320	3	15
Malaysia	139	57	3	2
Singapore	122	127	1	0
Australia	112	101	3	5
Lebanon	53	93	0	0
UAE	3	3	0	0
TOTAL	**11,457**	**13,250**	**332**	**931**

	Americas			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
Mexico	2,253	2,437	76	77
Colombia	1,668	3,093	42	186
United States	1,355	1,296	3	3
Brazil	246	275	14	9
Argentina	122	191	0	0
Canada	130	154	1	5
Bermuda	51	109	0	0
Chile	14	48	0	0
Panama	14	27	0	1
Peru	0	1	0	0
TOTAL	**5,853**	**7,631**	**136**	**281**

	Africa			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
Morocco	1,814	2,956	40	51
Egypt	543	635	330	211
Algeria	196	188	41	49
Nigeria	198	160	0	0
Ivory Coast	40	24	10	6
Gabon	23	22	13	13
Senegal	34	26	0	4
Cameroon	35	23	0	0
TOTAL	**2,883**	**4,034**	**434**	**334**

4.3 CLIMATE CHANGE AND BIODIVERSITY LOSS

Environmental protection and more specifically the interconnected issues of climate change and biodiversity loss are a strategic pillar of the Group's approach to sustainable development. As a result of the sustainability risk assessment performed by the Group in 2023, climate change and biodiversity loss were identified as two of the main sustainability risks faced by the Group, as described above in Section 4.1 "AXA Group's sustainability strategy" of this Annual Report.

As discussed further below, the issues of climate change and biodiversity loss are interconnected and addressed separately. AXA Group has developed policies and defined key performance indicators to track progress in reducing the adverse impacts associated with these risks. Climate change as a sustainability risk is considered in this section, with a double-materiality approach, with respect to **(i)** AXA Group's investment, **(ii)** AXA Group's insurance activities, and **(iii)** AXA Group's own operations. Biodiversity loss as a sustainability risk is considered in this section in terms of impacts of **(i)** AXA Group's investment, and **(ii)** AXA Group's insurance activities. For more details, please refer to the following sub-chapters of Section 4.3 of this Annual Report.

AXA Group follows the guidance of the voluntary disclosure requirements of the "Task Force on Climate-related Financial Disclosures" (TCFD) [(1)], which focuses exclusively on climate-related factors. AXA SA is also subject to the disclosure requirements set out in the French regulations implementing article 29 of the Law No. 2019-1147 of November 8, 2019, regarding energy and climate, which considers more broadly, ESG issues. For more detailed information, please refer to AXA Group's annual "Climate and Biodiversity Report" [(2)] that will be published on the AXA Group's website (www.axa.com) in the second quarter of 2024.

Risks and impacts in relation to climate change and biodiversity loss

As explained in Section 4.1 of this Annual Report, the CSRD, which is applicable to financial years starting on or after January 1, 2024, will introduce an enhanced concept of "double materiality" in the context of corporate sustainability reporting in the EU. This approach considers **(i)** the risks and opportunities (*i.e.*, outside-in perspective) and **(ii)** its positive and negative impacts (*i.e.*, inside-out perspective) of sustainability matters of the company.

For now, AXA only considers climate change from a double materiality perspective (*i.e.*, AXA Group's impact on climate change as an investor, impact of climate change on AXA Group as an investor; AXA Group's impact on climate change as an insurer, impact of climate change on AXA Group as an insurer; AXA Group's own operations' impact on climate change, impact of climate change on AXA Group's own operations).

In respect of biodiversity loss, as detailed in Section 4.1, AXA Group's impact on biodiversity loss was identified as a sustainability risk (*i.e.*, inside out perspective only).

RISKS AND IMPACTS OF CLIMATE CHANGE

Definition

AXA identifies the risks and impacts of climate change on AXA Group's activities and the impacts of AXA Group's activities on climate change (considering the double materiality approach). For further details refer to Section 5.1 "Risk factors" and Section 5.8 "Other material risks" of this Annual Report.

(1) https://www.fsb-tcfd.org

(2) No information, document or item contained in AXA Group's annual "Climate and Biodiversity Report", or available on the Company's website in connection with AXA Group's annual "Climate and Biodiversity Report", is incorporated by reference in this Annual Report.

Risks associated with climate change usually comprise the following key risk drivers impacting companies' valuation and profitability:

- **physical risk** refers to the direct impacts of climate change on persons (Life and Health) and Property, such as those arising from rising temperatures, the increase in the frequency and severity of extreme weather events, fires, rising sea levels and changes in exposure to vector-borne diseases. For (re)insurers, the physical risks may significantly impact business and the (re) insurance industry more broadly, including with respect to risk perception, pricing and modelling assumptions, the need for new insurance products, the amount, frequency, and quantum of claims. Physical risk has a direct impact on undertakings, both through the impairments in value associated with assets held by (re)insurers and through changes in the frequency and cost of these risks on the liability side of the balance sheet;
- **transition risk** refers to the risks linked to the transition to a low-carbon economy, including those related to the modification of behavior and strategies of industrial actors, market participants and customers in response to climate change and related policy, regulatory and technological developments including as a result of the cross-sectoral structural changes stemming from the transition towards a low-carbon economy. Transition risk has an impact on (re)insurance products, underwriting and impairs the value of investments held by (re)insurers; and
- **liability risk** refers to the risk of climate-related disputes, claims for compensation and legal proceedings. Examples include legal proceedings brought against insured, companies (re)insurers are invested in and potentially directly against insurers, seeking damages for contribution to climate change or for inaccurate or insufficient disclosure around material financial or operational risks. There is also an increasing risk of other forms of climate-related litigation, in particular claims by shareholders and other stakeholders for so-called "greenwashing" actions, misrepresentation, misleading conduct, mis-selling, false or misleading advertising, fraud, breaches of fundamental human rights, breaches of fiduciary duties and breaches of disclosure obligations in listing rules or other corporate regimes, or for having deficient controls or processes in place.

Assessing the financial risk of climate change

Climate change could have a negative impact on AXA Group's assets and investment activities, as well as on its balance sheet liabilities and insurance activities.

For this reason, Risk Management frameworks must be adapted to the specificities of climate change related risks, whose trajectories and impacts are particularly unpredictable. In this regard, scenario analysis and climate stress tests based on different trajectories of future climatic, macroeconomic, and financial conditions are relevant tools to conduct a forward-looking assessment of potential vulnerabilities related to climate change risks. The development of climate scenario analyses and stress testing has been accelerating, starting with the "pilot climate exercise" launched in June 2020 by the ACPR [(1)] (the "2020 Pilot Exercise") and followed by a new voluntary ACPR climate stress test exercise in June 2023 (the "2023 Stress Test Exercise"). AXA Group contributed to these exploratory exercises and sees the use of climate scenario analysis as an opportunity to map out potential long-term implications of climate change on its investment portfolios and insurance business. Through this type of active cooperation with supervisory authorities and industry peers, AXA Group aims to keep improving its framework, which is aimed at addressing medium (5 to 10 years) to long-term (30 years) climate change risks, although the exercise is highly uncertain, and many methodological challenges remain.

As part of AXA Group's ORSA (Own Risk and Solvency Assessment), the ACPR scenarios published in connection with the ACPR's 2020 Pilot Exercise and 2023 Stress Test Exercise have been supplemented to better reflect AXA Group's own risk profile. In particular, Property & Casualty (P&C) physical risks have been assessed in 2023 through modular approaches (from simple to sophisticated modeling) to encompass the three drivers of natural risks (changes in hazard, exposure, and vulnerability) and assess potential impacts (*i.e.,* evolution of Modelled Average Annual Losses (AAL) of forward-looking scenarios in a range of uncertainty (pessimistic *versus* optimistic views).

Based on risks to which the Group is exposed (including flooding in Europe, hurricanes in the U.S., urban atmospheric pollution and vector-borne diseases in France, climate-related financial risks), the estimated financial impacts on the Group using ACPR and AXA Group's ORSA scenarios are still relatively limited:

- **investments:** in terms of investments, the impact of financial market scenarios on AXA Group's in-Scope investments (*i.e.*, corporate bonds and equities in AXA Group's General Account assets) remains contained, based upon the 2020 ACPR Pilot Exercise. This is notably due to AXA Group's low exposure to carbon-intensive sectors likely to be the most affected by the climate transition;
- **Property & Casualty (P&C):** the same is true for Property & Casualty insurance, due to AXA Group's worldwide footprint of exposures, which creates a high level of diversification. The evolution of AXA Group's future P&C natural catastrophes (Nat

(1) *Similarly, the Bank of England and the "Prudential Regulation Authority" (PRA) ran their "Climate Biennial Exploratory Scenario" (CBES) exploratory exercise in 2021 with the objective of testing the resilience of current business models of the largest banks and insurers to the financial risks associated with climate change.*

Cat) claims remains largely driven by changes in AXA Group's future exposures (demographic changes, wealth growth) rather than an increase in the climate hazard itself. The Group's studies based on 2020 ACPR Pilot Exercise [(1)] show that, in France, the flood risk would increase by 1.5% per year up to 2050 (80% due to evolving exposure and 20% due to changing physical flood characteristics) under a pessimistic climate scenario in which greenhouse gas emissions continue to rise to the end of the century. Such a change could be adequately managed in a timely manner by adapting AXA's underwriting, pricing, reserving or reinsurance strategy and fostering prevention initiatives; and

- **Health & Protection:** in terms of health and Life insurance, the 2020 ACPR's Pilot Exercise again showed that the main impact stems notably from higher mortality due to the deterioration of air quality. Nevertheless, the impact was expected to be limited because, even using a very conservative approach, the assessed impact would be absorbed through management actions such as realistic repricing. The premiums would be adjusted to reflect the changes in the observed claims pattern and ensuring fair premiums for both the customers and AXA.

AXA Group also explores the potential impacts of climate change on its investments with a model developed by MSCI (applicable only to corporate bonds and listed equity) where risks and opportunities are combined and translated into a "Climate Value-at-Risk" indicator (please refer to the Section "Consideration of Climate in Portfolio Management" below).

Mitigation of the impacts of AXA Group's activities on the environment

Risks related to climate change could have adverse long-term macroeconomic effects, especially under a disorderly transition scenario that may affect all sectors.

As an investor, as an insurer and as responsible company, AXA Group seeks to mitigate the adverse effects of its activities on the environment notably through the following actions:

With respect to investment activities:

- developing a "warming potential" (WP) concept for its investments (government bonds), aligned with a +1.5°C trajectory by 2050, and an implied temperature rise (ITR) for corporate bonds & equities. The AXA Group WP as of December 31, 2022, was at 2.0°C and the Group ITR at 2.5°C [(2)];
- reducing the carbon intensity of AXA Group General Account assets by 2025 by -20% (*versus* 2019). As a reduction of 36% [(3)] has already been achieved between 2019 and 2022, AXA has set, in June 2023, a new target of a 50% reduction between 2019 and 2030. Moreover, the Group has set a 2023 target of €26 billion of green investments (€29.9 billion were reported in 2023).

With respect to underwriting activities:

AXA published in July 2023 for the first time new targets to drive the decarbonization of various of its Property & Casualty insurance portfolios and to develop its insurance activities dedicated to the transition:

- increasing its business in the field of renewable energies, and more broadly across sectors transitioning to low carbon business models, as well as developing environmentally sustainable claims management for its motor business by 2026;
- reducing the carbon intensity of the most material personal motor portfolios in the Group by 20% by 2030 compared with the 2019 baseline;
- reducing the absolute carbon emissions of the Group's largest commercial insurance clients by 30% and the carbon intensity of other corporate clients by 20% by 2030 compared with a 2021 baseline;
- strengthening the dialogue with its customers, particularly its corporate customers, but also with its external stakeholders and partners to better support them in the transition.

With respect to AXA Group's Energy Policy published in July 2023 (the "2023 Group Energy Policy"):

- exiting the coal industry backed by strict investments and underwriting restrictions, as well as on other carbon-intensive industries;
- reinforcing its energy policy on investments & underwriting with a specific focus on new oil "greenfield" explorations and unconventional activities, and an alignment of climate and biodiversity ambitions.

For further details, please refer to Sections 4.3.2 "AXA as an investor: climate change and biodiversity loss maters" and 4.3 "AXA as an insurer: climate change and biodiversity loss matters" of this Annual Report for information of the scope of the 2023 Group Energy Policy in AXA's investment and underwriting activities.

With respect to AXA's own operations:

- the Group has set a 20% reduction target between 2019 and 2025. Greenhouse gas emissions related to energy consumption, car fleets, business travel and IT decreased by -34% between 2019 and 2023.

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(1) *The 2023 ACPR Stress Test Exercise results will be published along the second quarter of 2024.*

(2) *The "WP" and "ITR" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.*

(3) *Following methodological enhancements in 2023, historical figures including baseline have been restated.*

Finally, developing services to help AXA customers adapt to climate change is a strategic priority for the AXA Group. Tools aimed at preventing the risks of forest fires in France and flooding have already been developed and will be extended. In addition, the AXA Climate entity helps customers and investors to understand the physical risks linked to climate change that could affect them, thanks to a range of training courses and a tool called Altitude covering numerous climate risks and scenarios over time horizons up to 2050. It is also worth noting the collaboration between AXA Prevention and AXA Climate which led to *Ma commune en Action* ("My City in Action" in English) to help local communities better manage climate risks.

RISKS AND IMPACTS ON BIODIVERSITY LOSS

Definition

The United Nations Convention on Biological Diversity (1992) defines **biological diversity** as *"the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems"* [(1)]. The **sustainable use** of the components of biological diversity is *"the use of such components in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations* [(2)].

As set out in Section 4.1 "*Sustainability Risk Assessment*" in the context of AXA's 2023 internal risk assessment, AXA has again identified the Group's impact on biodiversity loss (*i.e.*, the risks and impacts of AXA's investment and underwriting activities on biodiversity loss) as one of the main sustainability risks in 2023. For now, the Group only considers the risk of biodiversity loss from an inside-out perspective.

In the context of the implementation of the CSRD, the Group will consider and disclose with respect to financial year ending December 31, 2024, from a double materiality, inside-out and outside-in perspective, the impacts, risks and opportunities in relation to Environmental, Social and Governance matters that are material to the Group's activities and operations, including the risks and impacts of biodiversity loss.

Biodiversity risk has been defined for AXA's internal risk assessment as AXA's investments and insurance activities' impacts on biodiversity, by considering impacts that can adversely affect the integrity of a geographic area, either directly or indirectly, by substantially changing its ecological features, structures, and functions across its whole area, and over the long term, so that habitat, its population levels, and the particular species that make the habitat important cannot be sustained. As a result, AXA Group has announced a series of initiatives, designed to contribute to the protection of ecosystems, and actions, intended to mitigate the impacts of AXA Group's activities on biodiversity loss.

AXA views the biodiversity challenge as a natural extension of its climate efforts [(3)]. Biodiversity loss endangers ecosystem services and poses risks to society and businesses that depend on them, and in turn investors and insurers that rely on a well-functioning economy. Furthermore, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), IPCC and the Taskforce on Nature-related Financial Disclosures (TNFD) all identify climate change as a key driver of changes to nature and by extension, biodiversity. AXA did not wait for a precise calculation of the pressures and impacts of its activities on biodiversity to act. As with AXA's approach to climate change, AXA aims to harness its expertise as both an investor and insurer. As a result, the Group has announced a series of initiatives designed to contribute positively to the protection of ecosystems and to act on the nexus between climate and nature, along with ongoing efforts to improve quantitative analyses relevant to biodiversity loss to support future target setting.

Assessing the impact of AXA Group's activities on biodiversity loss

AXA Group is continuing its efforts working with peers to accelerate the quantification of risks and impacts related to biodiversity loss. For example:

- in partnership with the WWF, in 2019, AXA Group released the "Into the Wild – Integrating nature into investment strategies" report [(4)] at the G7 Ministerial meetings. The report contained a series of recommendations, including the launch of a Task Force on Nature Impact Disclosures which resulted in the TNFD (officially launched in June 2021) and creating the creation of biodiversity risk metrics for investors;
- AXA Group is currently a Taskforce Member of the TNFD and contributed to the TNFD's Metrics and Targets working group until the publication of the v1.0 of the TNFD recommendations in September 2023;

(1) *United Nations. 1992 "The Convention on Biological Diversity" Last modified May 13, 2016. https://www.cbd.int/convention/text/*

(2) *United Nations. 1992 "The Convention on Biological Diversity" Last modified May 13, 2016. https://www.cbd.int/convention/text/*

(3) *It is important to note that biodiversity and climate change are interdependent and connected, as concluded in a scientific report on biodiversity and climate change drawn up and co-sponsored by the IPBES-IPCC (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services-Intergovernmental Panel on Climate Change). For example, climate change (including in terms of extreme weather and climate conditions) exacerbates risks to biodiversity and natural and managed habitats; at the same time, natural and managed ecosystems and their biodiversity play a key role in attenuating climate change and in supporting climate adaptation, as confirmed in the IPCC's Sixth Assessment Report (2023).*

(4) *"Into the wild: from nature to investment strategies": https://www-axa-com.cdn.axa-contento-118412.eu/www-axa-com%2F16f23c6d-5f4d-4fca-a349-4686811749ce_axa_wwf_france_into_the_wild_2019.pdf*

- regarding the assessment of the impact of AXA Group's investment activities on biodiversity loss AXA Group is using the Corporate Biodiversity Footprint (CBF) metric to explore how tools can be used to analyze the biodiversity-related impact of investment activities. It has partnered with an external biodiversity data provider, Iceberg Data Lab, to develop biodiversity impact metrics based on the concept of Mean Species Abundance (MSA) and published for illustrative purposes the CBF of one of its portfolios for the first time in 2023 in its Climate and Biodiversity Report (1) ;
- on the insurance side, AXA is not yet in a position to globally measure the impact of AXA Group's underwriting activities on biodiversity loss, as biodiversity loss is driven by many root causes such as urbanization, invasive species, deforestation, chronicle pollution and climate change.

At AXA Group level, AXA has identified the insured assets based in Natural World site heritage and this study has helped AXA to set up the Natural World site heritage policy and restricts project-specific construction covers for oil and gas, mining, large scale hydropower and large-scale infrastructure projects located in Natural world heritage sites.

In addition, AXA XL has developed a dedicated tool to assess the environmental risks of the Insured site including the risks to biodiversity loss notably in protected natural areas. The Environmental Sensitivity Mapping (2) also supports the Insured's Risk Management and prevention by developing dedicated action plans reflecting each location's potential issues and exposures. This tool is available for Europe and UK and will be available worldwide in 2024 and considered for further deployment.

Mitigation of the impacts of AXA Group's activities on biodiversity loss

As an investor, as an insurer and as a responsible company, AXA Group seeks to mitigate the adverse effects of its activities on biodiversity loss, notably through the following actions:

- integrating of ESG criteria into its insurance business processes and investment strategy to address risks related to deforestation and ecosystem conversion, and protected areas of key biodiversity value;
- investing in natural capital fund to finance projects aiming to protect and restore natural capital, for example in forests, mangroves and peatlands, and invest in project developers to enhance their capacity to develop and deliver natural capital projects;
- developing active partnerships with academia and organizations addressing biodiversity loss risks and carry out dissemination to ensure science-based decisions and address this critical issue (see Section 4.3 "Climate change, biodiversity loss and ESG-related "outreach" and engagement");
- supporting through its philanthropic activities research program focusing on marine biodiversity in the land-sea interfaces across European coastlines to improve understanding of the coastal ecosystem, especially the impacts of anthropic pollution on microbiome and its interactions (see Section 4.4 "Inclusive insurer - Corporate philanthropy and engagement"); and
- partnering with a consortium of scientists, NGOs, and forestry experts to experiment with new methods of forest restoration and management, including mixed species plantations, propose a more effective and sustainable way to restore damaged plantations and promote the multifunctionality of harvested forests (see Section 4.4 "Inclusive insurer - Corporate philanthropy and engagement").

AXA as an investor: climate change and biodiversity loss matters

The Group defines Responsible Investment (RI) as the integration of ESG considerations into investment processes, including ownership practices. Thus, the Group's objective is to align investments with its sustainability agenda of protecting people over the long term and creating stronger and more sustainable societies. This agenda is in line with its interests as a global insurer and investor.

To this end, the Group has developed a global RI strategy covering the Group's General Account assets, and for its Unit Linked offering, where relevant. The implementation of this strategy is overseen by a specific RI governance, the Group's Responsible Investment Committee (RIC), which is chaired by the Group's Chief Investment Officer and includes notably representatives from AXA's asset managers, Sustainable Development, Risk Management and Communications teams.

(1) https://www.axa.com/en/press/publications/2023-climate-report

(2) https://axaxl.com/environmental-sensitivities

Ultimately, the RIC reports to the Group Investment Committee, chaired by the Group Chief Financial Officer, and sensitive and/or strategic climate finance-related decisions debated in the RIC are approved by the RISSC. The Group's RI strategy is supported by the RI Center of Expertise, a transversal working group which includes representatives from its local investment teams and sustainability network.

CONSIDERATION OF CLIMATE CHANGE IN INVESTMENT PORTFOLIO MANAGEMENT

Carbon footprint: Impact of AXA Group's investments on climate

The carbon footprint is the total amount of greenhouse gases (GHGs) emitted directly or indirectly as a result of a specific activity such as an individual, a corporate or a product. It can be expressed in different manners. AXA Group publishes the carbon exposure metrics of its investments using three different approaches [(1)]:

- **absolute emissions (tCO_2e):** total amount of GHGs emitted over a specific period (one year);
- **carbon intensity per revenue (tCO_2e/$m revenue):** amount of GHGs emissions normalized by the revenue generated by the corporate;
- **carbon intensity per Enterprise Value Including Cash (tCO_2e/€m EVIC):** amount of GHGs emissions normalized by the Enterprise Value Including Cash of the corporate.

The carbon intensity normalized per Enterprise Value Including Cash (EVIC) approach was chosen by Net-Zero Asset Owner Alliance (NZAOA) members, partly because of the robustness of the CO_2 reporting methods and partly because of the availability of data. As part of its participation in NZAOA, AXA Group commits to publishing intermediate targets every five years to track progress towards "net zero" by 2050.

In December 2020, AXA Group announced its first "intermediate target" of a 20% reduction in the carbon intensity of AXA Group's General Account assets between 2019 and 2025 (*e.g.,* 20% cumulative reduction for listed corporate debt and equities, and real estate equity assets where possible), using the NZAOA 2025 Target Setting Protocol.

Between 2019 and 2023, AXA Group's balance sheet carbon intensity per EVIC (tCO_2e/€m EVIC) decreased by -47.6%, from 65.3 tCO_2e/€m to 34.2 tCO_2e/€m, and by -17.7% in 2023 alone. The GHG emissions financed by our listed corporate debt and equities, and real estate equity assets amounted to 4.5 million tonnes of CO_2 equivalent ($MtCO_2e$) at the end of 2023 and are covering 81.3% of the in-scope assets. This target is part of the "*AXA for Progress Index*".

In line with this first intermediate target, AXA announced in June 2023 a second intermediate carbon intensity reduction objective of 50% by 2030. The measure used is the GHG emissions normalized with EVIC, using Scope 1 and 2 greenhouse gas emissions data (according to the GHG Protocol). In terms of asset classes, this metric applies to the same universe: bonds and equities of listed companies as well as real estate equity, representing a total amount under management of €163 billion at 2023 year-end.

AXA Group aims to measure the carbon emissions of all its proprietary investments. The sovereign debt [(2)] is an important part of its total assets, representing €135 billion at the end of 2023. AXA follows the accounting methodology recommended by the NZAOA. It is based on the current version of the PCAF's Global GHG Accounting and Reporting Standard and using the Scope 1 GHG emissions *i.e.* domestic production emissions as defined by UNFCCC. Based on this approach, the carbon intensity of AXA Group's proprietary sovereign assets is the production emissions (tCO_2e) per Purchase Power Parity (PPP) - adjusted GDP. The carbon intensity of a sovereign issuer cannot be directly compared with the carbon intensity of other asset classes due to differences in the calculation approach.

The carbon intensity for AXA Group's sovereign assets represented 166 tCO_2e/€m at the end of 2023. The GHG emissions and GDP data sources are public (World Bank, PRIMAP). It covers 99.98% of AXA's sovereign debt issuers. The GHG emissions financed by our sovereign debt assets reached 22.4 $MtCO_2e$ at the end of 2023.

Additionally, AXA Group continues its investigation of the concept of an "investment temperature" to develop its knowledge of the impact of AXA Group's investments on climate change (climate impact). This approach labelled "implied temperature rise" in

(1) *AXA Group's carbon footprint is computed based on the data made available by its providers at the close of AXA Group's data collection process and as such, may include data from previous years. Similarly, AXA Group relies on the availability of emissions data from activities for them to be included in the modelization process:* **(i)** *normalized per revenue (direct emissions, i.e. greenhouse gas emissions generated from burning fossil fuels and production processes which are owned or controlled by the Company and first tier indirect emissions, i.e. greenhouse gas emissions from direct suppliers);* **(ii)** *normalized per Enterprise Value Including Cash (Scope 1 and 2);* **(iii)** *in absolute terms (Scope 1 and 2). GHG Scope 3 Upstream & Downstream emissions are currently excluded from the communicated results considering the volatility and poorly reliable character of the estimations for these emissions.*

(2) *Sovereign debt is typically issued by the central government or Treasury Department. Sub-sovereigns, supra-nationals, and municipals are explicitly not part of this outline and will be considered in a separate workstream.*

MSCI's methodology, prospectively measures the companies' alignment with global temperature goals. AXA Group's analysis shows that in-scope AXA Group's General Account listed corporate bonds and equities had a +2.5°C "implied temperature rise" at the end of 2022 (1). The equivalent metric applied to sovereign debt, called "warming potential" developed by Beyond Ratings, represented 2.0°C for the AXA Group's General Account sovereign debt assets at the end of 2022 (2). This is below the benchmark (3) of +3°C, but nonetheless shows that investors are operating in a carbon-intensive economy that is not aligned with the COP21 Paris Agreement yet.

Impact of the risk related to climate change on AXA Group's Corporate Investments: Climate Value-at-Risk

AXA Group continues to explore a model developed by MSCI for listed corporate assets to assess selected physical and transition risks and opportunities.

This model represents an estimate of how the value of corporate bonds and listed equities in AXA Group's General Account Assets investment portfolio might be impacted by climate policy risk, technology transition opportunities and extreme weather events on a 15-year time horizon. This model currently only applies to corporate bonds and listed equities and is under continuous development. Annual updates to this model allow AXA Group to expand the range of measured climate-related financial risks of AXA Group's investments and to assess them more precisely. In 2022, AXA Group changed the climate scenarios used in this metric, by adopting the five available Network for Greening the Financial System (NGFS) scenarios from +1.5°C to +3°C by 2100. The NGFS scenarios are recognized by central banks and supervisors, making them a credible reference in the field.

To assess future potential costs/benefits for companies in a given climate scenario (+1.5°C NGFS orderly and disorderly, +2°C NGFS orderly and disorderly or +3°C), policy risks, technological opportunities and physical risks are combined into a single Climate Value-at-Risk (4) metric. AXA Group applied this Climate Value-at-Risk model to its corporate bonds and listed equities investments under the five NGFS scenarios.

According to the Climate Value-at-Risk methodology, the climate change impact on the valuation of the companies in which AXA Group invests represents an aggregated risk of 10% (5) of the market value of AXA Group's investment portfolio under the best scenario (+1.5°C NGFS orderly scenario).

Corporate Biodiversity Footprint: Impact of AXA Group's investments on biodiversity loss

Biodiversity plays a fundamental role for human well-being and economic activities through the provision of a range of ecosystem services, including food and water production.

Many policy makers, central banks, financial supervisors are starting to recognize the risks biodiversity loss poses to economic activities and financial systems, with potential consequences for price and financial markets.

The quantification of business impacts on biodiversity is still a relatively new field. AXA Group uses the Corporate Biodiversity Footprint (CBF) metric developed by Iceberg Data Lab (IDL) on a pedagogical basis to explore the extent to which such tools allow an investor to analyze, at a portfolio level, the biodiversity-related impact of investment activities following a similar logic to the calculation of an investment portfolio's carbon footprint.

The CBF assesses the estimated annual impact of corporate/asset/sovereign's activity based on products and measures their impact on biodiversity throughout the value chain, caused by changes in land use, greenhouse gas emissions (climate change contribution), water, and air pollution generated by a company's activities.

For the reasons set out below, while the Biodiversity Footprint tool enables investors to obtain an approximate analysis of the key pressures and impacts of its investments on biodiversity, it is not yet appropriate for investment decisions or target-setting purposes.

The single unit of biodiversity impact used to calculate CBF is the Mean Species Abundance (MSA) (6). MSA measures the average percentage abundance of native species in a delimited space under the influence of biodiversity loss pressures in comparison to undisturbed ecosystems. Aggregated, CBF provides a measure of negative impact, expressed as the volume of biodiversity loss caused by pressures generated by a company's economic activities in equivalent km^2 of MSA identical to pristine forest loss or, in other words, in equivalent surface of km artificialized in any given year.

(1) The "implied temperature rise" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.

(2) The "warming potential" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.

(3) The benchmark used for corporate equity is MSCI World ACWI; for corporate debt, the benchmark used is ICE BofAML Global Market corporate.

(4) Climate Value-at-Risk (Climate VaR) is designed to provide a forward-looking and return-based valuation assessment to measure climate related risks and opportunities in an investment portfolio. The Climate VaR provides a stressed market valuation of a security in relation to aggregated transition and physical cost and profit projections until the end of the century.

(5) At the end of financial year 2022. The Climate value-at-risk at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.

(6) This indicator was proposed as part of the development of the GLOBIO3 model, the objective of which is to simulate the impact of different human pressure scenarios on biodiversity. The GLOBIO model was developed by PBL Netherlands Environmental Assessment Agency to quantify global human impacts on biodiversity. (Source: IDL Methodology).

The methodology to compute the biodiversity footprint of AXA Group's investments is evolving continuously, and further work is required to understand the limits and strengthen tool robustness. It is also necessary to encourage increased data availability and data quality at a company level. However, for illustrative purposes only, the Group published in the 2023 Climate and Biodiversity Report, the biodiversity footprint for one portfolio (please refer to 2023 Climate and Biodiversity Report, section G. AXA Group's strategy for alignment with long-term biodiversity goals and related targets, page 31).

In addition, AXA Group continues to support the Taskforce on Nature-related Financial Disclosures (TNFD) to help build understanding and consensus on tools available to corporates and investors to support future actions including target setting. To address risks related to deforestation and protected areas of key biodiversity values AXA Group applies its Group Ecosystem Conversion and Deforestation policy to its investments as detailed in the following section.

INVESTMENT RESTRICTIONS

Over time, the Group has developed specific "sector guidelines" to address certain activities in sectors that may pose certain risks to AXA Group as an investor and insurer. Among them, Coal, Oil and gas, and Ecosystem conversion and deforestation policies, which apply to both investment and underwriting activities, aim to contribute to the transition toward a more sustainable and less carbon-intensive economy.

These policies are published on AXA Group's website (https://www.axa.com/en/about-us/investments).

AXA 2023 Group Energy Policy

The AXA Group Coal Policy and AXA Group Energy Policy have been updated in July 2023 and consolidated into a single policy which is the 2023 Group Energy Policy. AXA Group restrictions apply to AXA's General Accounts including, notably, direct investments in equity and corporate bonds, infrastructure, and Unit-Linked assets in fully dedicated mandates.

THERMAL COAL POLICY

AXA Group bans investments, for General Accounts and in Unit-Linked assets in fully controlled mandates, in a company with the following characteristics, and with immediate effect:

- power generation companies with coal share of power production (energy mix) over 15% and/or over 10 GW of coal-based power installed capacity;
- mining companies with coal share of revenues over 15% and/or with annual coal production over 20 million tons and/or developing new coal mines; and
- certain coal industry partners, defined as manufacturers (*e.g.*, equipment suppliers) and infrastructure players (*e.g.*, port terminals, dedicated railways) developing significant new coal assets.

From January 1, 2026, the above characteristics will be more restrictive:

- power generation companies with coal share of power production (energy mix) over 10% and/or over 10 GW of coal-based power installed capacity;
- mining companies with coal share of revenues over 10% and/or with annual coal production over 20 million tons and/or developing new coal mines; and
- certain coal industry partners, defined as manufacturers (*e.g.*, equipment suppliers) and infrastructure players (*e.g.*, port terminals, dedicated railways) developing significant new coal assets.

In addition, AXA Group is committed to a long-term "exit" strategy reducing exposure to the thermal coal industry to zero by 2030 in respect of companies established or with principal operations in the European Union and OECD countries, and by 2040 in the rest of the world, as suggested by the main climate scenarios (such as the IEA "Beyond +2°C" scenario). This approach is applied both to its investments and underwriting activities (please refer to Section "Climate and biodiversity matters as an insurer" below).

The main database used is the "Global Coal Exit List" (GCEL) [(1)] released in 2023.

OIL AND GAS POLICY

Since 2017, AXA Group has divested from oil sands-related businesses (defined as companies deriving more than 20% of their revenue from oil sands, including pipeline operators).

As an asset owner, AXA Group has stopped any new investment in oil and gas companies in developed markets belonging to upstream, oilfield services and downstream subsectors, as well as midstream companies. Given the undiversified nature of their core business, AXA believes these companies will be the hardest to transition in the oil & gas value chain.

(1) *https://www.coalexit.org/*

For details in respect of AXA Group's investment restrictions with respect to conventional oil & gas, please refer to the AXA Group Energy Policy.

In respect of unconventional oil and gas exploration and production, the AXA Group Energy Policy stipulates:

- **Arctic**: AXA no longer directly invests in companies deriving more than 10% of their production from the AMAP Region (relative threshold) or producing more than 5% of the worldwide volume of total AMAP -based Oil and Gas (absolute threshold).

  AXA has aligned its definition of the Arctic Region with the Arctic Assessment & Monitoring Program (AMAP), based on ecosystems. The AMAP Region extends beyond the Arctic circle and AXA's previous 70°N zone. However, AXA excludes Norwegian operations from the Scope, given their high environmental standards and lower operational carbon footprint;
- **Tar Oil Sands:** AXA no longer directly invests in companies deriving more than 5% of their production from tar oil sands and in companies producing more than 5% of the worldwide volume of tar oil sands;
- **Fracking/shale Oil and Gas**: AXA Group no longer directly invests in companies deriving more than 30% of their production from fracking/shale Oil and Gas;
- **Ultra-Deepwater:** AXA Group no longer directly invests in companies deriving more than 20% of their production from Ultra Deepwater Oil and Gas projects. Ultra Deepwater oil & gas extraction is defined as drilling that takes place at least 1,500 meters below sea level;
- **Infrastructure:** AXA Group no longer directly invests in infrastructure assets exposed to unconventional oil and gas exploration and production.

The main database used is the "Global Oil & Gas Exit List" (GOGEL) [(1)] released in 2023.

AXA will also consider exceptions, on a case-by-case basis, for pure players which are focusing on transition with a majority of CAPEX in low carbon activities. To note that AXA's selection process currently results in a very limited number of companies meeting the investment criteria; less than 2% of the approximately 900 companies identified in the Global Oil and Gas Exit List by NGO Urgewald. This Policy is monitored and reviewed on an annual basis.

Full details of the AXA Group Energy Policy are available at https://www.axa.com/en/about-us/investments.

AXA Group Ecosystem conversion and Deforestation policy

The policy on the protection of ecosystems and deforestation seeks to address risks related to deforestation and protected areas of key biodiversity value. Curbing deforestation conserves water resources, prevents flooding, controls soil erosion, and preserves habitats and biodiversity, in addition to preserving key carbon sinks.

This policy is implemented at Group level and is subject to the oversight of the Responsible Investment Committee and the Group Underwriting Committee. This policy has been implemented by all AXA entities. In the case of the Asset Management entities of the Group, the policy has been applied to the extent that they manage General Accounts assets.

This Policy is currently under review. Full details of the current AXA Group Ecosystem conversion and Deforestation Policy is available at https://www.axa.com/en/about-us/investments.

GREEN INVESTMENTS

To support its green investment strategy, AXA Group has developed an internal framework defining "green" investments based on external labels, certifications, and environmental standards as appropriate. Green investments are defined as: green bonds [(2)], infrastructure debt & equity, impact investments, real estate, and commercial real estate loans. Green investments encourage various sectors to strengthen their climate strategy.

In November 2019, AXA Group committed to invest through its General Account assets, €24 billion in green investments by 2023. In 2021, this target was increased to €26 billion. As of December 31, 2023, AXA Group's green investments reached €29.9 billion (€25.1 billion end of 2022) achieving the green exposure target. This includes government bonds and green corporate bonds, debt and equity linked to green infrastructure, and real estate that meets the highest quality standards.

In 2021, AXA Group also committed to a new "Natural Capital" target of €1.5 billion dedicated to reforestation by supporting forestry management projects in developed markets and nature-based solutions through initiatives such as afforestation, restoration and avoided deforestation which outcome can often be measured through the production of carbon credits with the objective being to sequestrate/avoid 25 MtCO_2 on an annual basis.

As of December 31, 2023, AXA Group invested more than €900 million in Forests and €300 million investment allocated in the Natural Capital Fund managed by AXA IM, financing projects that aim to protect and restore natural capital, such as forests, mangroves and peatlands.

(1) https://gogel.org/

(2) The invested green bonds do not necessarily fall under the "European Green Bond" standards which is only expected to come into force on or about December 2024.

ACTIVE STEWARDSHIP

As an investor AXA Group engages with the management of the companies in which it invests, in order to contribute to the emergence of positive developments on certain topics (such as climate change, health, governance, market practices, etc.). These engagement activities are carried out either directly by the Group or by AXA Investment Managers (AXA IM) on behalf of the Group and third-party clients.

In 2023, AXA Group extended its direct engagement with issuers as part of its NZAOA commitment to transitioning its investment portfolio to net zero GHG emission by 2050.

The engagement objectives are to:

- assess issuers' commitments, strategy, and performance in achieving their 2030 and 2050 net zero targets; and
- align AXA Group investments with its intermediate and 2050 net zero commitments.

Regarding coal in particular, AXA encourages issuers to develop and disclose an exit or closure plan aligned with AXA Group Energy Policy.

The engagement is also performed by AXA Investment Managers (AXA IM) with key climate engagement objectives and indicators are shaped by the TCFD framework, which has established itself as the *de facto* reporting framework on this issue. AXA IM's engagement approach encourages companies to:

- commit to short-, medium- and long-term carbon emissions reduction targets that are based on climate science and with a clear explanation of corresponding capital expenditure plans;
- perform scenario analysis using a scenario where global warming is limited to the COP21 Paris Agreement goal of "well below 2°C"; and
- align executive remuneration to climate change objectives.

For more information, please refer to AXA IM's annual Active Ownership and Stewardship report, published on AXA IM's website (https://axa-im.com).

A COLLECTIVE LEADERSHIP RESPONSIBILITY

AXA's reduction objectives reflect an optimistic-yet-possible view of real economy efforts for a stable and just transition. Achieving these new intermediate targets depends on a number of variables. In particular:

- the real economy and the companies in which we invest transitioning in line with those scientific 1.5°C pathways [1] which have been used for AXA's investment portfolio reduction calculation;
- governments and regulators (including insurance and financial regulators) around the world retaining, strengthening and evolving policies to achieve the emission reductions necessary to meet their 1.5°C pledges.

In this regard, measurement and disclosure is a key step in achieving emissions reductions. AXA's efforts to measure investment portfolio carbon intensity are limited by the disclosure efforts of the real economy. Until this improves, actions and ambition are limited where only proxy data is available. It is possible in the future that additional assets may be included and Scope 3 GHG emissions integrated.

AXA as an insurer: climate change and biodiversity loss matters

AXA Group considers sustainable underwriting to encompass both the role of an insurer to protect clients and assets to better adapt to the impacts of climate change and biodiversity loss, as well as the protection of people over the long term for the creation of stronger and more sustainable societies.

The Group, as an insurance underwriter, has also a role to play in accelerating the transition to a resilient, net-zero emissions economy, reducing the impacts of its activities on climate change and biodiversity loss, while also better supporting green businesses.

(1) IPCC Special Report on Global Warming of 1.5°C and IPCC Sixth Assessment Report (AR6)

INTRODUCING A NEW GOVERNANCE

The Group's sustainability underwriting strategy is comprised of two main components

1. undertaking insurance business in accordance with the Group's stated policies in relation to sustainability encompassing climate, biodiversity and human rights (see below "Underwriting Restrictions"). Underwriting sustainability guidelines ensure that insurance activity is conducted in accordance with AXA's objectives and values, and in compliance with any sustainability regulatory requirements; and
2. availability of insurance products, services, and claims solutions that support our clients and customers with their sustainability objectives (see below "Green products and business") while also supporting biodiversity and inclusive protection (see Section 4.4 "Inclusive insurer").

In terms of governance, the implementation of the strategy is overseen by the Property & Casualty (P&C) Net Zero Transition working group, a transversal working Group which includes representatives from local underwriting teams, Group underwriting, and Group sustainability. Matters regarding the sustainability underwriting guidelines are taken to the Group Underwriting Committee (GUC). Similar to our internal governance in respect of investments, sensitive and/or strategic climate-related decisions debated in the GUC are ultimately approved by the RISSC.

In addition, a dedicated team within Group Risk Management analyzes emerging risks which often relate to long term ESG issues and monitor their potential impact (please refer to Section 5.8 "Other material risks - Emerging risks" of this Annual Report). The Group Emerging Risk Steering Board issues recommendations to adapt its business offer and underwriting policies.

CONSIDERATION OF CLIMATE CHANGE IN INSURANCE PORTFOLIO

AXA Group extended its investment commitment of "net-zero" to its insurance business in June 2023 with the announcement of the new underwriting portfolio near-term decarbonization targets. The specific portfolio targets are complemented by concrete objectives to support the transition with new services, products, and claims options and specific engagement targets with AXA's largest commercial clients.

AXA Group reflects the carbon footprint of its insurance underwriting portfolios using both absolute and intensity metrics, specifically:

- Insurance-Associated Emissions (IAE) is the standard measurement provided by the Partnership for Carbon Accounting Financials (PCAF) [1]. This measurement provides the absolute CO_2 equivalent associated with insurance underwriting portfolios for the in-scope lines of business;
- Insurance-Associated Emissions intensity is the IAE divided by a financial (*e.g.*, premium) or physical value (*e.g.*, insured vehicles) to normalize the view across portfolios of differing sizes.

The IAE value is appropriate for underwriting portfolios with robust data, where insured clients measure and disclose their GHGs. AXA found this measurement relevant for only the largest commercial clients, for which a 2030 intermediate target reduction of 30% was set against the baseline year 2021 IAE value of 370 $kTCO_2e$ [2].

For other commercial underwriting portfolios, where emissions factors were necessary to approximate the GHGs associated with insured clients, AXA used the intensity metric of IAE per premium. A reduction in the carbon intensity (IAE/GWP) of all other corporate clients [3] of 20% was set as a 2030 intermediate target against the baseline year 2021 value of 352 TCO_2e/M€ [4] within AXA's largest markets [5].

An intensity metric was also used for the Retail Motor portfolio objective, due both to data quality considerations and portfolio characteristics. A 20% reduction in the carbon intensity (IAE/vehicle) of 340 $kgCO_2e$/vehicle [6] was set for the Personal Motor portfolio in selected geographies [7], using the baseline year 2019.

(1) https://carbonaccountingfinancials.com/files/downloads/pcaf-standard-part-c-insurance-associated-emissions-nov-2022.pdf

(2) Calculated on the Scope 1 and 2 CO_2e of AXA's 88 largest global commercial clients; only insurance lines of business in-scope of the PCAF standard as of June 2023, excluding facultative reinsurance.

(3) Calculated on the Scope 1 and 2 CO_2e of commercial clients within the industry sectors of: Agriculture, Transport, Manufacturing (heavy), Manufacturing (chemicals), Utilities/Energy, and Mining.

(4) Only insurance lines of business in-scope of the PCAF standard as of June 2023, excluding facultative reinsurance. 2021 was chosen as a baseline year as it was the best representative year post-COVID-19 pandemic impacts and at the time of calculation, a full year of underwriting portfolio information was available for 2019.

(5) Commercial underwriting portfolios of AXA XL, AXA France, and AXA Germany.

(6) Only "passenger cars" were considered due to data limitations currently for other types of vehicles in-scope of the PCAF standard.

(7) Retail Motor underwriting portfolios of AXA France, AXA Germany, AXA Switzerland and AXA UK.

A COLLECTIVE LEADERSHIP RESPONSIBILITY

AXA's underwriting emissions reduction objectives reflect an optimistic-yet-possible view of real economy efforts for a stable and just transition. Achieving these interim targets depends on a number of variables. In particular:

- the real economy, including policyholders, transitioning in line with those scientific 1.5°C pathways [(1)] which have been used for AXA's emissions reduction calculation;
- the energy transition for in-scope economic markets, being in-line with the transition pathways [(2)] used for AXA's emissions reduction calculation;
- the transition of personal transportation to electric vehicles (EVs) and other low emissions solutions being in-line with government commitments; and
- governments and regulators (including insurance and financial regulators) around the world retaining, strengthening and evolving policies to achieve the emission reductions necessary to meet their 1.5°C pledges.

In this regard, measurement and disclosure is a key step in achieving emissions reductions. Our efforts to measure underwriting portfolio emissions are limited by the disclosure efforts of the real economy. Until this improves, actions and ambition are limited where only proxy data is available. The intermediate transition targets have been set on a limited scope of AXA's underwriting portfolio and only include client's Scope 1 and 2 emissions. It is possible in the future that additional portfolios may be included and Scope 3 GHG emissions integrated.

UNDERWRITING RESTRICTIONS

AXA Group strives to incorporate sustainability criteria (including those related to climate and biodiversity) in its underwriting activities, consistent with its investment strategy, though sector guidelines (please refer to Section "Investments restrictions" above), notably on coal, oil and gas with the AXA Group Energy Policy, and on palm oil, soy, cattle & timber with the AXA Group Ecosystem conversion and Deforestation policy.

AXA Group energy policy

As mentioned above, the AXA Group Coal Policy and the AXA Group Energy Policy were updated in July 2023 and consolidated into a single policy which is the AXA Group Energy Policy.

THERMAL COAL RESTRICTIONS

In 2019, AXA Group updated its thermal coal exclusions and required AXA Group to cancel its existing business and write no new business, falling within these restrictions:

- **for mining**: companies developing new thermal coal mines, clients extracting greater than or equal to 20MT thermal coal per year, standalone thermal coal mines;
- **for power generation**: companies with coal expansion plan greater than or equal to 300 MW, any electric utility for which coal represents or comprises greater than or equal to 30% of its revenues or energy mix, standalone thermal coal power plants; and
- **for industry partners**: any company who derives more than 30% of its revenues from the thermal coal industry or which is developing new coal assets. This specific exclusion only applies to infrastructure owners or operators (port terminals and railways), and exporters and traders.

In 2023, AXA Group strengthened the above thermal coal exclusions for new business with companies established or with their principal operations in an EU or OECD country. The restrictions were enhanced as follows:

- **for mining**: any company with an annual thermal coal share of revenues greater than or equal to 15%;

(1) Climate or sustainability-related metrics and underlying emissions data are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used to determine them. There is a limited availability of relevant data: such data is not yet systematically disclosed by issuers, or, when disclosed by issuers or collected from third-party data providers, it may be incorrect, incomplete or follow various reporting methodologies. The measurement techniques used for determining non-financial metrics and data may involve complex modelling processes and research. The use of different measurement techniques can also result in materially different measurements, while the precision of these techniques may vary. The data sources and methodologies for emissions factors are expected to evolve and improve over time and may materially impact targets and the achievement of targets.

(2) The interim portfolio transition targets noted above reflect management's current expectations, and are subject to a number of assumptions, variables and uncertainties. In particular, the achievement of AXA's transition targets will depend on the overall transition of the world economy and society to net zero in the coming decades which itself will depend on a variety of political, economic, regulatory, civil society and scientific developments beyond AXA's control. There can be no assurances that our transition targets will be achieved in whole or in part, the timetable for any transition process, or the impact on our business of meeting or failing to meet such targets.

- **for power generation**: any company with plans to develop any new thermal coal-fired power capacity, or any power generation company with an annual thermal coal share of power production greater than or equal to 15%.

For new business with companies in an EU or OECD country, those restrictions will be tightened further by lowering the 15% threshold to 10% for both mining and power generation companies from January 1, 2026 and will apply for all existing business from January 1, 2028.

From January 1, 2030, any company with any exposure to thermal coal will be prohibited. With respect to non-OECD and non-EU countries, the full thermal coal exit is expected by January 1, 2040.

OILS AND GAS RESTRICTIONS

Since 2021, AXA Group no longer underwrites new upstream oil exploration projects (greenfield) and extended in July 2023 its existing restrictions to cover new gas exploration and development so AXA Group will no longer directly insure new oil & gas exploration and development projects. The restrictions for new oil exploration and development came into force on January 1, 2024. The restrictions for new gas exploration and development will come into force on September 1, 2026.

Exemptions may be granted to companies with the most far-reaching and credible transition plans, based on a case-by-case review. As provided in the updated AXA Group Energy Policy, a climate transition plan is a time-bound action plan that clearly outlines how an organization will pivot its existing assets, operations, and entire business model towards a trajectory that aligns with the latest and most ambitious climate science recommendations.

After a comprehensive review of its transition plan, AXA may provide new standalone site-specific insurance policies to companies based on consideration of the following criteria:

- companies which have sufficient financial capacity to fuel investments in low-carbon activities (large CAPEX) and the willingness to have a material impact in the transition;
- qualitative assessments to monitor developments/implementation of strategy, key risks and positioning relative to peers. AXA focuses on the following factors and key performance indicators: **(i)** energy transition strategy; and **(ii)** emissions management based on GHG intensity, methane emissions and emissions reduction targets;
- the relevant oil and gas company's safety management, environmental management system and social cohesion; and
- for insurance clients, AXA will also consider the relevant oil and gas company's pollution prevention plans and oil spill response certification.

In respect to unconventional oil and gas, as provided in the Group Energy Policy, AXA reduces its insurance coverage as follows:

- **Tar Oil Sands**: As of January 1, 2024, AXA no longer provides insurance coverage (for new or existing business) for tar oil sands activities for companies with (a) 50% of production generated from tar oil sands activities; or (b) 50% of revenues generated from tar oil sands production and oil sands-related transportation (pipelines);
- **Arctic:** As of January 1, 2024, AXA no longer provides new stand-alone, site-specific insurance policies and facultative reinsurance (excluding employee benefits and treaty reinsurance) for greenfields oil and gas exploration and development projects in the AMAP (Arctic Monitoring and Assessment Programme) Region (excluding Norwegian operations) licensed after December 31, 2021.;
- **Ultra-Deepwater:** As of January 1, 2024, AXA no longer provides new stand-alone, site-specific insurance policies and facultative reinsurance (excluding employee benefits and treaty reinsurance) for greenfields Ultra-Deep-Water oil & gas exploration and development projects licensed after December 31, 2021 (defined as drilling that takes place at least 1,500 meters below sea level);
- **Shale oil and gas:** As of January 1, 2024, AXA no longer provides insurance coverage (either for new or existing businesses) for shale oil and gas projects carried out by companies deriving more than 30% of their total oil and gas production from oil and gas. In addition, AXA does not provide new stand-alone, site-specific insurance policies for shale oil & gas projects for new and existing clients.

For details in respect of AXA Group's underwriting restrictions with respect to conventional oil & gas, please refer to the AXA Group Energy Policy.

Full details of the current AXA Group Energy Policy are available at https://www.axa.com/en/commitments/climate-change-and-biodiversity-strategy.

AXA Group ecosystem conversion and deforestation policy

On insurance underwriting, AXA Group focuses on the activities at risk of causing deforestation.

The Group restricts Commercial lines Property and Construction insurance underwriting in four cases:

- illegal logging;
- companies that are excluded by the investment policy screening are to be referred to the GUC and the critical activity will likely be banned from Construction and Property covers;

- businesses that operate in "high-risk countries" [1] and commodities (palm oil, beef, soy, timber) and facing high or severe deforestation controversies [2] are also to be referred to the GUC with a view to restrict the critical activity; or
- traders of soy, beef, palm oil and timber operating in "high-risk countries" and facing high or severe deforestation controversies are also to be referred to the GUC and the critical activity will likely be banned from marine cargo covers.

In line with the UNPSI-UNESCO classification, the Group also commits to protect World Heritage Sites by ensuring it does not support, through Property and Construction insurance underwriting, businesses in sensitive sectors that are developing activities incompatible with ecosystem preservation in these vital sites.

This Policy is currently under review. Full details of the current AXA Group Ecosystem conversion and Deforestation Policy are available at https://www.axa.com/en/commitments/axa-and-forests.

GREEN PRODUCTS AND BUSINESS

In addition to the underwriting restrictions summarized above, the Group seeks to develop products and services to support the transition to a more sustainable and less carbon-intensive economy.

In 2021, AXA Group developed a Green Business Program [3] to deploy non-Life/non-Health products (insurance coverage or services) that contribute to:

- **climate change mitigation** – by encouraging the reduction of Greenhouse gas emissions (examples: low-emission energy infrastructure/vehicles);
- **climate change adaptation** – by supporting our clients being prepared to the consequences of climate change that is already happening (examples: resilient buildings, insurance on Nat Cat events);
- **transition to a circular economy** – by limiting the use of new raw material in our claims management (example: second-hand spare parts); or
- **limitation of biodiversity loss and pollution** – by protecting and restoring the natural site to its original state, prior to suffering the effects of a peril (example: Environmental Risk Insurance in case of an accidental pollution).

TAXONOMY	1 Environmentally-sustainable behavior		2 Green claims management		3 Green assets		Green clients / activities
	RETAIL	COMMERCIAL LINES	RETAIL	COMMERCIAL LINES	RETAIL	COMMERCIAL LINES	COMMERCIAL LINES
Mitigation	Transition towards **less energy consumption to reduce GHG emissions**		Damaged goods **repair**, or replacement with a low consumption equipment		**Environmentally friendly assets**		**Environmentally friendly clients and/or activities**
Adaptation	Preventive measures **to limit vulnerability to climate change**						
Circular economy			**Replacement with 2nd hand goods**				
Biodiversity & Pollution prevention	Preventive measures **to limit biodiversity loss**						

(1) *Determined with support from the WWF experts.*
LATAM: Brazil, Bolivia, Peru, Ecuador, Colombia, Venezuela, Guyana, Suriname, French Guiana, Paraguay, Argentina.
Congo Basin: Cameroon, Central African Republic, Democratic Republic of Congo, Republic of the Congo, Equatorial Guinea, Gabon.
South-East Asia: Cambodia, China (Yunnan and Guangxi), Lao PDR, Myanmar, Thailand, Vietnam, Papua New Guinea, Indonesia, Malaysia, Brunei, Australia.

(2) *According to Sustainalytics' controversies database.*

(3) *Derived from the 6 environmental objectives of the EU Taxonomy Regulation: 1/climate change mitigation, 2/climate change adaptation, 3/sustainable use and protection of water and marine resources, 4/transition to a circular economy, 5/pollution prevention and control, 6/protection and restoration of biodiversity and ecosystems.*

In terms of quantification, depending on the Green Business offering, AXA Group monitors the revenues (premiums for insurance products or fees for insurance services) or the claims.

In April 2022, as part of the *"AXA For Progress Index",* AXA Group committed to increasing gross written premiums for Green Business offerings to €1.3 billion by 2023 from €1.1 blillion in 2020. Based on the 2022 strong performance, AXA Group decided to increase its ambition and set a floor at €1.7 billion for 2023. In 2023, €2 billion of Green Premium have been underwritten, surpassing the cumulative target.

Please refer to the Green Business Report for more details and examples [(1)].

While the AXA Green Business Program adopts definitions from the EU Taxonomy regulation, the application and scope is broader than that defined in the regulation for insurers and reinsurers. For further information on the specific EU Taxonomy applicable results for AXA's insurance operations see Section 4.7 "Transversal information".

INSURANCE AND BIODIVERSITY

One way to protect biodiversity is to mitigate risk of loss through innovative insurance mechanisms. With a particular focus on aquatic and coastal ecosystems – which are also essential reservoirs of biodiversity – AXA XL launched in 2021 its "Coastal Risk Index" (CRI) with ORRAA. The CRI is an innovative tool that maps current and future coastal flooding resulting from climate change by comparing scenarios with and without coastal ecosystems, such as coral reefs and mangroves. This helps build the case for nature-based solutions as the CRI illustrates the potential benefits ecosystems provide to assets and populations in different flooding scenarios; and the estimated value of restoring lost mangroves due to their flood reduction benefits, through new global mangrove maps.

AXA XL also put in place additional safeguards to support the detection of Illegal, Unreported, and Unregulated (IUU) fishing by requiring International Maritime Organization (IMO) numbers for all fishing vessels and refrigerated cargo vessels that it insures and adding further explicit checks on IUU fishing to its Marine Underwriting Rules and Guidelines.

Through AXA Climate, AXA XL is providing risk capacity for coral protection against tropical cyclones at four sites along the Mesoamerican reef in Mexico, Belize, Guatemala, and Honduras. The pay-out will be used by the client to do restoration work such as cleaning debris and attaching corals back to the reef.

AXA XL (since 2018) and AXA France (since 2023) are also providing, in partnership with Cedre [(2)] (*Centre de documentation, de recherche et d'expérimentations sur les pollutions accidentelles des eaux*), a French organization that specializes in helping governments and companies worldwide mitigate the impact of ecological incidents, tailored recommendations for companies with environmental risk insurance policies.

AXA as a company: climate change and biodiversity loss matters

OUR OWN OPERATIONS IMPACTS ON CLIMATE CHANGE

AXA Group, as a responsible company, is committed to address climate change through its core operations. The impact of AXA Group's operations on climate change is identified as one of the main sustainability risks in 2023. AXA Group's own operations may have a negative impact on climate through its greenhouse gas emissions (GHG) emissions from heating and cooling, IT equipment and data centers, car fleet, and business travel. To reduce its impact and make sure it actively reduces its GHG emissions, AXA Group has set up an environmental management system for the entire Group. The annual environmental reporting enables AXA Group to track the progress made against a set of targets that are regularly updated to reflect the Group's ambition. Entities are coordinated and have assigned targets but also benefit from regular training, best-practice sharing, and guidelines. The results of this policy are displayed in detail in the following section with the GHG emissions from energy, car fleet, business travel and IT.

AXA's own operations 2019-2025 targets and 2023 performance are summarized in the table below. The reporting methodology, including the scope of the environmental indicators, is explained in the Section 4.7. Transversal Information - Reporting methodology.

(1) www.axa.com/en/press/publications/AXA-Green-Business-Report-2022

(2) https://wwz.cedre.fr/

GHG EMISSIONS INDICATORS OF AXA GROUP

(GHG emissions expressed in tCO_2 eq)	Base Year 2019	2022	2023	% 2023/2022	Target 2025	% 2023/ Base Year
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions	33,617	21,382	21,598	1%	-25%	-36%
Scope 2 GHG emissions						
Gross Market-based [(a)] Scope 2 GHG emissions	59,232	37,172	30,712	-17%	-35%	-48%
Gross Location-based [(b)] Scope 2 GHG emissions	65,470	45,848	42,423	-7%		-35%
Significant Scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions Market-based [(a)]	258,541	185,354	169,296	-9%		-35%
o/w GHG emissions from purchase services related to IT (Category 1)	4,623	5,234	5,955	14%		29%
o/w GHG emissions from capital goods related to IT (Category 2)	24,147	24,493	23,430	-4%		-3%
o/w GHG emissions from fuel and energy-related Activities (not included in Scope 1 or Scope 2) Market-based [(a)] (Category 3)	20,672	13,324	11,757	-12%		-43%
o/w GHG emissions from business travelling (Category 6)	86,004	24,831	57,006	130%	-18%	-34%
o/w GHG emissions from employee commuting [(c)] (Category 7)	123,094	117,472	71,148	-39%		-42%
Total Gross indirect (Scope 3) GHG emissions Location-based [(b) (d)]	259,356	188,605	174,336	-8%		-33%
Total GHG Emissions						
Total GHG emissions Market-based [(a)]	351,389	243,909	221,606	-9%		-37%
Total GHG emissions Location-based [(b)]	358,443	255,836	238,357	-7%		-34%
Total GHG emissions of Energy, car fleet, business travel and purchase services and capital goods related to IT (excluding commuting) (used in "AXA for Progress Index")	**228,295**	**126,436**	**150,458**	**19%**	**-20%**	**-34%**
GHG emissions - Breakdown by Source						
GHG emissions company's cars	24,939	17,273	17,485	1%	-20%	-30%
GHG emissions from energy consumption Market-based [(a)]	88,582	54,605	46,581	-15%	-35%	-47%
GHG emissions from energy consumption Location-based [(b)]	104,538	72,849	67,967	-7%		-35%
GHG emissions IT Market-based [(a)]	43,918	42,431	40,267	-5%		-8%
o/w GHG emissions from energy of data centers Market-based [(a)]	9,186	7,173	6,538	-9%		-29%
o/w GHG emissions from electricity of terminals [(e)]	5,962	5,530	4,344	-21%		-27%
GHG emissions IT Location-based [(b) (d)]	49,724	49,474	48,707	-2%		-2%
General Indicators						
Average Full Time Equivalent (FTE) of workforce [(f)]	121,337	118,791	121,354	2%		0%
Internal area: occupied and vacant *(m^2)*	1,630	1,416	1,293	-9%		-21%
Revenue *(in Euro million)* [(g)]	103,532	101,844	102,736	1%		-1%
Number of terminals inventoried	354,417	344,155	330,638	-4%		-7%
Ratios						
Total GHG emissions (Market-based [(a)]) per person *(tCO_2 eq/FTE)*	2.9	2.2	1.8	-16%		-37%
GHG Intensity (Market-based [(a)]) per revenue *(tCO_2 eq/€ Million)*	3.4	2.5	2.2	-15%		-36%
GHG emissions from employee commuting per person *(tCO_2 eq/FTE)*	1.0	1.0	0.6	-41%		-42%

(a) Market-based: reflects emissions from electricity that companies have purposefully chosen, notably the choice of renewable electricity.
(b) Location-based: reflects the average emissions intensity of grids on which energy consumption occurs.
(c) Excluding GHG emissions related to company cars to avoid double counting with AXA Group's vehicles fleet.
(d) Fuel and energy-activities emissions are measured on a Location-based approach and some of the emissions from services related to IT are using Location-based emissions factors from providers.
(e) Emissions related to the use of terminals in AXA Group sites (included in the line "GHG emissions from energy consumption") plus the emissions related to the use of terminals while working from home.
(f) Average Full-Time Equivalent of salaried workforce with open-ended contract and fixed-term contract, non-salaried temporary staff and contingent workers and trainees/apprentices.
(g) Revenues correspond since 2022 to "Gross written premium and other revenues", please refer to Section 1.3 "Business overview".

AXA Group continues to work on the deployment of its action plan to achieve its objectives by 2025. AXA Group aims at reducing the footprint of its operations on all the "scopes" of its GHG measured [1]:

- Scope 1: emissions related to fuel combustion on AXA Group's sites (gas, heating oil…) as well by vehicle fleet;
- Scope 2: emissions from combustion of fuels to generate electricity, steam, heating and cooling purchased and consumed by AXA Group buildings and data centers; and
- Scope 3: emissions from business travel, Information Technologies (IT) equipment manufacturing and purchased services, and emissions related to the production of fuels and energy purchased and consumed by AXA Group.

These objectives are based on the approach promoted by the Science Based Targets initiative (SBTi), which AXA Group joined in 2015. More specifically, AXA Group has chosen the "Sectoral Approach to Decarbonization" to define its 2019-2025 objectives, aimed at achieving the goals of the COP21 Paris Agreement. AXA Group has submitted to the SBTi a target of -31% for own operations Scope 1 and 2 perimeters. These targets have been set for each entity of AXA Group to help them steer their emissions at the local level. In 2023, AXA initiated the review of its own operation targets to be consistent with the SBTi requirements to decrease its Scope 1, Scope 2, and Scope 3 business travel emissions. Moreover, internal operations-related carbon footprint reduction is a criterion in the Long-Term Incentive (LTI), for profit-sharing attribution as well as entities' CEO target letters – please refer to Section 3.2 "Executive compensation and share ownership" and Section 4.2 "Employer Responsibility" of this Annual Report.

This objective is part of a broader framework that integrates the new measures related to AXA Group's IT activities and which translates into an overall reduction of the Group's GHG emissions of 20% by 2025 compared to 2019 (Scope 1, Scope 2 and Scope 3 business travel, IT equipment manufacturing and purchased services, and upstream energy emissions). With the goal of becoming carbon neutral on this Scope by 2025, AXA Group's GHG emissions reduction is one of the components of the "AXA Progress Index", as explained in Section 4.1 "AXA Group's sustainability strategy" of this Annual Report.

AXA Group does not set a target for employee commuting as the various constraints related to commuting (personal choice of employees, location, infrastructure, etc.) are not within the control of AXA Group.

AXA Group is undertaking specific initiatives to measure additional categories of indirect emissions, such as those related to the purchase of goods and services beyond emissions already measured on IT equipment and services, or those related to the management of insurance claims.

In addition to the emissions associated with its own operations, the overall Scope 3 GHG emissions of AXA Group include the financed emissions, which correspond to the carbon footprint of General Account assets. For further details, please refer to Section 4.3 "AXA as an investor: climate change and biodiversity loss – Consideration of climate change in investment portfolio management – Carbon footprint: Impact of AXA Group's investments on climate".

AXA Group also analyzed the carbon footprint of its insurance underwriting portfolios though the evaluation of its Insurance-Associated Emissions (IAE). For further details, please refer to Section 4.3 "Climate and biodiversity matters as an insurer - Consideration of climate change in insurance portfolio".

2023 environmental performance

REVISED COMPARATIVE FIGURES

In 2023, AXA Group proceeded to a review of the calculation of the carbon footprint related to its own operations. The main changes are the following:

- a separate calculation of the GHG emissions related to Scope 3 on fuel and energy related activities that were previously reported under Scope 1 and Scope 2;
- the refinement of some emission factors used in 2023 and in former reporting years, notably for business travel with the inclusion of contrails impacts and the upstream emissions based on the more comprehensive data from UK Department for Environment, Food and Rural Affairs (DEFRA), as well as for electricity consumption that is now using more accurate factors from the Association of Issuing Bodies (AIB, which manages the European Energy Certificate System), Green-US and the International Energy Agency (IEA) rather than ADEME [1];
- the refinement of the extrapolation methodology for business travel and car fleet to extrapolate transportation data for AXA's salaried workforce only (please refer to Section 4.7 Transversal Information - Reporting methodology - Scope of Social, Environmental and Societal Reporting - Scope of Environmental Indicators).

Consequently, the GHG emissions of 2019 and 2022 have been revised as compared to the data reported in the previous Annual Report.

(1) *The French Agency for Ecological Transition - https://www.ademe.fr/en*

GHG EMISSIONS: ANALYSIS BY SCOPE

GHG emissions related to energy consumption, car fleet, business travel and IT decreased by 34% between 2019 and 2023 and amounted to 150,458 tons equivalent CO_2 (tCO_2 eq) in 2023. After two years of substantially reduced GHG emissions due to the containment measures and travel restrictions in the context of the COVID-19 pandemic, the resumption of business travel has led to an increase in the total emissions compared to 2022 (+19%), that was partly compensated by a decrease in energy emissions due to energy sobriety efforts in main AXA's entities.

In 2023, 38% of the GHG emissions measured by AXA on its own operations, excluding employee commuting, were related to business travel (air and rail), 31% to energy consumption, 20% to purchase services and capital goods related to IT and 12% to AXA Group's vehicle fleet.

Scope 1 GHG emissions

AXA Group's Scope 1 emissions include the GHG emissions generated by the combustion of gas and heating oil burned on site, as well as the fuel used by the Group's vehicle fleets. The calculation of GHG emissions related to primary energy consumption for buildings is done using ADEME emission factors or those communicated by the supplier for renewable energies such as biogas. For car fleet emissions, an emission factor per kilometer is applied based on the vehicle's emission range. To consider regulatory changes vehicles acquired or leased from 2020 onwards are classified according to the WLTP [(1)] standard.

In 2023, Scope 1 GHG emissions amounted to 21,598 tCO_2 eq, in line with previous year. For direct energy consumption, the increase in some sites driven by the return to the offices after the COVID-19 crisis is compensated by the efforts performed by other sites to optimize their energy consumption and reduce office space.

The use of the vehicle fleet in 2023 has increased with a distance travelled up by 5% as compared to 2022, but the growing share of electric and hybrid vehicle, limited the increase in GHG emissions to 1%.

Scope 2 GHG emissions

The GHG emissions related to electricity consumption were calculated on the basis of consumption in kilowatt-hours (kWh). AXA calculates the emission of energy based on two different methods [(2)]:

- a market-based method which reflects emissions from electricity that companies have purposefully chosen and where certification of origin can be used. This method is the one used in the target;
- a location-based method which reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

To calculate the Market-based GHG emissions, when the primary source of energy is well identified, ADEME emissions factors were used. When this information is not available, AXA Group used either the emission factor provided by the electricity suppliers, or the average emission factor for residual electricity in the country or region concerned (source AIB for European countries, Green-e for United States and production mix of IEA for others). To calculate the Location-based emissions, the IEA production mix is used for all electricity consumption.

For other secondary energy sources (heating and cooling networks), AXA Group used the emission factors provided by ADEME or directly by the supplier when the energy was produced from a renewable primary source.

In 2023, Scope 2 GHG emissions amounted 30,712 tCO_2 eq, decreasing by 48% as compared to 2019 and by 17% as compared to 2022 mainly due to measures implemented to reduce energy consumption in Europe that were partly offset by the increase in consumption in other areas resulting from the return to the buildings after the COVID-19 pandemic, combined with the purchase of more renewable electricity.

Scope 3 GHG emissions

While AXA Group's Scope 3 GHG emissions include GHG emissions related to business travel, digital equipment manufacturing emissions (computers, fixed and cell phones, storage tools, servers and network equipment hosted in AXA data centers), digital services purchased like cloud or network services of a subset of providers (Amazon, Microsoft, Salesforce, Orange and Google), fuel and energy related activities not included in Scope 1 and 2 (upstream emissions and transmission and distribution losses) and employee commuting, AXA Group's Scope 3 target for the period 2019-2025 only includes business travel.

(1) The WLTP (World harmonized Light-duty vehicles Test Procedure) is a global harmonized standard for determining the levels of pollutants, GHG emissions and fuel consumption of traditional and hybrid cars, as well as the range of fully electric vehicles.

(2) See Scope 2 methodology defined by the Greenhouse Gas Protocol https://ghgprotocol.org/

To calculate GHG emissions related to business travel by plane, AXA Group used emission factors provided by the UK Department for Environment, Food and Rural Affairs (DEFRA), including contrails impacts and the upstream emissions. For the business travels by trains, the emission factors used were mainly provided by ADEME.

In 2023, AXA Group's Scope 3 business travel emissions amounted to 57,006 tCO_2 eq. They significantly increased compared to 2022 (+130%) mainly due to the increase of distance travelled after the end of the COVID restrictions (+66%), as well as the increase in the emissions factors for plane that were updated by DEFRA and reflects COVID impact of plane loading (up to +37%). Yet, the emissions associated to business travel decreased by 34% compared to 2019, well beyond the 2025 target of 18% reduction, confirming sustained changes of habit.

Purchase services related to IT GHG emissions amounted to 5,955 tCO_2 eq in 2023, an increase of 14% compared to 2022. The capital good related to IT Scope 3 GHG emissions amounted to 23,430 tCO_2 eq in 2023, a reduction of 4% compared to 2022. The monitoring of Scope 3 GHG emissions related to AXA Group's IT impacts is part of a broader program aiming at steering the impact of AXA Group's digital activities (refer to paragraph "Environmental impact related to the use of digital equipment").

Fuel and energy-related Activities (not included in Scope 1 or Scope 2) GHG emissions amounted to 11,757 tCO_2 eq in 2023, a decrease of 12% compared to 2022, in line with the reduction in energy consumption.

AXA Group also measures the carbon emissions related to its employee commuting, even though such indirect emissions may be outside of the scope of the Group's responsibilities. It is estimated that AXA Group employees commuted a total of 889 million of kilometers, out of which 57% travelled by public transport, 34% by personal vehicles, and 2% by company cars and the rest by foot or bicycle. Scope 3 employee commuting emissions are estimated at 71,148 tCO_2 eq in 2023, decreasing by 39% *versus* 2022. Employee commuting-related GHG emissions per FTE decreased by 41% compared to 2022 (representing 0.59 tCO_2 eq per FTE in 2023). This decrease in emissions was linked to a decrease of the commuting distance travelled declared by the employees mainly due to new collection tool allowing for better data quality, as well as the increase of the share of low emitting transportation mode such as public transport.

Total AXA Group's Scope 3 emissions (business travel, digital equipment and services, fuel and energy related activities and commuting) amounted to 169,296 tCO_2 eq in 2023.

ANALYSIS PER CONSUMPTION ITEMS

2023 follows the same trajectory as 2022, marked by the end of COVID-19 measures and the return to the office, whose effects were offset by a continued increase in hybrid working arrangements in all AXA group entities with the implementation of "*Smart Working*", and energy sobriety plans deployed in Europe. Those changes had significant impacts on all AXA Group's energy consumption indicators, presented in the table below:

ENVIRONMENTAL CONSUMPTION INDICATORS OF AXA GROUP

	Base Year 2019	2022	2023	% 2023/2022	Target 2025	% 2023/ Base Year
Energy consumption and mix						
Total energy consumption related to own operations *(MWh)*	332,604	248,232	223,638	-10%	-10%	-33%
Total fossil energy consumption *(MWh)* [(a)]	208,396	110,451	94,903	-14%		-54%
Share of fossil sources in total energy consumption *(%)*	63%	44%	42%	-5%		-32%
Total consumption from nuclear sources *(MWh)*	12,999	1,835	2,536	38%		-80%
Share of consumption from nuclear sources in total energy consumption *(%)*	4%	1%	1%	53%		-71%
Total renewable energy consumption (MWh)	111,209	135,946	126,199	-7%		13%
(a) Fuel consumption for renewable sources, including biomass *(MWh)*	0	6,546	4,558	-30%		
(b) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources *(MWh)*	111,209	128,643	120,873	-6%		9%
(c) The consumption of self-generated non-fuel renewable energy (MWh)	0	757	769	2%		
Share of renewable sources in total energy consumption *(%)*	33%	55%	56%	3%		69%
Total Electricity consumption related to own operations *(MWh)*	248,277	188,985	174,170	-8%		-30%
ow. Electricity consumption: data centers *(MWh)*	48,382	45,329	42,433	-6%		-12%
Share of renewable electricity *(%)*	45%	60%	63%	5%	100%	40%
Energy intensity based per revenue *(MWh/€ Million)*	3.2	2.4	2.2	-11%		-32%
Electricity consumption: terminals *(MWh)* [(b)]	15,379	14,522	13,253	-9%		-14%
Transportation						
Business travelling: train and airplane *(Thousands of km)*	350,742	124,483	206,246	66%		-41%
Company's cars *(Thousands of km)*	208,516	152,446	160,245	5%		-23%
Employee commuting: round trip from home to office *(Thousands of km)* [(c)]	976,840	1,241,792	889,218	-28%		-9%
Other Environmental Indicators						
Paper						
Office paper consumption *(T)*	1,344	470	521	11%		-61%
Share of recycled and/or sustainably managed paper: office *(%)*	62%	64%	67%	4%		7%
Marketing and distribution paper consumption *(T)*	6,351	5,355	4,628	-14%		-27%
Share of recycled and/or sustainably managed paper: Marketing and distribution *(%)*	74%	72%	61%	-15%		-17%
Share of recycled and/or sustainably managed paper: Total *(%)*	72%	71%	62%	-13%		-14%
Office and Marketing & Distribution paper consumption per FTE *(kg/FTE)* [(d)]	63.4	49.0	42.4	-13%	-20%	-33%
Water						
Water consumption *(m^3)*	842,729	447,929	478,881	7%		-43%
Water consumption per person *(m^3/FTE)* [(d)]	6.9	3.8	3.9	5%	-10%	-43%
Waste						
Total waste *(T)*	7,129	5,070	4,350	-14%		-39%
o/w Unsorted waste *(T)*	4,681	2,757	1,955	-29%		-58%
Unsorted waste per person *(kg/FTE)*) [(d)]	38.6	23.2	16.1	-31%	-10%	-58%
Share of waste recycled (total sorted/total waste) *(%)*	34%	46%	55%	21%		60%

(a) Includes natural gas, heating oil, steam, chilled water and electricity from non renewable sources (coal, gas and unknown).
(b) Consumption of terminal on AXA's sites included in the line "Total Electricity consumption related to own operations" and the consumption of terminals related to work from home.
(c) Excluding company cars to avoid double counting with AXA Group's vehicles fleet.
(d) Average Full-Time Equivalent of salaried workforce with open-ended contract and fixed-term contract, non-salaried temporary staff and contingent workers and trainees/apprentices.

Energy consumption

AXA Group's energy consumption includes the total energy consumed (heating, cooling, daily operations electricity) by its corporate sites and data centers during the reporting year. In 2023, the total energy consumption consisted of renewable energy (56%, mainly from purchased electricity, heat, steam, and cooling from renewable sources), fossil energy (42%) and nuclear sources (1%).

AXA Group's total energy consumption was 223,638 MWh for 2023, decreasing by 10% as compared to previous year and by 33% as compared to 2019. In 2023, European entities have continued efforts to save energy and reduce office space that compensate the consumption increased in other sites driven by the return to the office after the COVID-19 crisis.

In 2023, 32% of the office sites included in the environmental reporting received an environmental certificate under building certification programs such as BREEAM (Building Research Establishment Environmental Assessment Methodology), LEED (Leadership in Energy and Environmental Design), HQE (High Quality Environmental Standard), etc.

In parallel with the certification of the buildings, the entities also implement energy saving measures in their buildings in order to reduce their GHG emissions. On the one hand, for most of these entities, these measures take the form of the installation of centralized air conditioning systems, the reduction of heating or cooling when necessary and the establishment of minimum and maximum temperature thresholds. And on the other hand, these measures are also accompanied by investments in more sober equipment such as Low-Energy Lighting (LED), double glazing to reduce energy losses and lighting by motion detector to save electricity and use light according to use.

In 2023, 63% of the electricity consumed by AXA Group was coming from renewable energy sources (hydrolic, wind, solar, geothermal, biomass) which shows an increase of 5% compared to 2022 (60%). This is mainly explained by the fact that AXA Türkiye, AXA IM, and AXA Belgium reach the 100% renewable electricity target in all their sites this year, thanks to the subscription of renewable electricity contracts or the bought of energy certificate to compensate their emissions when they are not the landlord of their building. AXA Group's "RE100" objective is to reach 100% by 2025, and 10 entities have already achieved 100% renewable electricity in 2023. AXA also signed a Virtual Power Purchase Agreement (VPPA) to support the development of renewable energy and should cover the electricity consumption of all buildings and data centers in Europe from 2025 and onward. Please refer to Section 4.1 "AXA Group's sustainability strategy - AXA Group's contribution to the Sustainable Development Goals of the United Nations" for more details.

Business travel

Business travel measured in kilometers increased by 66% between 2022 and 2023, from 124 million km in 2022 to 206 million km in 2023, still explained by the rebound of business travels after the COVID-19 crisis (as explained in "Scope 3 GHG emissions" above). However, the number of kilometers has significantly decreased as compared to 2019 (-41%) due to reductions on business travel in policies applied in many entities across AXA Group.

Vehicle fleet

AXA Group's fleet is made up of commercial and corporate vehicles used by AXA's employees. In 2023, the total distance traveled by the AXA Group's vehicle fleet was 160 million of km, up 5% from 2022, but reduced by 23% as compared to 2019.

AXA Group entities are striving to reduce the impact of their vehicle fleet. As part of this effort, some entities are increasing the efficiency of their vehicle fleet by offering a wide range of low-emission electric vehicles. As a result, in 2023, 12% of the kilometers traveled by AXA Group's vehicle fleet were covered by hybrid and electric cars, compared to 6% in 2022, an increase of 52%.

Paper

AXA Group's paper usage includes office paper and marketing and distribution paper (brochures, etc.) and is measured per employee. AXA Group's total paper consumption was 42 kg/FTE in 2023 *versus* 49 kg/FTE in 2022, *i.e.,* a decrease of 13% and a decrease of 33% compared to baseline below AXA Group target 20% reduction between 2019 and 2025 target.

Water consumption

AXA Group's water consumption was 3.9 m^3/FTE, representing an increase of 5% compared to 2022 and a decrease of 43% compared to 2019. This reduction in water consumption compared with the target reflects better water management initiatives by the entities (dual-flush toilets, automatic faucet shut-offs, faucet aerators, leak detection, etc.), but the increase compared to previous year is mainly due to higher office footfall, notably in AXA XL and AXA UK.

Waste management

AXA Group contributes to waste reduction and sorting for recycling.

The amount of unsorted waste was 16 kg/FTE in 2023, representing a decrease of 31% compared to 2022 and 58% compared to 2019. The performance is due to local initiatives, in some entities, to reduce waste and develop sorting.

The total amount of waste generated by AXA Group was 4,350 tons in 2023 compared to 5,070 tons in 2022, representing a decrease of 14%; the recycling rate (sorted waste/total waste) was 55% in 2023, increasing by 21% compared to 2022.

Environmental impact related to the use of digital equipment

AXA Group has the ambition to leverage digital technologies and data to improve its operational efficiency. However, for several years now, the growing environmental impact of Information and Communications Technology (ICT) is acknowledged. This is why AXA Group IT launched the "Digital Sustainability" program in 2020.

This program aims at measuring the carbon footprint of AXA's digital activities, identifying levers to reduce it, and supporting transformation of our organization to manage its emissions.

AXA Group's digital GHG footprint in 2023 is estimated at 40,267 tCO_2 eq (Market-based) [1]. It is a 5% decrease compared to 2022 and a 8% decrease compared to 2019. To get comparative figures, reported emissions before 2023 have been restated to consider Scope extension and methodology changes.

This 5% decrease is the result of already launched infrastructure rationalization efforts combined with sobriety levers activated by entities, and this while digital use is expanding. Scope measured will continue to evolve with a particular focus on purchased IT services.

This footprint is divided into four main categories:

- 6,538 tCO_2 eq (Market-based) [1] corresponding to 42,433 MWh related to electricity and fuel consumed by power generators of data centers operated by AXA. We observed a 6% decrease in electricity consumption and a 9% decrease in market-based GHG emissions between 2022 and 2023 due to infrastructure rationalization programs and to transfer of services from AXA Group data centers to cloud services;
- 4,344 tCO_2 eq (Location-based) [1] corresponding to 13,253 MWh linked to the electricity consumption of the terminals used by employees and contractors (computers, monitors, cell phones, tablets, printers). The calculation method is based on internal inventories and manufacturers' data. The measurement includes emissions related to the use of terminals in AXA Group sites (included in the GHG emissions of energy consumption) plus the emissions related to the use of terminals while working from home. The quality of inventories has improved and at the same time levers to reduce their number were activated. As a consequence, there was a 9% decrease in electricity consumption between 2022 and 2023, as well as a -21% decrease in GHG emissions;
- 23,430 tCO_2 eq from capital goods related to IT that measure the impact of the manufacturing of digital equipment used by AXA Group which includes servers, network equipment, printers or terminals quoted above. The calculation method is based on inventories, manufacturers' data, and public data, as well as the average equipment lifespan. A 4% decrease in GHG emissions as compared to 2022 was observed mainly due to a more accurate inventory, life cycle extension and a 4% decrease in total number of terminals between 2022 and 2023;
- 5,955 tCO_2 eq (Market-based) [1] from purchased services related to IT that include cloud and network services from the following providers: Amazon Web Services, Microsoft Azure, Microsoft O365, Google Cloud Platform, Orange and Salesforce. Emission sources are mainly based on service providers' reports, and extrapolations when not complete. In the current measurement, the Group observed a 14% increase of GHG emissions between 2022 and 2023 due to the transfer of services from AXA Group data centers to the cloud purchased services and organic growth. This measure will continue to evolve to cover the full list of service providers.

In addition to this formal reporting, the program has kept making progress with the following activities in 2023:

Estimation of AXA Group's ICT GHG emissions

- continuous improvement of measurement accuracy with a broader Scope now covering additional local data centers;
- more entities onboarded in the Digital Sustainability program such as AXA Banque (France), AXA Seguros (Brazil), AXA Colpatria (Colombia), AXA Mansard (Nigeria) and AXA Sigorta (Türkiye) now reaching a total of 22 entities;
- printers integrated in the Scope measured; and
- more accurate inventories on workplace.

Identifying levers & reducing environmental impact

- secure IT contribution to the 20% reduction of AXA Group's GHG emissions in operations (energy, car fleet, business travel and IT equipment and services) with the setup of a dedicated Digital Sustainability program steering committee chaired by the Group Chief Information Officer and composed of entity Chief Information Officers with the support of Digital Sustainability Leaders. Entities have now dedicated teams that implement operational sobriety levers and track local measurements including formal sign-off of measure and targets;
- further reduce demand for new equipment by extending equipment lifespan, minimizing the number of devices per employee, considering "Bring your own device" practices or the purchase of reconditioned equipment. This lever has significant benefits on GHG emissions but also on the impact of devices manufacturing activities on water, soil, metal demand and digital waste. A shift in the market practices for longer life cycles is also discussed with Procurement and providers; and
- secure timely cloud migration, decommissioning of replaced servers and assess the potential impact of new projects in terms of GHG emissions.

AXA Group expects better performance from cloud hyperscalers compared to data centers it operates directly. While progress has already been made, more transparency from cloud service providers is needed to confirm this assumption, for instance on electricity and water consumption, digital waste and equipment lifecycle policy.

Transformation

- improve AXA Group's enterprise architecture, software engineering, data science and data management practices to deploy sustainability by design. A network of 20 Digital Sustainability champions supports AXA Group IT experts to reduce environmental impact. This lever is important to optimize AXA Group's activities but requires time to produce quantitative results;

(1) With the Scope 2 methodology defined by the Greenhouse Gas Protocol https://ghgprotocol.org/

- onboard Procurement teams & IT suppliers through dedicated global meetings and continuous discussions to improve the measurement accuracy;
- raise climate change awareness among employees leveraging the AXA Climate Academy (refer to Section 4.2 "Employer Responsibility" of this Annual Report); and raise awareness on Digital Sustainability among IT professionals, leveraging AXA Climate's specific job families' modules;
- keep on the partnership with The Shift Project Lean-ICT [(1)] program to get independent scientific support and encourage more sustainable business models.

Carbon neutrality and offsetting

By offsetting 2020 GHG emissions related to energy, car fleet, business travel and IT equipment and services AXA Group's operations have been carbon neutral on this perimeter since 2021. To compensate the full year 2023 carbon footprint of this perimeter (150,458 tCO_2 eq). AXA Group selected 5 projects:

- biogas development in China: the project supports nearly 1M low-income rural Households with advanced biogas digesters and smoke-free biogas cooking stoves;
- solar power project in Morocco: this project is expected to feed an annual average of 699,000 MWh of clean electricity to the Moroccan power grid. With the provision of clean energy, it enables avoiding the amount of power that would otherwise have been generated by fossil-fueled plants;
- Conhuas, restoring the Mayan Jungle of Calakmul, Mexico: Conhuas is a community-based project located in an area of high biological diversity of ecosystems;
- Laguna Om, restoring the Mayan Jungle of Calakmul, Mexico: Laguna Om is a community located between two large biosphere reserves. The project aims at promoting forestry and land use;
- San José del Rincon, Mexico: this community-based project aims at improving forest management practices.

IMPACT OF CLIMATE CHANGE ON AXA GROUP'S OWN OPERATIONS

Climate change may also impact AXA Group's own operations mostly *via* the physical risks incurred by its buildings and the disruption in activities they can cause. Climate hazards can also impact the health and safety of the Group's employees. This risk was identified in the ESG risk assessment conducted in 2023. Information in this section should be read in conjunction with Section 5.7 "Operational risk" of this Annual Report as climate risks are part of the broader Operational Risks.

Operational resilience seeks to ensure the continuity of services to AXA Group's customers, through the protection of its employees and operations in case of major events including climate hazards. AXA Group's operational resilience teams are working to reduce those risks and ensure the appropriate level of readiness to effectively respond. A dedicated governance oversees the management of incident and crisis events across the Group.

The following initiatives and policies are deployed in all the entities:

- map, *via* a monitoring dashboard of natural disasters, the different types of natural disasters threatening AXA Group's operations and implement the relevant protection measures;
- following Group guidelines, entities identify the critical business processes, dependencies (both internal and with third parties) and associated resources that must be maintained throughout an incident or crisis, to ensure continuity of operations and mitigate the impact on the Group's customers;
- entities prepare recovery plans for their business-critical process, to address the effects of disruptive events such as the loss of buildings, people, technology and critical third parties;
- High Risk Scenario Contingency Plans are developed for the top risks that entities are exposed to, addressing both tactical and strategic considerations required to respond effectively;
- AXA Group entities' Incident and Crisis Management Teams are trained on a regular basis and conduct exercises to ensure they are well rehearsed to respond effectively and protect the Group's employees, customers, critical operations, regulatory compliance, financial performance and reputation;
- regular coordination and enhancement of multi-entity Crisis planning for Group High Risk Scenarios: pandemic, catastrophic event impacting a business-critical operation, flood, cyberattacks & civil unrest; and
- implementation of an information crisis management tool to ensure an effective response, even in a scenario where communication infrastructure may be impacted.

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(1) *"Digital Sufficiency - Lean ICT: for a sober digital" - https://theshiftproject.org/en/lean-ict-2/*

In 2023, the Group initiated a multi-year working group for Climate Resilience and Adaptation for Future Threats (CRAFT) to analyze the vulnerability of our own operations to climate related hazards and adapt our existing readiness frameworks and readiness levels.

The Group issued an internal Flood Readiness Guideline, published a public version [1] and launched the Paris Flood Task Force to ensure we raise further our level of resilience to this specific risk scenario.

During the 2023 annual CRAFT Seminar, that brought together various professional families with a role in helping ensure the resilience of AXA to Climate Change-related risks, the CRAFT roadmap for 2024 was announced with a commitment to develop Heatwave Readiness Guidelines, both internal and public.

In order to regularly measure and monitor the evolution of its business continuity capabilities, which is a fundamental operational resilience building block to ensure readiness to climate change risks, the Group measures the number of entities that have tested all business continuity plans for high and mission critical business processes. By 2023, 95% of entities have completed all these tests, with an annual target of 100%.

Climate change, biodiversity loss and ESG-related outreach and engagement

AXA Group supports several climate, biodiversity and ESG initiatives. These include the following initiatives:

- **TCFD:** AXA Group co-presided the global industry-led Task Force on Climate Related Financial Disclosures (TCFD) upon its launch in December 2015. The TCFD was set up by the Financial Stability Board (FSB) and chaired by Michael Bloomberg and Mark Carney (former Governor of the Bank of England, now UN Special Envoy for Climate Action). The TCFD provides guidance on how to disclose climate change risk and opportunities. In 2019, the FSB approved AXA Group's renewed membership of the TCFD, notably with an ambition to investigate the relevance of "investment temperature" metrics;
- **TNFD:** AXA Group is a member of TNFD. Its members include both financial institutions and corporates. It is developing an industry standard to identify and mitigate impacts, dependencies and risks related to nature. A beta framework was released in March 2022. Testing and refinement have continued until mid-2023 in consultation with key knowledge partners. AXA Group has been a member of the Metrics and Targets working group and is actively working with other members to identify the best existing approaches. TNFD membership also provides AXA Group with access to best practice on identifying and mitigating biodiversity-related risks;
- **GFANZ:** the Glasgow Financial Alliance for Net Zero (GFANZ) is a coalition of non-state actors committed to align with the goal of Net-Zero by 2050. AXA Group is a member of the GFANZ Real Economy Transition Plan working group. It participates in GFANZ *via* the Net Zero Asset Owner Alliance (NZAOA) and the Net Zero asset managers Initiative (NZAMI):
  - **NZAOA:** AXA Group joined the UN-led Net-Zero Asset Owner Alliance in November 2019. NZAOA is an international group of institutional investors committed to transitioning their investment portfolios to Net-Zero GHG (Greenhouse Gas) emissions by 2050. This involves regular reporting on progress, including establishing intermediate targets every five years,
  - **NZAMI:** AXA Group's Asset Management business, AXA IM, is a member of the Net Zero asset managers Initiative which brings together an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to +1.5°C; and to supporting investing aligned with net zero emissions by 2050 or sooner,
  - **Concerning NZIA:** On May 25, 2023, AXA decided to discontinue its membership of the NZIA. Under the Chairmanship of AXA, the NZIA has enabled the establishment of tools and methodologies for individual companies to measure and disclose greenhouse gas emissions associated with insurance and reinsurance underwriting portfolios. This was developed as open-source and made available not only to NZIA members but also more broadly. AXA will continue its individual sustainability journey, as an insurer, an investor and a responsible company, leveraging this toolset to set and monitor its own individual decarbonization targets and support its customers in their transition;
- **ORRAA:** AXA Group is a co-chair of the Ocean Risk and Resilience Action Alliance (ORRAA). This was formed following the 2018 Ocean Risk Summit. ORRAA brings together the finance and insurance sectors along with governments, non-profits, and stakeholders to: drive investment in marine and coastal natural capital; reduce ocean and climate risks; and build resilience in coastal communities;

(1) *https://www.axa.com/fr/presse/publications/flood-readiness-guidance-2023*

- **Sustainable Blue Economy Finance Initiative:** AXA Group became a member in 2021. It has signed up to the Sustainable Blue Economy Finance Principles and endorsed the #BackBlue commitment. This initiative, founded by the European Commission and other institutions, provides key principles to promote the implementation of Sustainable Development Goal 14 (Life Below Water) and set out ocean-specific standards;
- **Poseidon Principles for Marine Insurance:** AXA XL became a signatory of the Poseidon Principles for Marine Insurance (PPMI) in 2022 [1]. This initiative was developed in an effort spearheaded by global insurance institutions in collaboration with leading industry player and maritime expert support. It recognizes the role of insurers in promoting responsible environmental stewardship throughout the maritime value chain, hence providing tools to foster collaboration with clients, gain insight to enhance strategic decision-making, and address the impacts of climate change. Notably, PPMI provides a framework and methodology that enables members to assess and disclose the climate alignment of insured vessels in-scope of the PPMI; this in turn, provides insurers with valuable findings to initiate constructive conversations with our clients to support de-risking their energy transition;
- **Climate Finance Leadership Initiative:** the Climate Finance Leadership Initiative (CFLI), which was launched in September 2018 by the UN Secretary General, and is presided by Michael Bloomberg, seeks to develop standardized and securitized investments at scale to tackle climate change;
- **Alliance of CEO Climate Leaders:** this is a group of 50 CEOs set up by the World Economic Forum (Davos) to actively engage in global efforts to create market opportunities for tackling climate change. Its goals are to promote strong climate action including a commitment to reduce carbon emissions, to support the TCFD, to support low-carbon solutions and finance, and to promote adequate regulation. AXA Group joined in 2018;
- **IDF:** The Insurance Development Forum (IDF) is an insurance industry-led public-private partnership dedicated to closing the insurance protection gap in countries vulnerable to the impacts of Climate Change. It is supported by the United Nations and the World Bank, gathering members from the public sector, multilateral organizations, NGOs and civil society.

Biodiversity-related pledges supported by AXA Group include: Act4Nature, "Business for Nature", the "Finance for Biodiversity" initiative, and Financial Sector Commitment on Eliminating Agricultural Commodity-Driven Deforestation at COP26 ("DEFRA Pledge"). AXA Group also supported the Joint Declaration on the creation of a global coalition for blue carbon at the One Ocean Summit, held in Brest in February 2022.

Over the years, AXA Group has and continues to lend support to some of the largest Investor and Insurance-led coalitions including: UN PRI [2], UN PSI [3], UN Global Compact, Carbon Disclosure Project (CDP), ORSE, EpE and Finance for Tomorrow.

AXA Group has also been supporting philanthropic projects related to climate change and biodiversity loss topics, notably:

- the program AXA Forests for Good;
- the scientific expedition TARA Europa carried out by TARA Ocean Foundation.

For more details, refer to Section 4.4 "Inclusive Insurer".

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AXA research fund contribution on climate change and biodiversity loss research

In 2023, the AXA Research Fund continued its mission to support environmental risk science by funding and disseminating top-tier scientific research.

A commitment of €3.3 million that allowed the funding of 16 research projects and partnerships focusing on climate and environmental risks:

- establishment of a new AXA Chair on Water Quality management and Global Change, with €1 million funding over five years, hosted at Vrije University in Belgium. The chair will set up a global water quality monitoring network, and the resulting data will help governments better manage their policies in this area;
- award of seven innovative post-doctoral fellowships to address environmental and socio-economic challenges facing renewable energies;

(1) For more information: https://www.poseidonprinciples.org/insurance/news/poseidon-principles-for-marine-insurance-hold-founding-meeting-and-enter-into-force-with-navium-and-axa-xl-as-latest-signatories/

(2) United Nations Principles for Responsible Investment (UN PRI) was launched in 2005 and is an investor initiative in partnership with UNEP Finance Initiative and UN Global Compact.

(3) United Nations Principles for Sustainable Insurance (UN PSI) was launched at the 2012 UN Conference on Sustainable Development; the UN PSI serves as a global framework for the insurance industry to address Environmental, Social and Governance risks and opportunities.

- launch of two Joint Research Initiatives. One is related to Extra-tropical cyclones with AXA GIE and ETH Zurich. The second one on Space Weather impact on Ground Infrastructures, jointly with AXA XL and Université Grenoble Alpes;
- partnership with AXA IM and AXA XL to launch awards that rewarded mid-career researchers on their work respectively on the social dimension of climate change and water;
- partnership with prestigious organizations on priority environmental issues: on systemic risk linked with the transition with Cambridge University; on Biodiversity ecosystem loss scenarios with Swiss Re Foundation; and on vector-borne disease spread related to climate change with London School of Hygiene and Tropical Medicine.

Throughout its dissemination activities, the AXA Research Fund provided education to decision-makers and other interested bodies through two open access MasterScience classes on coastal Risk Management through nature-based solution and invasive species topics, led by renowned scientists supported by the AXA Research Fund.

Since its launch in 2008, the AXA Research Fund has supported 257 projects focused on addressing climate and environment-related risks.

Group Climate Indicators

Indicators	Unit	2023	2022	Evolution	Target	Timeline
As an Investor						
Carbon intensity of AXA's portfolio (General Account Assets)	tCO_2e/EVIC €m [(a)]	-48% [(b)]	-36% [(b)]	-12 pt	-20% [(c)]	2019-2025
Green Investments	€ billion	29.9	25.1	19%	26	2023
Warming potential	°C	N/A [(d)]	2	N/A	N/A	N/A
Climate value-at-risk	%	N/A [(e)]	10% [(f)]	N/A	N/A	N/A
As an Insurer						
Green Premiums	€ billion	2	1.7	18%	1.7 [(g)]	2023
As a company						
Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital)	tCO_2	-34%	-45% [(h)]	+11 pt	-20%	2019-2025
Share of employees who have been upskilled on climate issues	employees	96% [(i)]	87% [(i)]	+9 pt	100%	2023
Number of entities that tested all Business Continuity Plans for High/Mission critical business processes	entities	95%	95%	N/A	100%	Annually

(a) In tons of CO_2 equivalent per millions of euros of Enterprise Value Including Cash (Scope 1 and 2).
(b) These results are subject to volatility, namely linked to the industry evolution of carbon emissions, financial markets' performance and coverage of issuers AXA has invested in which may evolve over time. AXA's priority is to achieve -20% carbon footprint reduction target by 2025 with 2019 as the base year. The related absolute GHG emissions at 2023 year-end are covering 81.3% of the in-scope assets.
Following methodological enhancements in 2023, historical figures including baseline have been restated.
(c) In line with this first intermediate target, AXA announced in July 2023 a new intermediate objective: 50% of carbon intensity reduction by 2030.
(d) The "warming potential" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.
(e) The "Climate Value-at-Risk" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.
(f) Climate Value-at-Risk for +1.5°C climate scenario.
(g) Based on the strong performance in 2022, AXA Group decided to increase its ambition and set a floor at €1.7 billion for 2023.
(h) Historical numbers has been restated compared to past publications.
(i) Share of permanent employees within the SDR (Social Data Reports) Scope who have been trained in climate issues, completing the AXA Climate Academy or with a similar local initiative, excluding new joiners and long absences (according to local management rules).

4.4 INCLUSIVE INSURER

Building on its purpose (*raison d'être*) *"Act for human progress by protecting what matters",* the AXA Group manages initiatives towards climate and biodiversity as an insurer, an investor and a responsible company. In 2021, the AXA Group strengthened its sustainability strategy with a pillar dedicated to inclusive protection and the integration of a dedicated indicator in the *"AXA for Progress Index"*. The Inclusive Protection program aims to address the protection gap of vulnerable communities through business opportunities adapted to local conditions. In addition, the AXA Group also pursues its solidarity actions through partnerships and philanthropic activities.

The risks related to "Inclusive Insurer" and "Partnership and Philanthropy" are part of the sustainability risk assessment conducted in 2023. The policies, initiatives, and indicators (KPIs and qualitative information) associated with these risks are detailed below.

Please refer to Section 4.1 "AXA Group's sustainability strategy" of this Annual Report for more details on the *"AXA for Progress Index"* [(1)] and the sustainability risk assessment.

Business-related societal challenges

The AXA Group strives to make insurance accessible to all. The pooling of risks, which is at the heart of insurance, creates a system of mutual support and reinforces a sense of community. As such, insurance is an essential factor in economic development and progress. However, some populations find themselves more vulnerable to risks by not having access to insurance products and services because of their financial situation, their geographical location, their age, gender, health condition, etc. The AXA Group's objective is to extend the scope of insurance to populations that are traditionally less well-protected, notably through the following initiatives:

- The Inclusive Protection program (as further described below);
  - active engagement in financial inclusion through AXA Emerging Customers,
  - development of inclusive guarantees and offers to protect increasing social inequalities within traditional insurance;
- parametric insurance solutions to protect vulnerable populations from the effects of climate change, with AXA Climate;
- insurance solutions and opportunities for women with the *"Women in Insurance"* initiative;
- dedicated product labels integrating ESG criteria such as *Offre Citoyenne* ("Citizen Insurance"); and
- inclusive economy and social-related outreach and engagement.

INCLUSIVE PROTECTION PROGRAM

In 2021, the Group launched its Inclusive Protection program with the objective of better protecting underserved populations with insurance coverage or services. A key pillar of this program is AXA's capacity to address clients and beneficiaries' inherent characteristics such as financial situation, age, gender, sexual orientation, health, geographical location or insurance awareness, that can result in significant protection gaps. As such, AXA is taking a wider approach on inclusive protection that is both locally relevant and considers customers' evolving needs.

Our goal is to foster the integration of more inclusive criteria and practices in our different business lines, share best practices, and report accordingly. The Inclusive Protection program targets both individual clients and businesses, across all sectors of activity, in developed and emerging markets.

The AXA Group defines an inclusive protection offer as a product (*i.e.*, designed or customized) or a related service that addresses a vulnerability to meet the needs of the underserved populations, in order to bridge a protection gap. AXA's framework defines the vulnerabilities to be considered. These can be caused by 1) structural situations or 2) occupational situations:

- **structural vulnerabilities:** monetary/revenues, territorial disparities, gender and age, chronic diseases, lack of access to health and protection;
- **occupational vulnerabilities:** micro-entrepreneurs, gig economy workers and migrant workers.

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(1) *"AXA for Progress Index" | AXA www.axa.com/en/commitments/axa-for-progress-index*

In 2023, the AXA Group provided insurance coverage to 14 million customers through its Inclusive Protection program. This number includes:

- **13.6 million individuals** who benefited from the inclusive insurance provided by AXA Emerging Customers. They correspond to customers that benefit from insurance coverage through distribution channels that address the needs of low-income communities which may be excluded from insurance (see paragraph: "AXA Emerging Customers and initiatives to foster more resilience");
- **422 thousand individuals** covered through traditional insurance's adaptation that meets their needs. They correspond to customers that benefit from extended coverage against vulnerabilities that are usually excluded from traditional insurance products (see paragraph: "Beyond traditional insurance: adapting insurance for increasing social inequalities").

The Inclusive Protection program, designed with a baseline of 7 million customers in 2020, has surpassed its 2023 target of 12 million customers.

The number of customers in the Inclusive Protection program is defined as the number of policies-in-force of products in scope of the Inclusive Protection program. Individual customers may be covered by multi-policies. Such situations are deemed limited and should not impact materially the figures reported above. For further information see Section 4.7 "Transversal Information".

AXA Emerging Customers and initiatives to foster more resilience

AXA Emerging Customers is a dedicated business unit reporting directly to the Deputy CEO of AXA and overseen by the Inclusive Insurance Steering Committee represented by key Management Committee members. This business unit aims to address the financial exclusion of low-income to mass market communities and small businesses around the world, by:

- enabling vulnerable segments of the population to access insurance products and services that contribute to their financial health and accompany them in their economic progression;
- adapting these solutions to customers' needs, notably from an accessibility, affordability and relevance perspective; and
- providing them with a safety net against unexpected events that could lead to falling into poverty.

To reach underserved groups including women, smallholder farmers, gig-economy workers, microentrepreneurs and low-wage workers, a wide range of distribution partnerships have been put in place with both traditional actors like banks and microfinance institutions, to more alternative ones, like digital financial services providers, retailers, public actors, and remittance companies.

In 2023, the AXA Emerging Customers business continued its expansion across its priority markets [(1)] and engaged in a company-wide effort to further reinforce the strategic priority that inclusive insurance has for AXA over the long term.

In 2023, AXA Emerging Customers protected over 13.6 million individuals across 14 markets in Asia, Africa, Latin America, and Europe.

Furthermore, AXA Emerging Customers collaborates with Group entities to create solutions at the intersection of financial, health and climate risks. In Mexico, for example, over 100,000 low-wage workers are benefiting from Life insurance from AXA provided by their employer (one of the largest retailers in the country).

Beyond traditional insurance: adapting insurance for increasing social inequalities

AXA is committed to meeting the insurance needs of populations with structural vulnerabilities in key markets. AXA's approach acknowledges that many customers simultaneously face multiple vulnerabilities such as financial instability, age-related issues, gender disparities, territorial disparities (*i.e.*, urban, suburban, rural areas), and health problems, which often lead to gaps in the protection of our customers. This involves either tailoring existing insurance products to better serve the requirements of such customers or developing new products entirely. AXA's adaptive insurance products are specifically designed to support vulnerable populations, including microbusinesses, rural residents, elderly people, individuals with health issues or disabilities, young people, migrants, informal workers, and women.

For instance, AXA offers a range of services in different countries to support individuals, such as:

- in France, legal guarantees are activated to provide support for those impacted by gender-based violence, or carer guarantees that temporarily relieve the burden of sole responsibility for an elder relative;
- in Italy, dedicated services are offered to support the medical needs of women and manage the health needs of children;
- in Mexico, a new and comprehensive medical service has been developed, which provides high-quality care, facilities, and other benefits accessible at an affordable price;
- in the UK, AXA offers a dedicated support service for people with confirmed cancer diagnoses; and
- in Spain, migrant workers can access services beyond repatriation, such as legal and immigration support, translation assistance, housing, and job training.

In 2023, traditional insurance's adaptation shielded 422 thousand customers across five markets. As a component of the Group Inclusive Protection program, this section accounts for 3% of the total metric.

(1) Priority markets include Brazil, China, Colombia, Egypt, France, Indonesia, India, Mexico, Morocco, Nigeria, The Philippines, Thailand, Türkiye, and Senegal.

AXA CLIMATE: INNOVATIVE CLIMATE SOLUTIONS FOR A SUSTAINABLE FUTURE

AXA Climate's offer is built on best-in-class climate expertise, fully leveraging satellite technology in order to support economic players engaged in sustainable transitions. To achieve its mission, AXA Climate has developed a comprehensive set of businesses and services around climate change: from parametric insurance against climate risk, operational alerting, climate consultancy for industries, public sector, agriculture, and financial services, to training to enhance skills and engage employees in making the sustainable transition a success. In 2023, AXA Climate employs approximately 200 people.

Vulnerable communities are specifically impacted by climate change and climate risks. AXA Climate is able to provide parametric insurance solutions that trigger quick and automatic payouts within a few days after a natural catastrophe or an extreme weather event has struck to prevent them from falling into poverty. For instance, in 2023, AXA Climate had underwritten an earthquake cover for the Government of Morocco, which led to a quick payout of €50 million to the Government following the earthquake that took place in September 2023.

AXA Climate works closely with governments and international organizations to develop public-private partnerships in emerging markets. AXA Climate's public clients include the World Bank, KfW Development Bank through its InsuResilience Solutions Fund (ISF), and most major international sovereign risk pools which provide governments with protection against natural disaster risks including tropical cyclone, earthquake, excess rainfall and drought. AXA Climate also works with governments in the agriculture sector to protect farmers against yield losses due to multiple climate risks. As an example, AXA Climate supports the National Agriculture Insurance Scheme in India which allows more than 30 million farmers to benefit from agricultural insurance. Moreover, AXA Climate also works with the public sector on agriculture insurance projects at smaller scale in Pakistan, Vietnam, Taiwan, Senegal, Ivory Coast, Cameroon, Zambia, Ethiopia, and Mozambique where it protects over half a million farmers.

"WOMEN IN INSURANCE"

Women, especially in emerging countries, are less well insured than men, despite representing a significant portion of the economy. In 2014, the AXA Group published a report called "SheForShield" [1] in collaboration with the International Financial Corporation, which studied women's insurance behaviors, needs and expectations. Since then, the AXA Group has developed the "*Women in Insurance*" initiative aimed at increasing women's access to insurance products and services as customers, as entrepreneurs and as distributors, with the following two key priorities:

- improving access to healthcare solutions which take into account women's specific health and prevention needs. This can also be connected to the Group's involvement in supporting women in science, for example with the AXA Research Fund (see section "AXA Research Fund" below for more details); and
- empowering women entrepreneurs to take risks and seize opportunities, with customized products and services that help them develop their businesses, while allowing them to take better care of themselves and their family.

As part of its support to women, the AXA Group has been a strategic partner of the "*Global Women's Forum*" since 2018. This partnership enables the AXA Group to disseminate its expertise, gather best practices, and take part in projects such as the yearly Gender Equity barometer [2] which highlights disparities between perception and reality on gender-related topics in G7 countries since 2020.

In addition, the AXA Group is a member of Financial Alliance for Women, a coalition of financial institutions which work together to make the business case for women's economic advancement through peer learning, research, and advocacy.

In 2023, the Group issued a guide called "It's a Woman's World" [3], looking at four key aspects of women's lives, the risks they face, and the immense potential women possess as a force for progress and growth. The guide details what AXA entities around the world are doing to support women, notably through the *"Women in Insurance"* initiative. It covers a wide range of products, partnerships, investments, and research projects – including those that support women-led businesses, open up access to healthcare services, improve women's finances and deepen society's knowledge of women-specific health conditions.

(1) SHEforSHIELD | Insure Women to Better Protect All (ifc.org)

(2) The Women's Forum Barometer on Gender Equity | womens-forum.com

(3) https://www.axa.com/fr/presse/publications/it-s-a-woman-s-world-fr

INTEGRATING SOCIETAL ISSUES IN THE PRODUCT RANGE

In 2015, AXA France took a voluntary commitment to answer to French clients' requests for more responsible products and created the *Offre citoyenne* ("Citizen insurance" in English) approach, which guarantees that all new insurance contracts offers would benefit clients as well as positively impact society. In 2019, this initiative was adapted and deployed on AXA France's savings contracts under the *Offre citoyenne* umbrella. The approach is based on an assessment toolkit built in collaboration with a panel of external stakeholders and audited yearly by an independent third party.

Citizen engagements are communicated through four pillars: **(i)** "Trust" (*e.g.*, simple contracts for readability and transparency), **(ii)** "Prevention" (*e.g.*, preventive services or financial education to minimize the risks our clients are facing for themselves, their goods and their savings), **(iii)** "Environment" (*e.g.*, investment decisions based on environmental impact; environmental services or offers for Damages insurance), and **(iv)** "Inclusion and Solidarity" (*e.g.*, product accessibility for populations usually excluded from insurance mechanisms, investments in French and European Small and Medium Enterprises).

In 2023, AXA France distributed 88 different products in total that followed the *Offre Citoyenne* approach. Since 2015, 12 million contracts embedding this approach have been sold (as of December 2023).

INCLUSIVE ECONOMY AND SOCIAL RELATED OUTREACH AND ENGAGEMENT

Business for Inclusive Growth (B4IG) and Inclusive economy coalition

The AXA Group has been a member of the "Business for Inclusive Growth" (B4IG) coalition since 2019. This OECD-led coalition of private companies contributes to fighting social inequalities by working closely with policymakers to move inclusion up on the agendas at both the global and local levels. In 2023, the AXA Group co-led the "Access to goods and services" and took part in the "Diversity and Inclusion" working groups.

AXA France is also a member of the "Inclusive economy coalition", launched in 2018 by CEOs of major French companies, including AXA France, to act in favor of a more inclusive economy. This collective commitment is one of the private sector's responses to social vulnerabilities such as employment (apprenticeships, training), accessible products and services, and inclusive business.

Tobacco Free Pledge

Since 2016, the AXA Group has been engaged in efforts to divest [1] from and end insurance coverage for the tobacco industry. In 2020, these efforts were officially certified through the "Tobacco Free Pledge" label, which attests to the AXA Group's constant commitment in the fight against tobacco. Tobacco is one of the world's leading causes of death and long-term non-communicable diseases, including cancer, heart disease and chronic respiratory illnesses, and is responsible for more than 8 million deaths per year [2]. The AXA Group believes that supporting an industry which is the main cause of long-term non-communicable diseases, including cancer, heart disease and chronic respiratory illnesses, is incompatible with its role as one of the world's health insurers.

TOBACCO-FREE FINANCE PLEDGE SIGNATORY

Corporate philanthropy and engagement

The AXA Group strives to play a positive role in society, building a culture that promotes employee volunteering and financial donations to support the communities in which it operates.

Corporate philanthropy and volunteering engagement support AXA Group's sustainability strategy, covering its two main pillars: **(i)** climate change and inclusive protection, completed by **(ii)** humanitarian aid, arts and heritage.

Since 2022 several policies have been implemented to increase the alignment between AXA's philanthropy and citizenship activities and the Group's strategic pillars of sustainable development, namely climate change and inclusive protection. These policies aim at reducing a potential risk of misalignment between our corporate citizenship strategy and the overall sustainability strategy as revealed in the ESG risk assessment.

(1) Listed equity assets were divested from policy inception and corporate bond holdings left in run off (no new direct investments).

(2) Source: World Health Organization.

Thanks to the AXA Community Investment Survey (the reporting of philanthropy and volunteering activities across entities of the AXA Group), the share of activities aligned with the sustainability strategy can be monitored. In 2023, 72% of the €23.5 million of cash donations made by AXA (excluding donations made by Mutuelles AXA and those made for humanitarian emergencies which are covered by an *ad hoc* budget) and 97.5% of the 79,482 volunteering acts performed by AXA employees were done in support to climate or inclusion protection causes *versus* 78% of cash donations and 92% of volunteering acts in 2022. The target being that a minimum of 50% of philanthropic donations must be aligned with the sustainability pillars climate and inclusive protection, except donations made by Mutuelles AXA and those in favor of humanitarian emergencies. The contributing entities to the Community Investment Survey represent 96.4% of AXA's average FTEs (*versus* 99% in 2022).

PHILANTHROPY

Support climate and the environment

Since April 2023, AXA SA has been partnering with Fondation Tara Océan to support the Tara Europa expedition for a total of €600,000. This research program focuses on marine biodiversity in the land-sea interfaces across European coastlines. Researchers from 42 international laboratories are part of the mission.

This project aims at better understanding the coastal ecosystem, especially the impacts of anthropic pollution on microbiome and its interactions. The biodiversity challenge is a natural extension of our efforts to combat climate change.

In France, since 2022, AXA SA, AXA IM Alts, and AXA France initiated a three-year partnership with a consortium of scientists, NGOs, and forestry experts (namely INRAE, *Agro ParisTech, France Nature Environnement* and *Reforest'action*) called AXA Forests for Good. AXA has invested €660,802 to this partnership, which uses AXA's forestry assets destroyed by bark beetle attacks (600 hectares out of the 15,000 hectares owned in France by AXA France) as an opportunity to experiment with new methods of forest restoration and management, including mixed species plantations. AXA Forests for Good aims at proposing a more effective and sustainable way to restore damaged plantations and promote the multifunctionality of harvested forests (*i.e.,* host for biodiversity, carbon sink, biomaterials, influence the water cycle and human well-being). This initiative is intended to be shared with forest ecosystem stakeholders and the broader public.

Support inclusive protection

AXA SA has been supporting the Pierre Claver Association since 2008 with an annual donation of €200,000. The Pierre Claver Association has been developing a model for the sustainable integration of refugees in France, working alongside volunteers and students, and supported by major donors, including AXA.

The Association welcomes around 400 refugee students a year: 250 students take classes at the school, located in the heart of Paris, and 150 students are in contact with the Association remotely. The cohorts of students consist of refugees who have been granted asylum, selected through interviews, based on their desire to improve their chances of a successful life in France and to strengthen their ties with French society.

The educational program includes language classes of different levels, workshops on French culture, artistic and sports activities and cultural trips. Every student is paired with a tutor, and they have a meeting every week: the tutor's role is to encourage the student to look to the future, develop projects, and measure their ability to set objectives. Students willing and able to enroll in a higher education institution have an opportunity to secure funding for that through a scholarship program sponsored by corporate partners, specifically AXA SA. Students receive academic guidance and are assigned a mentor for the duration of their studies, up until their first job.

AXA's support takes many forms: from team building activities with AXA Hearts in Action to making significant donations as one of the association's main donors. In 2023, Group Communication & Engagement team welcomed two interns from the Association Pierre Claver for a month-long internship to explore the field of communications and learn more about AXA SA as a company.

Humanitarian aid

In 2023, AXA SA renewed its support towards the people of Ukraine by supporting the UNHCR with an additional donation of €500,000 to refurbish collective housing and repair private houses destroyed by bombing and attacks.

In 2023, AXA SA supported the International Committee of the Red Cross (ICRC) in its emergency response after the earthquakes in Türkiye and Syria through its donation of €2 million to provide shelters, distribute food and products of first necessity and take care of the wounded. In September 2023, following the earthquake in Morocco, AXA SA donated €500,000 to the ICRC to assess the needs on the ground and provide support to the affected population.

In September 2023, after the emergency alert given by *Les Restos du Cœur*, AXA SA decided to support three organizations acting in the area of food support in France by donating €1.7 million to *Les Restos du Cœur*, €400,000 to *Banques Alimentaires* and €400,000 to *Action Contre la Faim. Les Restos du Cœur* were created in 1985 to fight poverty and exclusion in all its forms in France.

Culture and the Arts: protecting our common memory and transmitting our cultural heritage to future generations

Aligned with its values of protecting and transmitting cultural heritage, AXA SA has been committed for decades to significant world heritage conservation actions and has more recently supported several projects in France such as:

- the reconstruction and restoration of Notre-Dame de Paris (major patron since 2019);

- the restoration of Madame Du Barry's apartment/Palace of Versailles: project made possible thanks to the patronage of AXA SA from 2019 to 2022;
- since 2022, AXA SA has been the exclusive sponsor of IRCAM – Centre Pompidou, the world's largest public research center dedicated to both musical expression and scientific research - committing for the first time to the protection and transmission of intangible and sound heritage;
- at the end of 2023, AXA SA partnered with the Museum of the Army for the first time the exclusive patron of the restauration of The Chapelle Saint Jérôme/Dôme des Invalides.

AXA entities, such as AXA France and AXA Spain, are also involved in philanthropy actions, promoting access to heritage and culture for all. For instance, since 2019, AXA France is a major patron of the *Fondation du Patrimoine* (French Patrimony Foundation). As for AXA Spain, its collaboration with the Prado Museum began in 1998, making it the first private entity in Spain to become a benefactor of the Museum.

EMPLOYEE VOLUNTEERING

AXA Hearts in Action is the international volunteering program for AXA Group's employees. Under this umbrella, employees carry out activities on themes aligned with the two pillars of our sustainability strategy: climate change and inclusive protection. Since 2020, an international sponsorship Committee has been set up to anchor the program even more strongly within the various entities.

In 2023, 37,650 AXA employees took part in volunteering actions and 2,285 NGOs were supported.

AXA Group's employees were involved in a wide variety of activities (3,335 in total) and performed 79,482 acts of volunteering (compared to 56,500 in 2022). Through the AXA Hearts in Action program, the Group seeks to promote all forms of employee engagement, particularly skills-based volunteering. In 2023, AXA France continued to develop the "AXA *Compétences Solidaires*" program: 105 employees volunteered in partner associations (*versus* 130 in 2022).

AXA Group's employees volunteered 290,000 hours during and outside of working hours (compared to 317,750 hours in 2022) in support of solidarity projects. Most of these volunteer hours were spent during working hours: 91,314 hours for *Compétences Solidaires* and 71,404 hours for other activities, for a total of 162,718 hours (compared to 253,775 hours in 2022).

Without *Compétences Solidaires*, the number of volunteering hours amounts to 198,000.

For the past 13 years, the AXA Week for Good has been organized to highlight the community investment of AXA employees. During the 2023 edition of the AXA Week for Good, a total of 21,167 employee volunteers were mobilized across the Group (*versus* 15,400 volunteers in 2022).

In 2023, employees of AXA France voluntarily enrolled in the *Engagé pour secourir* program as reservists in the army. This program enables AXA France reservists and first aiders to benefit from days off for training, and to be released in the event of an Act of God (*force majeure*), if they are called up by their corps.

AXA RESEARCH FUND

The AXA Research Fund (AXA RF or the Fund) is committed to supporting science to enable a long-term science-based sustainable strategy. The Fund supports top-tier research projects on key areas of risks and engages in dissemination efforts based on science to better inform decision-making. With a global commitment of €256 million since its launch in 2008, the AXA RF has funded approximately 725 projects that explore solutions for global societal challenges in climate and environment, health, and socio-economic risk. The selection of research projects is overseen by an independent Scientific Board and based on excellence and innovation.

In 2023, the AXA RF renewed its mandate for five additional years, to pursue its philanthropic mission with three priorities: increasing impact, influence and visibility. The Fund has published a report on the impact of its last five-year mandate on science, the scientists and society.

With respect to academic funding, two chairs were selected each for an amount of €1 million over five years: in the field of health risks, the AXA Chair on Menopause and Cardiovascular disease at the University of Seville (Spain) and in the field of climate risks, the AXA Chair on Water Quality and Global Change at Vrije Universiteit Brussel (Belgium).

In December 2023, following a call for projects on renewable energy to ensure a sustainable and fair transition, an additional €973,000 was granted to seven post-doctoral researchers. They will work on improving assessment and designing new climate adaptation approaches to those risks.

Concerning the transversal matter "climate crisis is a health crisis" as per WHO/COP28: the AXA RF and AXA UK have recently initiated a new partnership with the London School of Hygiene and Tropical Medicine to establish a global observatory for vector-borne disease outbreaks to address the challenges posed by climate change on human health. This includes an outbreak forecasting system that will give a direct and immediate measurement of climate and climate change's impact on the risk of dengue outbreaks and a wide range of other diseases.

In the area of biodiversity, the AXA RF took part in a consortium led by Swiss Re Institute/Swiss Re Foundation to support research on Biodiversity Ecosystems Services Loss scenarios. Five research projects have been selected to develop future biodiversity scenarios at local, regional and global scale, over the next two years (for climate- and biodiversity-oriented projects, refer to Section 4.3 Climate change, biodiversity loss and ESG-related outreach and engagement).

To help better address the global challenges of systemic risks, the AXA RF has launched a joint risk resilience partnership with the Swiss Re Institute aimed at funding and disseminating research on systemic risks. The partnership is endowed with €1 million for a three-year period. The first annual call for proposals on cyber risk was launched on December 1, 2023.

Alongside AXA XL, the AXA RF also joined the Systemic Risk Hub at University of Cambridge for a three-year project focusing on systemic risk under the transition.

In line with its ambition of impactful dissemination of supported research, the Fund launched two new initiatives in 2023:

- Master Science, a series of open access master classes aimed at helping decision makers and practitioners benefit from insights from best scientists on challenges of our times. Master Science was launched in July, broadcasting the first five master classes (on Nature Based solutions, future of healthcare, invasive species, gender gap in business); and
- a digital campaign helped promote the series and generated a first 26 thousand masterclasses views. In July also, a LinkedIn page was launched to engage our academic and expert communities and accelerate visibility of supported research. In six months, it reached an audience of circa 1,900 qualified users by end of December 2023.

In parallel, the Fund also pursued its regular activity of media training (15 new grantees trained and practiced pitching their research). The Fund also continued engaging its active community of scientists from varied disciplines and backgrounds through a large variety of events, webinars, master classes, publications, and articles with partners such as The Conversation [1] (16 articles).

4

(1) The Conversation France: https://theconversation.com

4.5 BUSINESS BEHAVIOR

AXA Group is committed to conducting its business according to high ethical principles. This commitment is designed to ensure compliance with laws and regulations in the various jurisdictions where the Group operates, to earn the continued trust of its clients, shareholders, employees, and business partners, but also frequently extends beyond legal obligations particularly in the Group's priority areas.

As a result of the 2023 sustainability risk assessment presented in Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment" the following business behavior topics were identified as risks: anti-bribery and the fight against corruption, business ethics, responsible use of data & AI, data privacy and data security, sustainable procurement and tax policy.

The policies presented below cover these business behavior risks. Associated key performance indicators are explained in the following paragraphs.

Business ethics

COMPLIANCE & ETHICS CODE

AXA Group Compliance & Ethics Code seeks to establish Group-wide rules and guidelines to ensure that AXA Group companies and employees have a common understanding of the compliance and ethical standards the Group requires. The Code covers a variety of matters and topics, including specific rules concerning conflicts of interest, anti-bribery and corruption, insider trading, management of confidential information, etc. The Code is available on the Group's website [(1)].

The Group revised the AXA Group Compliance & Ethics Code in 2019, including topics such as: health & safety at work, protection and responsible use of customer data, engagement with social media, prevention of discrimination and harassment, and fair and professional treatment of customers.

ANTI-BRIBERY AND FIGHT AGAINST CORRUPTION

In order to tackle the risk of bribery and corruption, AXA Group has a Group Anti-Bribery and Corruption Policy (the "ABC Policy") that establishes the minimum standards for anti-bribery and corruption that must be implemented by AXA entities. This policy is updated on an annual basis to notably take into account regulations (for example, the French law known as "*Sapin II*" n°2016-1691 of December 9, 2016, on transparency and the fight against corruption and the modernization of the economy). A Group anti-bribery officer oversees the global ABC policy at Group level and monitors its implementation in all the entities. AXA entities have designated local anti-bribery officers to implement their local policies in accordance with the Group's ABC Policy.

AXA Group standards certification by entities' CEOs includes an "anti-bribery and fight against corruption" section. Our objective is to achieve a consistent anti-bribery and anti-corruption program across the Group's entities, which includes the necessary requirements that comply with international standards (including Sapin II Law) and prevent corruption risks.

As a result, each year since 2018, for all the entities in scope of the AXA Group Standards, 100% of CEOs have certified on the compliance level of their entities with the anti-bribery and corruption section [(2)].

BUSINESS CONDUCT

As mentioned above, business ethics were assessed during and for the purpose of the 2023 sustainability risk assessment, and more specifically the risk of mis-selling or non-transparent selling practices, mismanagement of claims, resulting in a low protection of customers in their interactions with AXA Group and life of their contract, and resulting in a loss of trust.

(1) www.axa.com/en/about-us/compliance-ethics#tab=business-ethics

(2) CEOs are required to certify annually to the Group CEO that to the best of their knowledge their entities comply with the Standards. The Annual Certification will include provision for non-compliance – which should be very exceptional - and a corresponding remediation plan.

The Group's insurance, asset management and banking operations are subject to an increasing number of laws and regulations – in the European Union (*e.g.,* Insurance Distribution Directive, MiFID II [1], PRIIPs [2], SFDR [3], Taxonomy Regulation [4]. See Section 7.3 "General information" for more detail on the applicable regulation) but also in many other countries where the AXA Group operates such activities – designed to increase customer protection in the financial services sector. AXA Group has taken actions to comply with these requirements in each of its businesses where such measures are in place and to globally spread and implement a customer protection culture across the Group. In addition, the Group demonstrates a strong commitment in its Compliance and Ethics Code, which applies to all employees and subsidiaries worldwide, to treat its customers fairly and professionally, by being honest and accountable when promoting products and services.

Since 2021, a set of recommendations on key customer protection topics (*e.g*., complaints, digitalization, product oversight and governance) have been shared with the objective of reinforcing uniformity of practices within the Group and, at the same time, continuously improving customer consideration wherever they may be. Key customer protection issues include vulnerable customers, customer information, digitalization, and complaints handling. These recommendations guide each entity in implementing responsible practices based on transparency, honesty, and fairness for the customer.

A compliance program of customer protection reviews has been reinforced since 2019. It consists of reviewing how local entities manage customer protection topics and the processes in place, especially regarding customer information, sales practices, or salesforce training. In 2023, seven entities, including for the first time non-European entities, had a customer protection compliance review on their business practices.

Compliance risks, including business conduct, are also assessed on an annual basis. The results and any necessary mitigation actions are shared with senior management. Internal verification processes have been implemented to monitor the effectiveness of such controls and cover entities' own operations and those of proprietary sales channels.

Another key initiative in managing business conduct is the product governance process (Product Approval Process, "PAP") which oversees the design, approval, and review of new or significantly modified products, including all the Product Oversight and Governance ("POG") requirements. The PAP is applicable to all entities of AXA Group with underwriting activities and focuses notably on the customer dimension, ensuring the product is built starting from the customers' needs and expectations, with a definition of the target market and a selection of adequate distribution channels. This process also aims at ensuring that all new products entering the scope of application (all entities with underwriting activities) of the PAP respect the principles of "value for customer". It includes notably a mandatory compliance checklist.

Every year since 2018, for all the entities in scope of the AXA Group Standards, 100% of CEOs have certified on the compliance level of their entities with the AXA Standards [5], which engaged them to conduct a PAP on all Life & Health and Property & Casualty products.

In 2023, for all the entities in scope of the AXA Group Standards, 100% of CEOs have certified the compliance level of their entities with the newly introduced "Conduct & Customer protection" section.

(1) Markets in Financial Instruments Directive.

(2) Packaged Retail Investment and Insurance-based products.

(3) Sustainable Finance Disclosure Regulation which applies to all entities providing insurance and investment services within the European Union.

(4) The European Taxonomy is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals other than climate.

(5) CEOs are required to certify annually to the Group CEO that to the best of their knowledge their entities comply with the Standards. The Annual Certification will include provision for non-compliance – which should be very exceptional - and a corresponding remediation plan.

Responsible use of data and AI, data privacy and data security

As mentioned in Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment"), responsible use of data and artificial intelligence (AI), data privacy and data security were part of the 2023 sustainability risk assessment and more specifically:

- data protection: risk of not being compliant with data protection legislation; and
- data security: risk of data breach or cyber-attack, given the sensitivity and volume of data managed by the Group and the consequences for stakeholders' privacy rights.

To address the risks identified above, the Group has implemented various initiatives to promote the responsible use of data and artificial intelligence (AI), to address societal challenges and to ensure the protection of customer data through a strong security strategy.

DATA PRIVACY

AXA Group was the first insurance group to adopt privacy-related Binding Corporate Rules for customer, employee, and other stakeholder personal data processing. These rules represent an internationally recognized standard. They have been approved by European data protection authorities. Binding Corporate Rules are integrated into AXA's own governance structure to make sure these are well applied. Group entities that are applying Binding Corporate Rules represent 99% of the Group's revenues in 2023 (also 99% in 2022 and 2021) in line with the 99% target. These rules and the Group's Data Privacy Declaration, whereby the Group undertakes not to sell the personal data of its customers, are available on AXA website [1].

The Group implemented the General Data Protection Regulation (EU GDPR [2]) and is also implementing similar regulations recently adopted in countries outside the European Union.

In 2023, out of 95 million customers, the Group received 497 customer's complaints with respect to data privacy, equivalent to 0.0005% customers (*versus* 471 complaints in 2022, equivalent to 0.0005% of customers and 1,127 complaints in 2021, equivalent to 0.0012% of customers). This ratio is under the yearly target of 0.01% (which means less than 9,500 complaints for 95,000,000 clients).

A SECURITY STRATEGY DESIGNED TO GUARANTEE THE PROTECTION OF DATA

With the massive digitalization of society, cyber risk is considered today one of the top operational risks that citizens and companies are facing. Cyber risk, listed as a top risk in the 2023 Future Risks Report [3], is closely monitored by the Board of Directors, which gets a quarterly report on AXA's security, also covering the evolution of the threat landscape. The Board of Directors relies on the Audit Committee to ensure appropriate mitigations are in place.

To respond to this threat, and as a responsible insurer, AXA Group has developed a risk-based security strategy that strengthens its business resilience, transforming security from a necessity to an advantage for its entities. Security is managed holistically by the corporate function, Group Security. It gathers the four security key disciplines: Information Security/Cyber Security, Operational Resilience, Physical Security and Health & Safety.

AXA Group has finalized the implementation of its "One Security" strategy in 2023, which successfully strengthened security maturity within AXA's entities, while maintaining the most mature ones within the first quartile of the most secure companies in the financial industry. The risk-based approach used ensured that we continuously consider and adapt to the evolution of risks and threats.

The maturity level of AXA entities is assessed, based notably on the ISO 27001 norms (see Section 4.7 "Transversal information - Definitions of key performance indicators"). In 2023, the Group successfully achieved a maturity score of 3.47 out of 5, with an increase of 0.17 over the previous year's results (on a representative scope of 20 mature AXA entities), contributing to the goal of remaining among the safest organizations in our sector.

This robust level of security is also ensured by the commitment of the Group's employees, who are the first line of defense against cyberattacks. Yearly training on the topic of security (including physical security, health & safety, operational resilience & information security), data protection and cybersecurity are deployed across the Group. In 2023, 100% of salaried employees have been trained and certified.

Conscious about the fact that risks could also come from its environment, AXA Group takes third-party supervision seriously.

(1) *https://www.axa.com/en/about-us/cyber-data-privacy#tab=our-commitments*

(2) *Regulation (EU) 2016/679 (General Data Protection Regulation) applicable as of May 25, 2018 in all member states to harmonize data privacy laws across Europe.*

(3) *https://www.axa.com/fr/actualites/future-risks-report-2023*

Annual third-party security assessments are conducted to ensure adequation with AXA Group expectations, leading to the implementation of remediation actions when needed. In 2023, AXA assessed 246 vendors for their security practices.

Last but not least, AXA delivered its new security strategic ambition towards 2026 to go beyond resilience to become a partner in trust, and a new program "One Trust" will start in 2024 to structure the deliveries around this strategic ambition.

RESPONSIBLE USAGE OF AI

AXA recognizes the significant potential of artificial intelligence (AI) to provide value for customers and shareholders, but also understands that its use requires careful governance and risk management measures. To this end, the Company launched the Responsible AI Circle in 2021. The Circle is a light and agile governance body comprised of stakeholders from different departments of the Group. It provides thought leadership, sponsors projects and develops operational tools and frameworks to support the development and deployment of AI in a responsible way in accordance with anticipated regulatory frameworks, particularly the EU AI Act (see Section 7.3 "General information" for more detail on applicable regulation).

To support the development of skills internally and to familiarize employees with the opportunities offered by Data & AI in a responsible manner, AXA launched a Data & AI Academy in 2022. This learning program offers role-appropriate training modules for the responsible use of data & AI, to support skills development and a culture of ethical AI. In 2023, a "Generative AI for Everyone at AXA" module was added.

AXA also works closely with regulators and leading research centers, to generate new knowledge on Responsible AI and effective AI governance in the insurance industry. In 2023, AXA published 11 academic papers in top international venues, nine of which were co-authored through its three academic partnerships with Sorbonne University, Stanford University and EPFL. AXA was also involved in co-supervising several PhD and master's theses on Responsible AI topics, including the successful defense of a PhD thesis on the conception and evaluation of Explanation User Interfaces (XUIs) for complex machine learning systems. One of the PhD theses defended in 2022, on AI Fairness, was also awarded "Best PhD thesis in AI in France" by the French association AFIA (*Association française pour l'Intelligence Artificielle*). Finally, as part of TRAIL (Trustworthy and Responsible AI Lab), a joint research lab created in 2022 with the Sorbonne University, AXA co-organized seven research seminars featuring international and young researchers on Responsible AI.

Along with other members (industrial partners, consultancies, schools, and technology companies), AXA is also a leading contributor to Impact AI, a French think tank dedicated to ethics and Responsible AI. In 2023, this working group notably published practical recommendations on the governance of Generative AI/LLMs and a barometer study on the perception of AI and trustworthy AI by French citizens and employees [1].

Sustainable procurement

As a result of the 2023 sustainability risk assessment (please refer to Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment"), sustainable procurement was also identified as a risk.

Translating AXA Group's sustainability strategy and commitments into its management of vendors is indeed a key issue for the Group. Policies and key performance indicators on sustainable procurement are presented in the Group's Vigilance Plan in the following Section 4.6.

(1) *https://www.impact-ai.fr/fr/2023/06/12/observatoire2023/*

Tax policy

As mentioned above, tax policy was also included in the 2023 sustainability risk assessment.

Both as a multinational company and as a provider of investments and savings products, AXA Group follows a responsible and transparent approach on tax issues. In 2023, all AXA entities certified compliance with AXA Group Tax Policy and Tax Ethic Code (relating to 2022). The Tax transparency report published in 2023 covers 100% of the Group Tax footprint (relating to 2022), in line with the 90% target.

The Tax Ethic Code, agreed between Group Tax Department and local tax teams, highlights the key principles guiding the actions of the various tax teams, notably not to engage in aggressive tax driven transactions that could compromise the good reputation of the Group.

For more information on the Group's Tax policy and Tax Ethic Code, please refer to Section 7.3 "General Information - AXA Group Tax Policy" of this Annual Report.

4.6 VIGILANCE PLAN

To comply with applicable French law requirements [1], AXA has **(i)** adopted a vigilance plan that sets forth the measures established and implemented by AXA Group in order to identify the risks relating to, and prevent, violations of human rights and fundamental freedoms, health and safety of persons and adverse impacts on the environment resulting from Group's activities and from its own operations, and **(ii)** prepared a report included in this section, on the application of this vigilance plan during the financial year 2023.

For the avoidance of doubt, "ESG" and "sustainability", as used in the context of describing criteria, risks or objectives, refer to environmental, social (including human rights and fundamental freedoms as well as health and safety) and governance matters.

Scope of the vigilance plan

In accordance with the requirements of the French duty of vigilance, the Group's vigilance plan covers the activities of AXA and those of the companies controlled, directly or indirectly, by AXA within the meaning of article L.233-16 II of the French Commercial Code, as well as the activities of subcontractors and suppliers with whom the AXA Group has an established business relationship, insofar as the activities related to such relationship; and the vigilance plan includes:

1. a risk mapping to identify, analyze and prioritize risks;
2. procedures for the regular assessment of subsidiaries, subcontractors or suppliers with whom an established business relationship is maintained;
3. appropriate actions to mitigate risks and prevent serious harm;
4. an alert mechanism ("whistleblowing") to report potential violations established in consultations with representative trade unions;
5. a system for monitoring the implementation of measures and assessing their effectiveness.

Given the diversity of the activities of AXA's subsidiaries, subcontractors and suppliers, the vigilance plan sets forth the AXA Group's guiding principles and policies designed to ensure that they have a common understanding of the Group's standards in terms of sustainability, safety, whistleblowing, and personal data protection, and operate accordingly.

4

Risk mapping to identify, analyze and prioritize risks

The identification and assessment of the Group's main sustainability risks are conducted every year and approved by the Group Audit Risk & Compliance Committee (the **ARCC**) which assessed 18 sustainability risks for the AXA Group in 2023 around five main themes: governance, responsible employer, climate change and biodiversity loss, inclusive insurer and business behavior.

Risk factors for each topic related to the sustainability risk assessment were identified based on:

- sustainability risks identified as a result of prior sustainability risk assessments, as well as the AXA 2023 Future Risks Report, which outlines major trends on the risk landscape for society at large;
- an assessment of such risks by risk experts, who are selected based on their knowledge of specific sustainability risk; an assessment which is conducted in compliance with the AXA Group Operational Risks guidelines in order to analyze and score such risks based on three criteria: **(i)** severity, **(ii)** frequency and **(iii)** impact on interests and expectations of stakeholders; and

(1) *Law No. 2017-399 of March 27, 2017, relating to the duty of care of parent companies and instructing companies (devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre) and article L.225-102-4 of the French Commercial Code.*

- an assessment of such risks, in terms of relevance of the scores assigned as a result of the third step, by cross-sectoral experts selected based on their transversal knowledge of the extra-financial risk universe.

The results of the sustainability risk mapping were approved by the **ARCC** on March 6, 2024.

The work carried out by the AXA Group in 2023 to establish its sustainability risk assessment is presented in Section 4.1 "AXA Group's Sustainability strategy - Sustainability risk assessment" of this Annual Report.

AXA Group defines each of these risks, describes the policy and mitigation initiatives in each section of Chapter 4 of this Annual Report, and provides the key performance indicators (KPIs or qualitative results) and their methodology in Section 4.7 "Transversal Information" of this Annual Report.

HUMAN RIGHTS

The AXA Group considers that its activities and own operations could have potential direct and indirect impacts on the human rights of its employees, customers, and suppliers, as well as potential indirect impacts on the human rights of other persons through the Group's relations with corporate customers or investments in companies, which are active in sectors and/or countries with increased risks of human rights violations.

For this reason, in conjunction with the annual sustainability risk assessment described above, AXA Group also conducts a human rights risk assessment with the aim of identifying the most relevant risks to human rights that the AXA Group should consider in conducting its business (acting both as an insurer and as an investor) and its own operations. This risk assessment was conducted by an independent firm which used a three-step methodology:

- **first**, relevant rights to be assessed (based on overarching Charters, labor rights core conventions and specific conventions [1]) were prioritized. This prioritization identified risks in areas such as forced labor (rights of children, right to adequate standard of living, right to be free from slavery, right to life, liberty, and personal security), discrimination (right to equality, right to be free from discrimination, freedom of belief and religion), inclusion of vulnerable populations (rights of persons with disabilities, elimination of all forms of discrimination against women, right of indigenous people to natural resources, rights of migrant workers) and working conditions (freedom of opinion and expression, right of peaceful assembly and association, right to decent work and to join trade unions, right to social security, to education, to rest and leisure);
- **second,** the level of risk (high, moderate or low) was assessed through a two-tiered analysis based on severity and remediability across the relevant populations (employees, insurance product beneficiaries, investee companies, suppliers and contractors);
- **third**, a review of mitigative measures in place was conducted through a documentary review and interviews to assess the current level of Risk Management at the AXA Group.

This assessment ("**Human Rights Risk Assessment 2022 Report**") which includes the mapping of the identified risks and the measures taken to limit their impact, is available on the AXA Group's website (https://www.axa.com/en/commitments/our-commitment-to-human-rights).

In addition to the initiatives described above, from June 2022, a human rights risk assessment has been integrated into the due diligence process implemented for potential mergers, acquisitions and joint ventures.

The human rights risk assessment is undertaken regularly by the Group, and at least every three years in addition to the annual sustainability risk assessment described in Section 4.1 "AXA Group's Sustainability strategy - Sustainability risk assessment". The next human rights risk assessment will be carried out in 2025, if not earlier.

ENVIRONMENT

Environmental risks (climate change and biodiversity loss) were identified in the AXA Group's sustainability risk assessment as two of the main sustainability risks for AXA Group as detailed in Section 4.1 "AXA Group's Sustainability strategy - Sustainability risk assessment" of this Annual Report.

The AXA Group's environmental footprint on own operations is essentially related to the operation of offices and IT materials, business travel, water, electricity, paper consumption and other staple consumer products and generation of waste. In addition, AXA Group's environmental footprint also includes its indirect impact resulting from its investments and underwriting activities.

In respect of its own operations, the AXA Group's direct environmental reporting and management processes focus on energy, car fleet, business travel, IT equipment and services as well as related CO_2 emissions. Water consumption and waste generation are also assessed yearly. These processes are verified by an independent third-party and, allows the Group to **(i)** evaluate its impact on the environment every year and **(ii)** identify the risks stemming from its own operations for the environment.

(1) Universal Declaration of Human Rights, Covenant on Civil and Political Rights, International Covenant on Economic, Social & Cultural Rights, International Labour Organization's core conventions, International Convention on Rights of Child, International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, Convention on the Rights of Persons with Disabilities, Convention on the Elimination of All Forms of Discrimination against Women.

For further information on the environmental reporting and its methodology in respect of its own operations, please refer to Section 4.3 "Climate change and biodiversity loss - AXA as a company: climate change and biodiversity loss matters").

HEALTH AND SAFETY

Under the theme of "responsible employer", the topic of "safe environment" was also identified in the AXA Group's annual sustainability risk assessment.

When it comes to assessing and prioritizing health and safety risks, each AXA Group entity is required to carry out a risk assessment in accordance with local laws, when applicable, which is reviewed on a yearly basis by local AXA entities. The methodology of this assessment involves evaluating both the severity and probability of a particular job or task. Severity refers to the potential harm or impact an event could have, while probability refers to the likelihood of the event occurring. By combining these two factors, entities can prioritize risks based on which ones are most likely to cause the most harm. For example, a high severity and high probability risk would be given higher priority than a low severity and low probability risk. By focusing on the most critical risks first, AXA entities address potential hazards in a more effective and efficient manner, ultimately improving overall health and safety.

MAPPING OF RISKS IN AXA'S SUPPLY CHAIN

In 2023, the AXA Group updated its methodology for identifying and assessing the ESG risks associated with the value chain in General Expenses and IT Procurement categories. Through an analysis of ESRS (European Sustainability Reporting Standards defined by the CSRD), 21 risks relating to ESG were identified for the purpose of the procurement activities of the Group, based on current supply chains, across five key areas:

- environmental (GHG emissions & energy consumption, pollution, water consumption, land artificialization & deforestation, resource extraction & depletion);
- fundamental freedoms (illegal work (not declared work/illegal workforce), unfair employer practices, inability to provide decent wage, harassment & abuses, lack of fair & transparent consumer engagement);
- health and safety (poor & hazardous working conditions, product safety);
- human rights (child labor and/or forced labor, discrimination/inequal opportunities, impacts on local communities, conflict funding);
- business integrity (lack of transparency on governance & political influence, corruption/bribery, unfair relationship with suppliers, anti-competitive practices, data security).

The criticality of each risk is assessed by procurement category, taking into account its severity and probability. This assessment is used to classify the Group's procurement categories according to an appropriate level of sustainability risk – namely, low, medium or high. Based on this framework, the vigilance measures implemented by the AXA Group are strengthened as the yearly ESG assessment will include all suppliers and sub-contractors identified in high-ESG risk procurement categories with significant yearly spend through the risk mapping, (*e.g.*, gifts & branded goods, telephony).

Procedures for regular assessment of subsidiaries, sub-contractors or suppliers

AS A COMPANY

The AXA Group relies on a reporting process for Group entities which is based on an internal review conducted by the Group sustainability team. In addition, all local procurement teams are required to comply with the mandatory requirements and commitments set out in the Group Sustainability Standards.

To implement improved procedures for regular assessment of its subsidiaries as well as improved monitoring of local procurement processes at key stages of the contract lifecycle, the ESG Risk Management guidelines which support the Group sustainability standards are expected to be updated in 2024.

AS A BUSINESS PARTNER

AXA Group strives to continuously challenge and engage suppliers to improve on sustainability topics especially those identified as high-ESG risk within the General Expenses and IT Procurement categories.

This ongoing value chain assessment is carried out through integrating the Group's sustainability strategy into its management of suppliers and on an on-going basis, such as:

- inclusion of a sustainable development clause in contracts signed with suppliers and sub-contractors;
- integration of an ESG criteria grid into the Group's calls for tenders;
- assessment of the extra-financial risks of Group's suppliers procurement categories; and
- requesting suppliers in the procurement categories with the highest levels of ESG risk to share their EcoVadis score with the AXA Group.

By application of the Group's internal sustainability standards and guidelines, the Group Integrates sustainability criteria into procurement processes. For procurement contracts, all local procurement teams across the Group shall implement standards which must be followed by.

For example, AXA Group personnel working in a procurement department must:

- sign the Group's Code of Professional Conduct and the Code of Ethics;
- include a "Sustainability clause" in purchasing contracts;
- implement an assessment of extra-financial risks of its suppliers, identified by an internal risk matrix by procurement category; and
- attend sustainability awareness sessions given by the network of Sustainable Procurement personnel identified in the Group's various entities.

The ambition is to be able to identify and act on serious controversies linked to human rights abuses and negative environmental impacts or business ethics alerts involving suppliers.

AS AN INSURER

In respect of underwriting activities, AXA group entities are expected to comply not only with applicable legal and regulatory requirements relating to sustainability but also the AXA Group's voluntary sustainability commitments, including commitments to limit or decline to offer or renew insurance coverage for risks and customers which are identified as failing or likely to fail to meet the AXA Group's sustainability criteria.

Detailed requirements for P&C underwriters are provided in the Sustainability Underwriting Guidelines. These are internal guidelines which have been made available since 2022 to all local entities that carry out underwriting activities. The guidelines comprehensively integrate the AXA Group's voluntary sustainability commitments into its P&C underwriting governance framework, ensuring that P&C direct insurance and assumed reinsurance activity is conducted in accordance with the AXA Group's Sustainability objectives and values. These set out the risks and types of customer which AXA group entities are prohibited from, or restricted in, in underwriting, as well as applicable assessment criteria, while outlining an escalation framework for issues and sensitive cases encountered in the underwriting process which might otherwise result in a breach of the AXA Group's sustainability commitments. In all situations, AXA group entities are expected to liaise with Group Underwriting Office at an early stage.

AS AN INVESTOR

In respect of our **investment activities**, AXA has put in place restrictive investment guidelines to address certain activities in sectors that may pose certain risks to AXA as an investor. For more information on these sectors, please refer to Section 4.3 "Climate change and biodiversity loss - AXA as an investor: climate change and biodiversity loss matters" of this Annual Report.

The restricted lists are implemented and monitored on a regular basis by the asset managers managing the AXA's General Account.

Actions to mitigate risks and prevent serious harm

AS A COMPANY

Protection of Human Rights and Human Rights Policy

The AXA Group's human rights policy, available on the AXA Group's website (https://www.axa.com/en/commitments/our-commitment-to-human-rights), aims at preventing the violation of human rights in relation to the Group's activities and own operations. The AXA Group seeks to respect internationally recognized human rights principles as defined by:

- the United Nations Universal Declaration of Human Rights;
- the core standards of the International Labour Organization (ILO);
- the Guiding Principles on Business and Human Rights (implementation of the United Nations "Protect, Respect and Remedy" Framework or "Ruggie Principles");
- the United Nations Global Compact;
- the UN Principles for Sustainable Insurance (UN PSI);
- the UN Principles for Responsible Investment (UN PRI); and
- the OECD recommendations and the Global Deal.

AXA's human rights policy describes the Group's commitments in conducting its business as a responsible company (as an employer, a business partner, also respecting human rights in new business relations), an insurer and an investor.

The AXA Group endeavors to protect its employees' human rights, specifically the principles of freedom of association, the right to fair and favourable working conditions, non-discrimination and living wage, through:

- promoting the 10 guiding principles of the United Nations Global Compact (of which principles 1 & 2 are related to human rights and principles 3 to 6 to labor standards) and encouraging the reporting of potential or actual severe violations of human rights;
- setting inclusion and diversity targets and initiatives. See further details on Section 4.2 "Employer Responsibility"; and
- requiring executives to certify annually the compliance of their activity with AXA Compliance & Ethics Code, available on the AXA Group's website (www.axa.com/en/about-us/compliance-ethics#tab=business-ethics).

As detailed in Section 4.2 "Employer Responsibility" of this Annual Report, the Group engaged with the Fair Wage Network in 2023 and received certification recognizing fair wage practices in the AXA Group. To build onto AXA's journey towards Pay Transparency that will be pursued over the next strategic plan, AXA has made a new commitment to offer all employees a total cash remuneration of at least 110% of the local living wage by the end of 2026. Such recognition enables AXA to progress further on its long-term commitment towards an inclusive and supportive global workplace culture and society. In particular, AXA signed and went beyond the "Business For Inclusive Growth" (B4IG) pledge as part of the UN Global Compact "Forward Faster" initiative to ensure that 100% of its employees across the organization earn a living wage by 2030.

Protection of Employee Safety, Health, and Security

As detailed in Section 4.2 "Employer Responsibility" of this Annual Report, AXA is committed to its purpose (its *raison d'être* to "*act for human progress by protecting what matters").*

As regards employee health, in November 2020 the AXA Group launched an innovative global program to improve the health and wellbeing of its employees around the world. This program, the "*Healthy You*" program, was extended in 2021 and is now implemented in all AXA entities globally.

In 2023, the AXA Group announced the launch of its "*We Care*" program which aims to provide all employees with the time, support, and resources to make personal and professional decisions with confidence and enables further progress on its long-term commitment towards an inclusive and supportive global workplace culture. In addition, the "*We Care*" program provides support to its workforce particularly where health and safety is at issue through the implementation of policies focused on providing support and protection to caregivers, parents, victims of domestic and sexual violence.

The "*We Care*" program, which will be one of AXA's key milestones for its *"Unlock the future"* strategic plan, and is expected to be deployed across all AXA entities by the end of 2024 through four main pillars: **(i)** parental leave, including support for employees receiving and recovering from in-vitro fertilization, or in the case of pregnancy loss, **(ii)** caregiver leave, **(iii)** support for employees if they experience domestic and sexual violence, and **(iv)** an expansion of the "*Healthy You*" program to include a supportive working environment for employees experiencing menstrual health conditions, menopause, or andropause.

4

Beyond the "*We Care*" program, the Group has also implemented safety, health, and security standards with which all Group entities must comply. These standards set out:

- processes to identify risks, depending on the specific characteristics of the environment and the activity of each AXA Group entity;
- proactive and reactive measures to be implemented according to identified risks (information, training, protective measures, incident management procedures and crisis plans); and
- a performance measurement is carried out by AXA entities and reported quarterly to the AXA Group central team.

Finally, employees also have access to care whenever they need it. AXA covers mental and physical health through Employee Assistance Programs ("EAPs") available 24/7.

For further information on AXA's global programs on health and wellbeing, please refer to Section 4.2 "Employer Responsibility" of this Annual Report.

Personal data protection

AXA was the first insurance group to adopt privacy-related Binding Corporate Rules for customer, employee, and other stakeholder personal data processing. These rules represent an internationally recognized standard, approved by European data protection authorities. Binding Corporate Rules are integrated into AXA's own governance structure to make sure these are well applied. Group entities that are applying Binding Corporate Rules represent 99% of the Group's revenues in 2023 (also 99% in 2022 and 2021) in line with the 99% target. These rules and the Group's Data Privacy Declaration, whereby the Group undertakes not to sell the personal data of its customers, are available on AXA website [1].

In addition, to respond to the cyber risk threat, the AXA Group has developed a risk-based security strategy that strengthens the AXA Group's business resilience. See further details on personal data protection by AXA Group in Section 4.5 "Business behavior - Responsible use of data and AI, data privacy and data security" of this Annual Report.

Protection of the Environment

The AXA Group's Environmental Policy, available on the Group's website [2], describes key actions aimed at reducing the AXA Group's direct and indirect environmental impacts.

The AXA Group's environmental targets included in its 2025 environmental strategy are notably focused on the reduction of carbon emissions, one of the main contributors to climate change. Some of AXA Group's carbon emissions reduction targets for 2019-2025 are based on an approach promoted by the "Science Based Targets" initiative. Ahead of the energy disruption that was expected during 2022 winter in Europe, an Energy Sobriety & Resilience Task Force was launched to accelerate energy consumption reduction by the end of 2023 and ensure resilience in case of energy disruption.

Also, a number of the buildings occupied by the AXA Group benefit from environmental certificates such as BREEAM, LEED and HQE. Please refer to Section 4.3 "Climate change and biodiversity loss" of this Annual Report for further details on AXA Group's certifications.

The AXA Group also supports initiatives related to climate change and environmental protection, as detailed in Section 4.3 "Climate change and biodiversity loss". In addition, the Group's Responsible Investment Policy is available on the AXA Group's website [3]

AS A BUSINESS PARTNER

AXA Group continuously strives to improve sustainability engagement and procedures with its suppliers in order to mitigate risks and prevent serious harm (see paragraph *"Procedures for the regular assessment of subsidiaries, sub-contractors or suppliers – As a business partner"* above).

AS AN INSURER

Protection of Human Rights and Human Rights Policy

The AXA Group strives to support its customers' rights while preventing or mitigating adverse human rights impacts that may result from the provision of insurance products and services to corporate customers, in particular by seeking to:

- ensure fair treatment of all customers;
- offer products designed to meet the needs and expectations of its customers;
- design products and services to meet the needs of vulnerable populations, in order to reduce insurance coverage disparities, closing the protection gap and empowering insured people to achieve positive outcomes with regards to their financial resilience. The AXA Group is also adapting insurance to the needs of low income to mass market clients as described in Section 4.4 "Inclusive insurer" of this Annual Report;

(1) *https://www.axa.com/en/about-us/cyber-data-privacy#tab=our-commitments*

(2) *www.axa.com/en/commitments/environmental-footprint-management*

(3) *www.axa.com/en/about-us/investments#tab=responsible-investment)*

- integrate environmental issues into the Group's insurance business activities and provide climate-related risk transfer products and adaptation services to communities, including those most impacted by climate change. Within this framework, the AXA Group applies the underwriting guidelines, as mentioned above, and offers insurance solutions which assist communities in facing the consequences of climate change. For instance, parametric insurance products support insured communities in dealing with the impact of climate-related disasters. For further details on the parametric insurance offer, please refer to Section 4.4 "Inclusive insurer" of this Annual Report;
- strengthen its digital presence by making products and services more accessible as well as simplifying interactions with customers;
- encourage sales practices that respect the customer, in particular by providing them with transparent information;
- deal with claims in a prompt, fair, sensitive and transparent manner and ensuring that these processes are clearly explained and understood;
- use data in a responsible manner and safeguarding clients' privacy, in accordance with its Data Privacy Declarations and internal corporate rules for the protection of personal data (Binding Corporate Rules);
- provide customers with the means to express and resolve any disputes that may arise with AXA Group companies, notably through dedicated complaints departments; and
- implement internal controls to ensure the effectiveness of processes.

AXA or its subsidiaries is also a member of certain coalitions, such as, on an international scale, the Business for Inclusive Growth (B4IG) coalition since 2019 and, in France, the *Collectif d'entreprises pour une économie plus inclusive* (Business collective for a more inclusive economy) since 2018.

Integration of sustainability criteria into underwriting processes

As an insurer, the AXA Group incorporates sustainability criteria (including those relating to human rights) into its insurance business processes, in line with AXA's commitment to the UN Principles for Sustainable Insurance. The AXA Group's commitments are reflected in internal policies and initiatives, including product development processes and policies as well as underwriting guidelines.

With respect to the environment and human rights, AXA Group seeks to prevent and mitigate adverse impacts on the environment and on human rights, notably by:

- offering customers insurance solutions that support the transition to a more sustainable and less carbon-intensive economy; and
- applying sector specific policies in underwriting activities, which address issues in ESG sensitive sectors. These sector specific policies cover human rights and environmental concerns (*e.g.,* oil and coal) and are subject to an annual certification process carried out by entities of the Group.

For further information on integration of ESG criteria in insurance products and services and coalitions, please refer to Sections 4.3 "Climate change and biodiversity loss", 4.4 "Inclusive insurer" and 4.5 "Business behavior" of this Annual Report.

With respect to **human rights risks**, the underwriting guidelines define the exclusion of certain socially or environmentally sensitive sectors or practices (which can be directly or indirectly related to human rights) from the Group's insurance activities, as well as sectors with increased risks, such as controversial weapons industries.

With respect to **environmental risks**, in June 2023, AXA Group publicly communicated our new reduction targets for Insurance-Associated Emissions to: **(i)** reduce the carbon intensity of the personal motor portfolios of the Group in selected geographies by 20% by 2030 (compared to 2019 baseline); and **(ii)** reduce the absolute carbon emissions of the Group's largest commercial insurance clients by 30% and of the other corporate clients by 20% in selected geographies by 2030 (compared to 2021 baseline) [(1)].

These insurance restrictions as well as the Group's insurance-related carbon footprint are detailed in Section 4.3 "Climate change and biodiversity loss – AXA as an insurer: climate and biodiversity loss matters – underwriting restrictions" of this Annual Report.

AS AN INVESTOR

Integration of human rights criteria into investment decisions

As an investor, with respect to human rights risks, the AXA Group has implemented various responsible investment policies (including, as an example, a policy on controversial weapons) and built an analytical framework to identify potential indirect impacts on human rights.

In its General Account, AXA seeks to avoid any adverse human rights impact that might be associated with its investments activities by applying the exclusion list derived from the Human Rights policy.

The ESG assessment of the companies in which AXA Group has invested, or contemplates making an investment, incorporates the following human rights-related inputs: **(i)** fundamental principles such as those of the United Nations Global Compact, the International Labor Organization (ILO) as well as OECD recommendations, and **(ii)** the reputation and potential controversies regarding these companies.

This policy is reviewed and updated on a regular basis and applied in respect of the AXA's General Account.

(1) *AXA Net Zero strategy for investment & underwriting | AXA*

Integration of environmental criteria into investment decisions

AXA Group has been integrating material ESG considerations throughout its credit assessment and investment processes since 2015. AXA's objective is to preserve its clients' long-term interests by investing in corporates with the best financial, risk and sustainability profile.

With respect to **the environment**, as an investor, the AXA Group seeks to prevent and mitigate adverse impacts on the environment, notably by:

- offering customers investments solutions supporting the transition to a low-carbon economy as detailed at Section 4.3 "Climate change and biodiversity loss";
- progressively aligning its investments activities with the Paris Agreement, which aims to limit the "warming potential" of +1.5°C by 2050; and
- as mentioned above, applying sector specific policies in investment activities, which address issues in ESG sensitive sectors. These sector specific policies cover human rights and environmental concerns (*e.g.,* oil and coal) and are subject to an annual certification process carried out by entities of the Group.

In June 2023, AXA Group publicly communicated its new intermediate decarbonization targets for investment portfolios, notably in committing to:

(i) a new carbon intensity (Scope 1 and 2) reduction target of 50% between 2019 and 2030 with respect to listed corporate equities and debt and real estate equity where it is possible;

(ii) strengthen its engagement activities with the management of the companies contributing the most to its portfolio's carbon footprint (please refer to Section 4.3 "Climate change and biodiversity loss - AXA as an investor: climate change and biodiversity loss matters".

The new intermediate decarbonization targets for investment portfolios are in line with the Group's overall objective of progressively aligning its investments activities with the Paris Agreement, which aims to limit the "warming potential" of 1.5°C by 2050.

The AXA Group also supports initiatives related to climate change and environmental protection. In addition, the Group's Responsible Investment Policy is available on the AXA Group's website [1]

For further information on **integration of environmental criteria in AXA Group investment decisions**, please refer to Section 4.3 "Climate change and biodiversity loss" of this Annual Report.

For further information on AXA Group's strategy for alignment with the objectives of the Paris Agreement, please refer to Section F of AXA's 2023 Climate and Biodiversity Report available on the AXA website [2].

Whistleblowing procedure

The vigilance law requires the implementation of a mechanism for alerting and collecting reports on the existence or occurrence of risks, established together with the representative trade unions in the Company.

In 2018, a whistleblowing procedure (*i.e.*, "alert mechanism") and tool was established by AXA SA, on behalf of its French entities, to respond to the specific requirements of the *loi de vigilance* and vigilance-type risks, in consultation with French trade unions through a series of physical meetings with union delegates.

At AXA, everyone (*i.e.* meaning the whistleblowing process is accessible to anyone and is not only restricted to employees) is encouraged to report, without fear of retaliation and in good faith, concerns which may cause detriment to (an) individual(s) or AXA.

In whistleblowing, everyone, anonymous or otherwise, can be confident that they will be treated fairly. Any disclosure made to investigations team will be taken seriously. Any person (including colleagues) facilitating the reporting of a whistleblowing are also protected under the Whistleblowing & Investigations' policy.

Allegations can be reported through various channels, for example, line management, a trusted colleague, the dedicated local whistleblowing hotline (which must be freely accessible), HR, Compliance, *via* a detection tool, directly to local Internal Audit or to Group Internal Audit (speak-up@axa.com). All allegations ultimately end up with Internal Audit. Local Whistleblowing & Investigations policies must provide instructions on how allegations can be raised externally.

(1) *https://www.axa.com/en/about-us/investments).*

(2) *www.axa.com/en/press/publications/2023-climate-report*

The AXA Group has independent Investigations teams (reporting to Internal Audit or in case of a specific delegation by Internal Audit, reporting to another department) who investigate the allegations.

The AXA Group has a dedicated team of independent professionals who review all alerts/allegations received. All allegations received must be triaged and those which fall within AXA's Whistleblowing & Investigations Policy must be logged in AXA's global internal audit tool, CAPT.

All allegations received must be acknowledged to the whistleblower promptly (target response time should be within 7 working days from receipt), and an update provided within 3 months of receipt. Both targets should be met except where there are justifiable extenuating circumstances. If at any point it becomes clear that the allegation is not admissible under the Whistleblowing & Investigations Policy, the reasons will be provided in writing to the whistleblower.

Whistleblowing and investigations are confidential. Any leakage of confidential information will be subject to appropriate disciplinary action.

The whistleblowing procedure provides that retaliation against whistleblowers or anyone who is part of the process, or reporting allegations in bad faith, are not tolerated by AXA and will be subject to appropriate disciplinary action.

Furthermore, all AXA Group companies are required to define internal policies governing whistleblowing according to local laws and regulations, and in alignment with the new 2023 "Whistleblowing & Investigations" policy.

Local campaigns and awareness sessions are regularly conducted on Whistleblowing and AXA "Speak-up" processes.

Monitoring the effective implementation of the vigilance measures

AS A COMPANY

Reporting process

AXA has put in place a comprehensive system of internal control and Risk Management (please refer to Section 5.2 "Internal control and Risk Management") which supports enforcement of Group standards and policies in operating entities and compliance with applicable regulations. The monitoring of the implementation of vigilance measures and assessing their effectiveness, is carried out, at a high level, by the Group's system of internal control.

In addition, the AXA Group relies on a reporting process for Group entities which is based on an internal review conducted by the Group Sustainability central team, the AXA Entities Sustainability Index (the "AESI"). Conducted each year, the AESI is the Group's internal system for promoting and assessing the implementation of the Group's ESG guidelines and standards at the level of each of the AXA entities.

In 2023, the AESI was completed by 29 AXA entities (compared to 30 in 2022) [(1)]. The AESI questionnaire consists of 21 questions related to the Group's ESG strategy implementation and 2 questions related to the AXA entities' compliance with the vigilance plan, which can be broken down into the following six (6) themes:

- **sustainable procurement**: inclusion of sustainability criteria in the RFPs, inclusion of sustainability clause in contracts, signature of the Buyer Code of Ethics by procurement associates, implementation of sustainability awareness sessions in local procurement teams, sustainability evaluation of suppliers by third party;
- **employee human rights**: LGBT+ inclusive workplace, inclusion of employees with a temporary or permanent disability, implementation of a social dialogue;
- **whistleblowing policy:** existence of a local formal policy, communication of this policy, definition of main roles and responsibilities, the coverage of the speak-up procedure and its accessibility for employees and external stakeholders;
- **safety, health, and security of employees**: processes to identify risks, proactive and reactive measures, performance measurement;
- **personal data protection**: application of the Binding Corporate Rules; and
- **environment and human rights as an insurer and as an investor**: compliance with the Group guidelines.

Following the self-assessment conducted in 2023, gaps were identified, and the relevant entities shall implement improvement action plans, including the following:

- the enhancement of the onboarding of procurement associates with sustainability awareness sessions and their signature of the Buyer Code of Ethics;
- the strengthening of procurement process with respect to sourcing (inclusion of sustainability criteria in the RFP), contracting (the inclusion of the sustainability clause in

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(1) *The reason for this decrease is due to the fact that in 2023, Architas (now AXA IM Select) was onboarded within AXA Investment Managers as a business unit and therefore contributed to the AESI through AXA IM.*

procurement contracts), and contract monitoring (the implementation of action plans for suppliers and sub-contractors within high-ESG risk procurement categories and with significant yearly spend with low ESG assessment score (source EcoVadis); and

- the strengthening of all contract monitoring (notably the implementation of action plans for suppliers and sub-contractors within high-ESG risk procurement categories, with significant yearly spend and with low ESG assessment score (source EcoVadis)).

Finally, the effective implementation of certain vigilance measures linked to sustainability risks (as identified in Section 4.1 "AXA Group's Sustainability strategy - Sustainability risk assessment") can also be tracked by key performance indicators presented in Section 4.7 "Transversal information - 2023 key performance indicators".

Involvement of AXA stakeholders

In line with its strong culture of dialogue, AXA has regular discussions with its various stakeholders at different levels.

In order to maintain effective communication between employees and management as well as a constructive social dialogue, the vigilance plan was presented on several occasions to employee representatives.

Please refer to Section 4.1 "AXA Group's Sustainability strategy - Sustainability governance & Stakeholder dialogue" of this Annual Report for further details about the stakeholder dialogue initiated by AXA.

Sustainability Scoring

The AXA Group is evaluated every year by S&P Global CSA (Corporate Sustainability Assessment) score. Please refer to Section 1.1 "The AXA Group - Key figures - Socially Responsible Investments (SRI) ratings" for further details about ratings. Furthermore, the AXA Group received a "Gold" score in its latest EcoVadis evaluation.

AS A BUSINESS PARTNER

Integrating Group Sustainability strategy and commitments into its management of its key suppliers and sub-contractors is an on-going activity for AXA Group. This alignment means that AXA Group integrates sustainability considerations to select and monitor its suppliers. This approach is articulated around two axes: **(i) responsible persons & processes; and (ii) responsible suppliers.**

All AXA entities are required to report on General Expenses and IT Procurement, on an annual basis, to Group Procurement teams, with indicators detailing their alignment with AXA Group standards on sustainability on these two axes. This framework allows AXA Group to monitor the effective implementation of the Group Sustainability strategy with respect to our own operations.

The results of this reporting on General Expenses and IT contracts in respect of the 27 AXA entities that completed this survey for 2023 are set out below:

- **responsible people & processes:**
  - the AXA Group personnel working in a procurement department must sign the Code of Ethics, which promotes fairness and neutrality, confidentiality, and transparency of sourcing decisions. In 2022 and 2023, more than 90% [(1)] of procurement associates signed the Buyer Code of Ethics.
  - the personnel is also trained to the AXA Group's Sustainability strategy and its Sustainable Procurement policy through awareness sessions given by the network of Sustainable Procurement personnel identified in our various entities. In 2022 and 2023 more than 80% [(1)] of procurement associates attended the sustainability awareness session.
- **responsible suppliers:**
  - the AXA Group requires a sustainable development clause, to be included in IT and General Expenses contracts signed with suppliers and sub-contractors. That clause provides a number of obligations, including **(i)** respect by supplier of human rights, fundamental freedoms, safety, health, and environmental protection, **(ii)** authorization for AXA Group to carry out audits to verify that its supplier complies with its obligations, in particular under the sustainability clauses and **(iii)** the possibility for AXA Group to terminate a contract in the event of a breach of those obligations. More than 90% [(1)] of the procurement contracts entered or renewed in 2022 and 2023 included this sustainability clause.
  - since 2021 an ESG criteria grid has been shared across the Procurement teams and continues to be integrated into the Group's calls for tenders in respect of IT and General Expenses contracts. Criteria may vary depending on purchasing categories. As an example, they may involve the EcoVadis rating, the carbon emissions of suppliers' and sub-contractors' products and services, or their responsible procurement policy. More than 75% [(1)] of RFP launched in 2022 and 2023 contained the Sustainability criteria.
  - the AXA Group implemented an assessment of the extra-financial risks of IT and General Expenses suppliers, identified thanks to an internal Risk Matrix by procurement category (please refer to Section "Vigilance Plan – Risk mapping to identify, analyze and prioritize risks – Mapping of risks in AXA's supply chain" above). More than 70% [(1)] of the suppliers evaluated in 2022 and 2023 shared a Bronze or higher EcoVadis scoring.

(1) These results are based on figures provided by 27 AXA entities in respect of General Expenses and IT contracts for 2023 whereas equivalent figures in 2022 were provided by 28 AXA entities in respect of General Expenses, IT and insurance procurement contracts.

- for these key categories, the AXA Group has implemented locally new sustainable ways of buying, *e.g.,* the greening of car fleets, the purchases of green energy whose Scope covers the electricity consumption of all offices and data centers of AXA entities in Europe, the deployment of new measures for IT purchases (*e.g.*, by asking key IT providers to provide the carbon footprint related to the Group's purchases of their services and products). All these best practices applied locally are shared by the Sustainable Procurement community in order to promote a wider deployment.

Since 2018, the AXA Group uses a dedicated **Vendor Risk program** to reinforce its operational control and Risk Management of third parties. This program is centrally coordinated by the Group Risk Management Department and implemented locally by AXA entities. Please refer to Section 5.7 "Operational risks" of this Annual Report for further information on this program.

All local procurement teams are required to comply with the mandatory requirements and commitments set out in the Group Sustainability Standards.

All local procurement teams must escalate any breaches of the sustainability procurement requirements (*i.e.* Code of Ethics, Group sustainability clause and sustainability assessments) to their local Chief Procurement Officer in a timely manner. All local CEOs are required to certify to the Group CEO on the level of adherence to Group Sustainability Standards on an annual basis.

The Group Sustainability Standards are expected to be enhanced during 2024 and these enhancements will be reported on in the 2024 Annual Report.

AS AN INSURER AND AS AN INVESTOR

CEOs of all local entities are required to comply with the mandatory requirements and commitments set out in the Group Sustainability Standards, which was reinforced in January 2024.

In respect of underwriting

The Group Sustainability Standards mandate the application of an internal group underwriting sustainability restriction list, which is regularly updated and disseminated by the Group Underwriting Office to all local underwriting teams and their respective CEOs.

- these restrictions apply to all new business and renewals for Property & Casualty, Life and Health underwriters;
- CEOs must ensure timely escalation of any breaches of the Group Sustainability Standards to the Group Chief Risk Officer, Group Chief Underwriting Officer and Group Sustainability Officer as soon as it becomes known.

Specific "Sustainability Underwriting Guidelines" were introduced in 2022 to complement the Group Sustainability Standards and the Group sustainability restriction list on P&C underwriting for the AXA Group's P&C underwriters. The guidelines comprehensively integrate the Group sustainability restriction list into the AXA Group's P&C underwriting governance framework, ensuring that P&C activity is conducted in accordance with the AXA Group's Sustainability objectives and values in all respects, save where to do so would be a breach of legal and regulatory requirements in any applicable jurisdiction. They set out the risks and types of customer which AXA group entities are prohibited from or restricted in underwriting, as well as applicable assessment criteria, while outlining an escalation framework for issues and sensitive cases encountered in the underwriting process which might otherwise result in a breach of the AXA Group's sustainability commitments. The guidelines are reviewed regularly in tandem with the Group sustainability restriction list and the Group Sustainability Standards.

In respect of investments

The Group Sustainability Standards apply by reference to the responsible investment restriction list, which is regularly updated by the Group Investment & ALM teams and disseminated by the Financial Risk Management teams to all local investment teams and their respective CFOs/CEOs.

- These restrictions apply to all investments made by local entities as principle and also, with respect to General Account assets and Unit-Linked assets, notwithstanding the asset manager.

In this context, CEOs/CFOs must ensure timely escalation of any breaches of the Group Sustainability Standards to the Group Chief Risk Officer and Group Sustainability Officer as soon as it becomes known.

4.7 TRANSVERSAL INFORMATION

EU Taxonomy Disclosures

GENERAL INFORMATION

The following provides information with respect to the requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the EU Taxonomy Regulation) and the five supplementing Commission Delegated Regulations (1) that have been published as of June 27, 2023.

The EU Taxonomy Regulation and the Disclosure Delegated Act require companies such as AXA to disclose how and to what extent their activities are associated with economic activities that qualify as "environmentally" sustainable under articles 3 and 9 of the EU Taxonomy Regulation.

Pursuant to article 3 of the EU Taxonomy Regulation, an economic activity must meet the following conditions to be considered as environmentally sustainable (Taxonomy-aligned economic activity):

- it contributes substantially to at least one of the six environmental objectives laid down in article 9 of the EU Taxonomy Regulation (2) and complies with the technical screening criteria (TSC) established by the Commission for each eligible activity;
- it meets the "do no significant harm" (DNSH) criteria, having no negative effect on any of the other five environmental objectives; and
- it complies with the minimum safeguards (MS) laid down in article 18 relating primarily to human rights and social and labor standards.

During the 2-year transitional period that ended on December 31, 2023, financial undertakings such as AXA had to disclose only some information which include, among others, the proportion of exposures to Taxonomy-eligible and to Taxonomy non-eligible (3) economic activities.

As of January 1, 2024, financial undertakings must disclose the proportion of exposures to Taxonomy-aligned economic activities, as well as other information that are presented below.

As an insurance and reinsurance group, AXA shall disclose **the Key Performance Indicator (KPI) related to underwriting activities**, which represents the proportion of Taxonomy-aligned "gross premiums written" for non-Life insurance and reinsurance services related to the underwriting of climate-related perils (4) relative to the total non-Life insurance and reinsurance gross premiums written. Under the Climate Delegated Act Non-Life insurance activities through the underwriting of climate-related perils can indeed qualify as contributing substantially to climate change adaptation.

AXA shall also separately disclose **the KPI related to investments by insurance or reinsurance undertakings**, which present the weighted average of those investments that are directed at funding or are associated with Taxonomy-aligned economic activities. Such indicators measure the extent to which investments by financial undertakings, such as insurers and reinsurers, contribute to reorient capital flows towards sustainable investment.

(1) ***(i)*** *Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (***the "Climate Delegated Act"***),* ***(ii)*** *Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation (***the "Disclosure Delegated Act"***),* ***(iii)*** *Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities (***the "First Complementary Climate Delegated Act"***),* **(iv)** *Commission Delegated Regulation (EU) 2023/2486 of June 27, 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities (***the "Environmental Delegated Act"***),* **(v)** *Commission Delegated Regulation (EU) 2023/2485 of June 27, 2023 amending Delegated Regulation (EU) 2021/2139 establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives (***the "Second Complementary Climate Delegated Act"***).*

(2) *Climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems.*

(3) *The terms "Taxonomy eligible economic activities" and "Taxonomy non-eligible economic activities" are defined in article 1 (5) and (6) of Commission Delegated Regulation (EU) 2021/2178.*

(4) *A non-exhaustive list of climate-related hazards is available in Annex II (Technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, Appendix A (Classification of climate-related hazards) of the Disclosures Delegated Act.*

METHODOLOGY CONSIDERATIONS

To assist companies, the European Commission regularly publishes Taxonomy FAQs and notices that aim at further clarifying the disclosure requirements under the EU Taxonomy Regulation and the Disclosures Delegated Act. AXA acknowledges the interpretative and implementation guidance provided by the EU Commission, notably the specific guidance to financial undertakings in the draft Third Commission Notice released on December 21, 2023.

Given that the legal framework for the EU Taxonomy reporting is new and still in the process of development; the requirements are subject to uncertainty in interpretation and the underlying data that are necessary to produce the KPI are not immediately available, as explained below. Against this background, AXA has opted for a prudent approach and will progressively enhance the completeness and quality of the Taxonomy reporting.

Furthermore, the information included in the section on EU Taxonomy Disclosures provides only a partial view of how AXA contributes to climate-change adaptation and should be read in conjunction with all other information provided in Section 4 that gives further examples of such contribution.

Considering that this is the first year of reporting for financial undertakings, which start reporting KPIs based on the criteria set out in the EU Taxonomy Regulation for an economic activity to qualify as "environmentally sustainable", AXA agrees with the observations and expectations of the European Commission that the robustness and accuracy of KPIs disclosed by undertakings, including financial undertakings, will improve gradually with the uptake of the EU Taxonomy by the relevant undertakings, notably in respect of the flow of information and data from the financial and non-financial counterparties that they invest in.

AXA took note of the guidance drafted by the European Commission with respect to the information to be included in the contextual disclosures, particularly in connection with the requirement to disclose a consolidated group-level KPI on Taxonomy-aligned activities for parent undertakings of groups that have several financial activities and, in such situations, the requirement to provide subsidiary-level KPIs on Taxonomy-aligned activities.

These additional clarifications call for a reassessment of the methods and reported KPIs, with significant operational implications. For example, the publication of subsidiary-level KPI on Taxonomy-aligned activities could not be fully taken into account in the statement published for the purpose of this financial year ended December 31, 2023, and should be disclosed for the purpose of subsequent reporting years.

In addition, the method for calculating a consolidated group-level KPI on Taxonomy-aligned activities by computing the KPIs applicable to AXA (*i.e.,* the KPI related to investments by insurance or reinsurance undertakings, the KPI related to underwriting activities and possible the KPIs from other economic activities) is not detailed in the EU Taxonomy Regulation nor in the supplementing Commission Delegated Regulations, and will have to be determined in light of the information recently published by the European Commission in the draft Third Commission Notice.

Finally, the KPIs applicable to AXA presented in this section, in accordance with the EU Taxonomy Regulation and the supplementing Commission Delegated Regulations, for the purpose of the financial year ended December 31, 2023, were based on financial data available as of December 31, 2023. Considering that this is the first year of reporting for AXA with respect to such KPIs, figures and comparable information for 2022 could not be provided.

TAXONOMY ALIGNMENT OF NON-LIFE INSURANCE ECONOMIC ACTIVITIES

Proportion of Taxonomy-aligned non-Life premiums

Economic activities	Climate change adaptation		DNSH (Do No Significant Harm)					
	Absolute premiums, year t	Proportion of premiums, year t	Climate change mitigation	Water and Marine ressources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards
(in EUR million, except percentages)	Amount	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1 Non-Life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	673	1.0%	Yes	NA	NA	NA	NA	Yes
A.1.1 Of which reinsured	294	0.4%	Yes	NA	NA	NA	NA	Yes
A.1.2 Of which stemming from reinsurance activity	0	0.0%	Yes	NA	NA	NA	NA	Yes
A.1.2.1 Of which reinsured (retrocession)	0	0.0%	Yes	NA	NA	NA	NA	Yes
A..2 Non-Life insurance and reinsurance underwriting Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	3,345	5.1% [(a)]						
B. Non-Life insurance and reinsurance underwriting Taxonomy-non-eligible activities	61,896	93.9%						
TOTAL (A.1 + A.2 + B)	**65,914**	**100.0%**						

(a) It should be noted that the methodology used to determine the portions of premium reported in the above table is in line with the draft Third Commission Notice. Nevertheless, for information purposes, if we applied the methodology used in 2022 in respect of the entire premium for non-life products covering climate perils, the proportions of Taxonomy-aligned premiums and Taxonomy-eligible but not Taxonomy- aligned premiums would represent 9% and 27.5% respectively for the financial year ended December 31, 2023. Accordingly, the total proportion of Taxonomy-eligible premiums would be 36% in 2023, compared to 35% reported in 2022.

Contextual information

In accordance with the Climate Delegated Act, as amended, insurance services classified in eight of the non-Life insurance and reinsurance Solvency II lines of business [(1)] are considered as Taxonomy-eligible, to the extent that they include policy terms related to the underwriting of climate-related perils. [(2)]

In this regard, AXA Group has identified three lines of business composed of insurance or reinsurance products generally including coverage of risks related to climate-related perils: **(i)** motor insurance (other than third party liability insurance); **(ii)** marine, Aviation and Transport insurance; and **(iii)** fire and other property damage insurance.

The share of gross written premiums covering climate related events reported in those three lines of business have been recognized as Taxonomy-eligible, excluding thus premiums of products for which climate-related perils are explicitly excluded from the insurance policy terms or for which climate-related perils cannot trigger any claims.

On other potentially eligible lines of business (*i.e.*, medical expense insurance, income protection insurance, workers' compensation insurance, motor vehicle liability insurance and assistance), only the share of the gross written premiums covering climate-related perils in products for which such cover is explicitly mentioned in the insurance policy terms have been considered as Taxonomy-eligible.

The analysis has been done on direct lines of business, and reinsurance assumed.

The calculation of the share of premium covering climate related event was based on pricing tool or, if not available, using claim database.

(1) The term "lines of business" is defined in Annex I, Section A, of Commission Delegated Regulation (EU) 2015/35 of October 10, 2014 (as amended), supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II Directive).

(2) Section 10.1 of the Annex 2 to the Commission Delegated Regulation (EU) 2021/2139 restricts Taxonomy-eligible economic activities to the following non-Life insurance services: (a) medical expense insurance; (b) income protection insurance; (c) workers' compensation insurance; (d) motor vehicle Liability insurance; (e) other motor insurance; (f) marine, aviation and transport insurance; (g) fire and other damage to property insurance; (h) assistance.

To determine the amount of premiums related to non-Life insurance and reinsurance underwriting Taxonomy-aligned activities, AXA Group analyzed the Taxonomy-eligible products and identified those that meet all the TSC for insurance and reinsurance activities related to leadership in modelling and pricing of climate risks, product design, innovative insurance coverage solutions, data sharing and high level of service in post-disaster situations.

In order to comply with the DNSH criteria, the premiums from policies covering extraction, storage, transport or manufacture of fossil fuels or vehicles, property or other assets dedicated to such purposes, were excluded from the Scope of Taxonomy-aligned premiums.

In order to qualify as "environmentally sustainable" in compliance with the EU Taxonomy Regulation, an economic activity must also comply with the minimum safeguards, laid down in article 18 of the EU Taxonomy Regulation. According to the European Commission [(1)], the central requirement is the implementation of appropriate procedures to identify, prevent, mitigate or remedy, on an ongoing basis, actual or potential negative impacts related to its operations, value chain and contractual relationships. This ensures that the entity's activities are carried out in compliance with such minimum safeguards.

In France, the market consensus among French insurance companies is that the *loi de vigilance* [(2)] is based, at a high-level, on the principles and standards mentioned in article 18 of the EU Taxonomy Regulation. To comply with the *loi de vigilance*, AXA Group publishes a vigilance plan that covers AXA's activities and subsidiaries controlled directly or indirectly by AXA.

The AXA Group's Vigilance Plan;can be found at Section 4.6 "Vigilance Plan" of this Annual Report.

Regarding the data sharing criteria, AXA France already shares loss data with the CCR (*Caisse centrale de réassurance*), a public-sector reinsurer wholly owned by the French State. In addition, if a public authority or non-profit research organization is carrying out analyses related to natural hazards, AXA Group will make available to them, free of charge, a significant portion of loss data related to climate-related event. Any authority or research organization must submit a written request to AXA Group, specifying the purpose of the research and the scope of the data requested. This request will be studied and, where appropriate, the data will be provided in a granular manner to enable analytical research but aggregated and anonymized, in order to comply with the provisions of Regulation (EU) 2016/679.

Nature and objectives of Taxonomy-aligned economic activities

Considering the requirement to carefully assess the criteria of article 3 of the EU Taxonomy Regulation, which are required to be met in order for an economic activity to qualify as environmentally sustainable (*i.e.*, Taxonomy-aligned economic activity), at this stage, AXA recognizes only 1% of its non-Life gross written premiums as being Taxonomy-aligned.

For now, the Taxonomy-aligned share of non-Life gross premiums only covers the following guarantees underwritten by AXA France and AXA XL:

- insurance policies covering natural catastrophes to cars and homes underwritten by AXA France. The premium is fixed by the legislation, and preventive measures materialized as alert on mobile phone in case of weather warning are provided to policyholders;
- insurance policies covering commercial property damage underwritten by AXA XL, where pricing and recommendations offered to the clients are dependent of the assessment of a loss prevention report analysis which is influenced by the degrees of prevention against climate-related events; and
- insurance policies covering property portion of cargo underwritten by AXA XL, for which a pricing differentiation occurs on the cat deductibles located in storage.

Non-Life insurance products covering climate related perils distributed by AXA entities generally contain features that help customers to better adapt to the consequences of climate change, including incentives to prevent its effects on property and people. However, as they do not strictly meet all the conditions in order to qualify as environmentally sustainable, these products cannot technically be considered as environmentally sustainable in accordance with the requirements of the EU Taxonomy Regulation.

In 2024, AXA Group is continuing the work undertaken with local underwriting teams to analyze the existing characteristics of all its non-Life insurance products and will adapt them, wherever feasible, so that they correspond exactly to the criteria of the EU Taxonomy Regulation.

AXA remains convinced that the non-Life insurance sector has a key role to play in helping its clients to adapt to climate change and will work to ensure that the EU Taxonomy Regulation disclosures adequately reflects ithe Group's contribution to this objective.

INTEGRATION OF THE EU TAXONOMY IN THE BUSINESS STRATEGY AND PRODUCT DESIGN PROCESS

Insurance products and features are developed at AXA locally at market or entity level. All new insurance products and any major

(1) *Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy regulation and links to the SFDR (c(2023) FINAL – 12/06/2023).*

(2) *Law No. 2017-399 of March 27, 2017, relating to the duty of care of parent companies and instructing companies (devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre) and article L.225-102-4 of the French Commercial Code.*

product feature changes follow the Group P&C product approval process (PAP) guidelines. The latest version of the PAP includes instructions for the consideration of sustainability features in the design of a new insurance product. If an insurance coverage or service delivers a positive impact on the environment by contributing to at least one of the following objectives: climate change mitigation; climate change adaptation; transition to circular economy; protection of biodiversity loss and pollution prevention, entities should fill in the Insuring the Transition Index Template. The definitions under the EU Taxonomy Regulation are used to define contributions to each objective.

With regards specifically to features of an insurance product that would meet the Taxonomy alignment criteria, on the climate adaptation dimension only, the PAP Insuring the Transition Index Template enquires as to the availability of risk prevention services within the new product. Such risk prevention services may encompass two dimensions: **(i)** impact of an insured's activity on the environment or climate, and how to reduce any negative impacts, and **(ii)** the risks to the insured related to the consequences of climate change and advice or encouragement to reduce their vulnerability. The features of the service are described and scored with the relative significance the service has on the adaptation dimension, either minor or significant. The final score will classify whether this new product may be classified as a "sustainability value added product", "standard product", or "not recommended as a sustainable classified product".

To further support the development of Taxonomy-aligned products, at group level a transversal network across entities and covering all P&C product lines has been created to support sustainability underwriting objectives. And clear objectives have been set at group and entity (most entities in-Scope) level. This network will facilitate the development and introduction of additional products and/or features which align to the EU Taxonomy insurance product criteria for climate change adaptation.

INVESTMENTS DIRECTED AT FUNDING TAXONOMY-ALIGNED ACTIVITIES

Proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

	Turnover-based		Capital expenditures-based	
(in EUR million, except percentages)	%	Amount	%	Amount
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings	1.0%	3,818	1.4%	5,629

	%	Amount
Assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities	74.0%	398,500

Breakdown of denominator of the KPI

		%	Amount
Derivatives relative to total assets covered by the KPI		-0.4%	-1,652
Exposures to financial and non-financial undertakings not subject to articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI	For non-financial undertakings	0.0%	65
	For financial undertakings	0.0%	68
Exposures to financial and non-financial undertakings from non-EU countries not subject to articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI	For non-financial undertakings	18.7%	74,322
	For financial undertakings	13.5%	53,604
Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI [(1)]	For non-financial undertakings	0.8%	3,073
	For financial undertakings	0.2%	745
Exposures to other counterparties over total assets covered by the KPI		67.3%	268,276
Insurance or reinsurance undertaking's investments other than investments held in respect of Life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities		1.0%	3,818
All the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI		87.9%	350,133
All the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI		11.2%	44,549

(1) Turnover-based.

Breakdown of numerator of the KPI

(in EUR million, except percentages)		Turnover-based %	Turnover-based Amount	Capital expenditures-based %	Capital expenditures-based Amount
Taxonomy-aligned exposures to financial and non-financial undertakings subject to articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI	For non-financial undertakings	80.5%	3,073	76.3%	4,295
	For financial undertakings	19.5%	745	23.7%	1,334
Insurance or reinsurance undertaking's investments other than investments held in respect of Life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned		0.0%	-	0.0%	-
Taxonomy-aligned exposures to other counterparties in over total assets covered by the KPI		0.0%	-	0.0%	-

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided "do-not-significant-harm"(DNSH) and social safeguards positive assessment:

(in EUR million, except percentages)		Proportion relative to Taxonomy-aligned exposures	Transitional activities	Enabling activities
(1) Climate change mitigation	Turnover-based	99.5%	1.4%	49.4%
	Capital expenditures-based	99.8%	2.6%	37.6%
(2) Climate change adaptation	Turnover-based	0.1%		17.8%
	Capital expenditures-based	0.1%		20.8%
(3) The sustainable use and protection of water and marine resources	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%
(4) The transition to a circular economy	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%
(5) Pollution prevention and control	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%
(6) The protection and restoration of biodiversity and ecosystems	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%

Contextual information

The proportion of exposures to Taxonomy-aligned activities represents the weighted average value of invested assets directed at funding, or associated with, Taxonomy-aligned economic activities relative to the value of total invested assets included for the purpose of the calculation of the KPI (the **"Covered Assets"**).

The Covered Assets correspond to all assets invested on the balance sheet (including cash) [1], excluding exposures to central governments, central banks, and supranational issuers, in accordance with article 7.1 of the Disclosure Delegated Act. The Covered Assets thus include exposures to investments in properties, equity securities, debt instruments (excluding sovereign exposures), non-consolidated investments funds, derivatives, loans, cash, and cash equivalents. Assets backing

(1) Corresponding to the assets "Investments from insurance activities", "Investments from banking and other activities" and "Cash and cash equivalents" of the consolidated statement of financial position (Section 6.1).

contracts where the financial risk is borne by policyholders are also included. In 2023, the Covered Assets represents 74.0% of the total investments.

Exposures to central governments, central banks, and supranational issuers, which overall represent 26.0% of total investments, are excluded from the numerator and denominator of the indicator. This exclusion is explained by the absence of a methodology for determining their alignment with the EU Taxonomy.

Exposures to undertakings not subject to articles 19a and 29a of Directive 2013/34/EU and derivatives, representing respectively 32.1% and -0.4% of the Covered Assets, cannot be assessed for Taxonomy eligibility purposes to date. Similarly, exposure to non-EU companies, which represent 32.1% of the Covered Assets, cannot be considered in the formal assessment of assets eligible for or aligned with the EU Taxonomy regulation.

In accordance with regulatory requirements, the information required from financial undertakings must be based on actual data published by non-financial or financial undertakings. The use of estimates or approximations is therefore not possible in the context of mandatory reporting.

This regulatory constraint explains why the information above only presents the share of investments in Taxonomy-aligned economic activities under the first two environmental objectives set forth in article 9 of the EU Taxonomy Regulation (*i.e.*, climate mitigation and climate adaptation). The share of exposures to Taxonomy-aligned economic activities under the four environmental objectives set forth in article 9 of the EU Taxonomy Regulation (*i.e.*, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems) cannot be presented due to the unavailability of the underlying data. Indeed, as the Environmental Delegated Act was only published in November 2023, non-financial companies were not in a position to establish and publish their indicators for the purpose of such objectives in their management reports at the end of December 2022. As a result, no published information was available for collection directly or indirectly by financial companies in 2023. In the absence of such data, AXA is, in turn, unable this year to produce the KPI relating to investments in respect of these four new objectives (for both eligibility and alignment).

By default, the fair value of the assets was used to calculate the various indicators.

Based exclusively on data published by companies subject to the reporting requirements under the EU Taxonomy Regulation and collected through an ESG data provider, AXA has identified 3.8 billion investments exposed to Taxonomy-aligned activities, representing 1.0% of the Covered Assets, and 44.5 billion other assets exposed to eligible activities but not Taxonomy-aligned, representing 11.2% of the Covered Assets. These assets correspond mainly to debt or equity instruments in European non-financial companies held directly by AXA.

The available data has nevertheless made it possible to calculate a relatively insignificant amount of aligned investment in companies identified as financial. They correspond to real estate investment trusts (REITs) and financial subsidiaries of European non-financial entities that published their first alignment ratio in 2023.

In accordance with the list of economic activities eligible to the EU Taxonomy Regulation, investments in real estate properties have been recognized as Taxonomy-eligible based on actual information, representing 10.1% of the Covered Assets.

A review is underway to determine their alignment with the EU Taxonomy Regulation, but the results at this stage are insufficient to classify the assets reliably. It has been decided not to declare any alignment to date for this asset class. The aim is to define a framework over the course of 2024 to assess the shortcomings in terms of data collection, given the level of detail expected, and to be able to accurately measure the alignment of these properties.

Exposures to Taxonomy non-eligible activities represent 87.9% ovf the Covered Assets. It includes exposures to cash and loans, but also the remaining assets for which Taxonomy eligibility could not be assessed, *i.e.*, debts and equity instruments for which actual Taxonomy information is not yet available from AXA Group's external ESG data provider, as well as exposures through investment funds for which the information by issuer is not known. AXA is currently organizing a more granular analysis of the funds' portfolios to be in a position to determine the alignment of indirectly held assets.

Mortgage loans, which by nature are deemed Taxonomy-eligible, have been conservatively excluded from the KPIs, as they essentially come from the AXA Group's banking activities and not from its insurance activities in line with draft Third Commission Notice. As these exposures are not significant in terms of value, this exclusion is not likely to significantly affect the KPI.

Integration of the EU Taxonomy in the business strategy, product design process and engagement with counterparties

AXA has not at this stage made any global commitment regarding Taxonomy alignment but has begun to set alignment targets at the level of a few products, with low alignment expectations, mainly for green bond strategies. The expected improvements in terms of understanding of the regulatory framework, data availability and quality of information will eventually enable AXA to refine and raise its ambitions regarding the proportion of its investments in economic activities aligned with the Taxonomy.

AXA will then be able to integrate this dimension into its shareholder engagement, at least for undertakings that fall within the Scope of the European Taxonomy Regulation.

TAXONOMY ALIGNMENT AND ELIGIBILITY OF NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Contextual information

AXA Group has taken into consideration the additional requirements of the First Complementary Climate Delegated Act pertaining to Taxonomy eligibility of nuclear and fossil gas related activities, as well as guidance published by the European Commission [1].

On the basis of information provided by the relevant investees concerning the levels of safety, innovation and waste production from the fuel cycle and collected through an ESG data provided, AXA Group considers that it is exposed through its investments to all activities related to the production of electricity, heat or cold from gaseous fossil fuels [2] nuclear energy [3] as presented in Template 1 in Annex XII of Disclosure Delegated Act, as amended by the First Complementary Climate Delegated Act.

The following tables present information on exposure to fossil gas and nuclear energy activities in accordance with templates 1 to 5 of Annex XII of Disclosure Delegated Act, as amended by the First Complementary Climate Delegated Act. However, in the interests of readability, template 2 is not presented given the redundancy of the information set out in the first six rows of the table showing the Taxonomy-aligned economic activities and complying with template 3. Furthermore, as the six economic activities covered in this section are by definition recognized as Taxonomy-eligible, no Taxonomy non-eligible amounts are attributable to them and the table corresponding to model 5 would not provide any additional information. It was intentionally decided not to disclose it.

In below tables, it should be noted that, in some instances, the exposure to economic activities that have been reported as either Taxonomy-aligned or Taxonomy-eligible but not Taxonomy-aligned, could not be allocated to either of the two climate change objectives, which explains that the amounts reported in the total columns do not systematically reconcile with the sum of the amounts for climate change mitigation and climate change adaptation. These differences are not significant, in our view.

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(1) *Draft Commission Notice dated December 19, 2022, on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets published by the EU Commission (the "***Second Commission Notice"***)*

(2) **(i)** *Construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels;* **(ii)** *Construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels;* **(iii)** *Construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.*

(3) **(i)** *Research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle;* **(ii)** *Construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies;* **(iii)** *Safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.*

Exposure to nuclear and fossil gas related activities

	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Taxonomy-aligned economic activities

		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	*(In Euro million, except percentages)* **Economic activities**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
1	Taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
2	Taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	-	0%
3	Taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	67	2%	67	2%	-	0%
4	Taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
5	Taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
6	Taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
7	**Other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**3,734**	**98%**	**3,730**	**98%**	**4**	**100%**
8	**Total applicable KPI**	**3,801**	**100%**	**3,797**	**100%**	**4**	**100%**

Taxonomy-eligible but not Taxonomy-aligned economic activities

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	*(In Euro million, except percentages)* **Economic activities**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
1.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	25	0.1%	25	0.1%	-	0.0%
5.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	32	0.1%	32	0.1%	-	0.0%
6.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3	0.0%	3	0.0%	-	0.0%
7.	Other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	43,781	99.9%	43,723	99.9%	58	100.0%
8.	**Total Taxonomy eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**43,841**	**100.0%**	**43,784**	**100.0%**	**58**	**100.0%**

2023 Key Performance Indicators

Based on the 2023 sustainability risk assessment presented in Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment", the relevant risks and key performance indicators described in the Chapter 4 "Sustainability" are presented in the table below:

Sustainability theme	Non-Financial risks assessed	Definition of the risk	Section	Indicator	2022	2023	Target	Timeline
Governance	Stakeholder engagement	Risk of not being engaged with our stakeholders	4.1 AXA Group's sustainability strategy	Number of coalitions/ working groups/ pledges involving AXA Group	> 50	> 50	N/A	Annually
Responsible Employer	Safe environment	Employee's health and safety breaches (incl. workers' compensation, pandemia, emerging risks affecting employees)	4.2 Employer Responsibility	Employee Net Promoter Score "eNPS"	35	40	36	Annually
	Diversity & Inclusion	Failure to comply with principles of diversity and equality or to tackle discrimination or harassment properly		AXA's gender parity amongst Top Senior Executives (women representation)	39%	40%	50%	2023
	Talent Management/Loss of key staff	Insufficient skills assessment, development and recognition resulting in high turnover		Salaried employees having been trained at least once during the year	100%	100%	100%	Annually

Sustainability theme	Non-Financial risks assessed	Definition of the risk	Section	Indicator	2022	2023	Target	Timeline
Climate change and biodiversity loss	Own operations	AXA's own operations impact on climate change	4.3 Climate change and biodiversity loss	Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital); performance versus FY2019 ("**AXA For Progress Index**")	-45% [(a)]	-34%	-20%	2019-2025
				% of employees who have been upskilled on climate issues ("**AXA For Progress Index**")	87%	96%	100%	2023
		Impact of climate change on AXA operations		Number of entities that tested all Business Continuity Plans for High/Mission critical business processes	95%	95%	100%	N/A
	Investments	AXA's impact on climate change as an investor		Carbon intensity of AXA's portfolio (General Account Assets); performance versus FY2019 ("**AXA For Progress Index**")	-36% [(b)]	-48% [(b)]	-20% [(b)]	2025
		Impact of climate change on AXA as an investor		Green Investments ("**AXA For Progress Index**")	€25.1 billion	€29.9 billion	€26 billion	2023
	Insurance	AXA's impact on climate change as an insurer		Green Premiums ("**AXA For Progress Index**")	€1.7 billion	€2 billion	€1.7 billion [(c)]	2023
		Impact of climate change on AXA as an insurer		Annual analysis of assets or business activities vulnerable to physical risks	Yes	Yes	N/A	Annually
	Biodiversity	AXA's investments and insurance activities' impact on biodiversity		Deforestation and Ecosystem Conversion Policy	Policy applied	Policy applied	N/A	N/A

Sustainability theme	Non-Financial risks assessed	Definition of the risk	Section	Indicator	2022	2023	Target	Timeline
Inclusive insurer	Inclusive Protection	Inability or difficulties to provide insurance products or services to society at large, including underserved communities	4.4 Inclusive insurer	Number of customers covered by AXA's Inclusive Protection program **("AXA For Progress Index")**	11 million	14 million	12 million	2023
	Partnership & Philanthropy	Inapropriate or inadequate partnerships & philanthropy commitments		% of philanthropic support aligned with the 2 pillars of the sustainability's strategy: climate change & biodiversity and inclusive protection (d)	78%	72%	50%	N/A
Business behavior	Anti-bribery & fight against corruption	Risk of corruption and not complying with Sapin II law	4.5 Business behavior	% of CEOs that have certified the anti-bribery & corruption section of the AXA Standards	100%	100%	100%	Annually
	Business ethics	Mis-selling or non transparent selling practices, mismanagement of claims		% of CEOs that have certified AXA Standards on Product Approval Process	100%	100%	100%	Annually
	Responsible use of data and AI, data privacy and data security	Non compliance with data protection legislation (GDPR) and risk of a data breach or cyber attack		% of customers that complained on Data Privacy	0.0005%	0.0005%	Less than 0.01%	Annually
				Scoring ISO 27001	3.30/5	3.47/5	3.00/5	Annually
				% of employees trained and certified (security, data protection and cybersecurity training)	100%	100%	100%	Annually
	Tax policy	Risk of not complying with tax legislation and not to meet stakeholders' expectations of good tax practices		% of the Group Tax footprint covered in the Tax transparency report published during the year (relating to N-1)	90%	100%	90%	Annually
	Sustainable procurement	Accusation that AXA or any of its supplier fail to uphold human rights	4.6 Vigilance plan	% of procurement contracts entered or renewed with the sustainability clause	94.0%	97.3%	N/A	Annually

N/A stands for Not Applicable (information not existing at the reporting period)

(a) *Historical numbers has been restated compared to past publications.*

(b) *These results are subject to volatility, namely linked to the industry evolution of carbon emissions, financial markets' performance and coverage of issuers AXA has invested in which may evolve over time. Following methodological enhancements in 2023, historical figures including baseline have been restated. While AXA initially commited to reducing the carbon intensity of its General Account investments by 20% between 2019 and 2025, the objective was met, and exceeded, with a reduced carbon intensity of 35% at year-end 2022. Consequently, on June 29, 2023, the AXA Group announced a new intermediate target on investments to reduce the carbon intensity of its General Account assets by 50% by 2030 (using the baseline year 2019).*

(c) *Based on the strong performance in 2022, AXA Group decided to increase its ambition and set a floor at €1.7 billion for 2023.*

(d) *Except donations made by Mutuelles AXA and those in favour of humanitarian emergencies.*

Definitions of Key Performance Indicators (KPI)

The KPI listed in the table above are explained as follows:

Number of coalitions/working groups/pledges involving AXA Group: participation of AXA Group in coalitions, working groups and pledges around climate and inclusion themes.

Employee Net Promoter Score "eNPS": the employee Net Promoter Score is measured by asking employees one question: "How likely are you to recommend AXA as a place to work?". The answer scale is from 0 to 10, and the result is calculated by taking the percent of promoters (answers of 9-10) and subtracting the percent of detractors (answers of 0-5). This then produces a metric on a scale from (-100) to (+100).

AXA's gender parity amongst Top Senior Executives (women representation): share of women part of the GLN. The Global Leadership Network (GLN) is made up of CEO and Executive Committees of AXA's largest markets, growth engines and major transversal entities, as well as senior leaders from the corporate functions, markets, and some country CEOs. The Scope for this calculation concerns all entities having GLN members.

Salaried employees having been trained at least once during the year: share of salaried workforce having received one or more training course provided by the legal entity part of SDR Scope during the reporting year, whether those training hours corresponds to complete courses or incomplete courses, whether in-house, including AXA University programs, or outside the legal entity, including e-learning programs. Even though an employee has received several trainings, the employee is counted only once. Employees having received one or more training course who left the Group and no longer are part of the workforce as of December 31 are included.

Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital): variation of the AXA Group CO_2 emissions related to energy, car fleet, business travel and IT equipment and services. The percentage corresponds to the evolution between the reference year 2019 and the performance year. Target is -20% between 2019 and 2025.

Percentage of employees who have been upskilled on climate issues: share of permanent employees within the SDR Scope who have been trained in climate issues, completing the AXA Climate Academy or with a similar local initiative, excluding new joiners and long absences (according to local management rules).

Number of entities that tested all Business Continuity Plans for high and mission critical business processes: number of entities that tested all Business Continuity Plans for high and mission critical business processes.

Carbon intensity of AXA's portfolio (General Account Assets): EVIC-based carbon intensity of AXA's portfolio, expressed in tons of CO_2 equivalent per million euros of Enterprise Value Including Cash, and covering GHC emmissions of Scope 1 and 2. These results are subject to volatility, namely linked to the industry evolution of carbon emissions, financial markets' performance and coverage of issuers AXA has invested in which may evolve over time. AXA's priority is to achieve -20% carbon footprint reduction target by 2025 with 2019 as the base year.

Green Investments: Billion euros of AXA Group's General Account assets invested in "green" assets, defined based on external labels, certifications, and environmental standards as appropriate. Covers the following asset classes: green bonds, infrastructure debt & equity, impact investments, real estate, and commercial real estate loans.

Green Premium: GWP collected on insurance products part of the Green Business framework (*i.e.,* contributing to Climate Change Mitigation, Climate Change Adaptation, Transition to a Circular economy and/or Limitation of biodiversity loss and pollution) defined in Section 4.3 "Climate change and biodiversity loss".

Annual analysis of assets or business activities vulnerable to physical risks: an annual analysis forward-looking climate physical risk on AXA Group's Property & Casualty business.

Deforestation and Ecosystem Conversion Policy: existence of a Group-wide policy to manage biodiversity risks related to commodity-linked deforestation and ecosystem conversion.

Number of customers covered by AXA Group's Inclusive Protection program: number of policies-in-force of products in Scope of the Inclusive Protection program as defined in Section 4.4 "Inclusive insurer". This year's Inclusive Protection program offers an additional level of granularity, providing more detailed policy information, including a split between AXA Emerging Customers' products and policies with enhanced coverage against vulnerabilities. The data is collected annually from AXA entities participating in the Inclusive Protection program. As of to date, this raw data is **(i)** collected directly from business partners; **(ii)** reviewed locally for consistency by participating AXA entities; and **(iii)** submitted to AXA Group for consolidation.

Percentage of philanthropic support aligned with the two strategic pillars of the sustainability's strategy (climate change & biodiversity and inclusive protection): share of philanthropic donations aligned with the sustainability strategy (except donations made by Mutuelles AXA and those for humanitarian emergencies) monitored by the AXA Community Investment Survey (CIS), the AXA Group reporting of philanthropic and volunteering activities.

Percentage of CEOs that have certified the anti-bribery & corruption section of the AXA Standards: share of CEOs who have certified on the compliance level of their entities with the anti-bribery & corruption section of the AXA Standards.

Percentage of CEOs that have certified AXA Standards on Product Approval Process: share of CEOs who have certified on the compliance level of their entities with the AXA Standards, which engaged them to conduct a Product Approval Process.

Percentage of customers that complained on Data Privacy: among all customers, percentage of customers with a substantiated complaint on Data Privacy.

Scoring ISO 27001: average of ISO 27001 Maturity assessments conducted on the 20ish most mature entities of the Group called "Tier 1" entities. ISO 27001 is an international cyber-security standard against which entities maturity is evaluated on a scale from 0 (inexistent) to 5 (optimized), where 3 is the minimum to have an "effective" control environment. It is the framework used to compare AXA to other companies of the financial and insurance sector (AXA Tier 1 entities are all part of the first quartile of the most secured companies of the sector).

Percentage of employees trained and certified (security, data protection and cybersecurity training): share of salaried employees trained and certified during the year on the topic of security (including physical security, health & safety, operational resilience & information security), data protection and cybersecurity.

Percentage of the Group Tax footprint covered in the Tax transparency report published during the year (relating to N-1): share of the Group Tax footprint covered in the Tax transparency report published in 2023 (relating to 2022). This Tax footprint corresponds to the detail of the various taxes paid (direct and indirect) by geography where the AXA Group operates.

Percentage of procurement contracts entered or renewed with the sustainability clause: share of procurement contracts entered or renewed with the mandatory sustainability clause which includes, in particular, complying with the principles of the ILO (prohibiting the use of child/forced labor, promoting employee health & safety and freedom of expression, and non-discrimination).

Reporting methodology

An assessment of the employer responsibility, environmental, societal, business behavior and human rights impacts of the Group's activities has enabled the appropriate performance indicators to be defined in accordance with the requirements of the French Commercial Code.

As every year, a sustainability risk assessment was conducted for 2023 to identify non-financial ESG risks and assess their materiality. For more details on the ESG risks assessment methodology, please refer to Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment".

SCOPE OF SOCIAL, ENVIRONMENTAL AND SOCIETAL REPORTING

For the perimeters defined below, indicators are fully consolidated, unless otherwise indicated:

Scope of social indicators

The social data provided in Section 4.2 "Employer Responsibility" of this Annual Report are collected from entities in which AXA Group holds, directly or indirectly, management control, as of December 31, 2023. It includes all companies that are fully consolidated for financial reporting, representing a total of 108,357 Full Time Employees (FTEs) [1].

Scope of environmental indicators

Environmental reporting's Scope is based on the same Scope as Social reporting but AXA Group's entities of less than 250 FTEs and AXA Group's sites with less than 50 FTEs are not included in the data collection process. These entities and sites are considered using an extrapolation process.

In 2023, the environmental indicators regarding activities concerning AXA Group's sites (energy, water, paper, waste) were collected for 97,302 FTEs working in AXA's group sites and were then extrapolated continent by continent, to cover all 121,354 FTEs (salaried workforce with open-ended and fix-term contracts, contingent labour and trainees, interns and apprentices – average annual personnel) working at AXA Group in 2023 according to the social reporting.

The environmental indicators regarding business travel and car fleet were collected for 100,062 FTEs working in AXA's group entities and were then extrapolated continent by continent to cover the 108,357 FTEs of salaried workforce (open-ended and fix-term contracts – average annual personnel) working at AXA Group in 2023 according to the social reporting.

The environmental indicators regarding employee commuting were collected for 16,940 FTEs working in 31 Group entities and were then extrapolated continent by continent, to cover all 121,354 FTEs (salaried workforce with open-ended and fix-term contracts, contingent labour and trainees, interns and

(1) *Average salaried workforce with open-ended and fixed-term contracts.*

apprentices – average annual personnel) working at AXA Group in 2023 according to the social reporting.

The environmental indicators regarding data centers were collected from 10 regional data centers sites and 71 local data centers sites used by AXA XL, AXA IM, AXA partners and other smaller entities. The other indicators related to IT were collected from 22 entities within AXA Group.

Scope of societal indicators

In 2023, AXA's entities contributing to the Community Investment Survey, as described in Section 4.4 "Inclusive insurer" of this Annual Report, represent 105,353 FTEs working on AXA sites, meaning a coverage rate of 96.4%.

PERIOD

The indicators cover the period from January 1, 2023, to December 31, 2023, unless mentioned otherwise. To facilitate collection and processing, some data may be collected early in the year. The data for any remaining months (maximum 6 months) is then estimated in accordance with the Group's defined methodology.

DATA REPORTING

Social data reporting

The social data provided in Section 4.2 "Employer Responsibility" of this Annual Report are collected through a reporting process defined by procedures associated with a list of indicators shared with all entities of the AXA Group. This process is updated and communicated to each entity on a yearly basis. Social data are provided by local correspondents using an IT tool dedicated to the social data reporting process. Consistency checks and quality controls are carried out before and during the data collection process, as well as evaluations by an independent third party on some legal entities and the overall process. A validation process of this reporting is also performed locally. There is no estimation or extrapolation made on data provided. Regarding data published in ratios and percentages, numerator and denominator are realigned for each calculation to exclude entities with empty data points.

Environmental data reporting

Environmental data has been collected since 2002, through a dedicated reporting tool filled out by entities in the scope of reporting (see scope of environmental indicators above).

The reporting procedure includes guidelines for reporting and controlling, and calculation rules. AXA Group monitors its environmental footprint reduction towards its targets. The reporting procedure is updated annually, and contributors are trained each year. For each site, contributors specify whether the data has been measured or estimated based on the calculation rules defined in the Group's reporting procedures. Data reported by entities are validated locally by the entity CFOs, except data related to IT and data centers that are validated by each entity CIOs.

Data needed for employee commuting calculation is collected *via* a dedicated questionnaire available for AXA's employees in the reporting scope (see "Scope of environmental indicators" above).

For more information, please refer to Section 4.3 "Climate change and biodiversity loss - AXA as a company: climate change and biodiversity loss" of this Annual Report.

Societal data collection

Societal engagement data which is presented in Section 4.4 "Inclusive insurer - Corporate philanthropy and engagement" of this Annual Report is collected through a dedicated reporting tool with specific definitions for engagement practices. The number of unique volunteers is an estimate based on local entity knowledge of volunteering activities.

LIMITATIONS

Reporting on certain indicators may have limitations due to circumstances sometimes outside of our control such as:

- the absence of nationally and/or internationally recognized definitions, concerning the different categories of employment contracts;
- headcount accounting may differ from one entity to another depending on local management rules and the availability of data (particularly with regard to long-term absences);
- the necessary estimates, the representativeness of the measurements made, or the limited availability of external data required for calculations as the required annual update of emission factors;
- the practical procedures for collecting and entering this information;
- lack of standardization of methodologies, resulting in incomparable data year-on-year (*e.g.,* Warming Potential, CVaR); and
- delays from third-party data providers, notably in respect of information relating to the carbon footprint of investee companies in the context of measuring our Scope 3 emissions.

Therefore, whenever possible, definitions, methodologies and, where applicable, the associated margins of uncertainty are specified for the concerned indicators.

The sustainability themes “circular economy”, “food waste”, “waste prevention and management”, “fight against food insecurity”, “respect of animals’ well-being”, “fair and sustainable food supply”, “use of soils”, “consumption of raw materials” and “promoting the practice of physical activities and sports for people with disabilities”, among others, are not considered as main sustainability risks for AXA and are not included in AXA’s extra-financial performance statement.

USE OF INTERNATIONAL BENCHMARKS

To develop its sustainability strategy and extra-financial performance statement, AXA voluntarily uses certain international benchmarks, as described in this chapter. These include, for example, the United Nations Sustainable Development Goals (as developed in Section 4.1 “AXA Group’s sustainability strategy”), the Greenhouse Gas Protocol (https://ghgprotocol.org) for the calculation of CO_2 emissions, and the Science Based Target Initiative (https://sciencebasedtargets.org) for the reduction of its carbon footprint. Other benchmarks are highlighted in the relevant sections, where appropriate.

4.8 REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT INCLUDED IN THE GROUP MANAGEMENT REPORT

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

FOR THE YEAR ENDED DECEMBER 31, 2023

To the Board of Directors of AXA,

In our capacity as Statutory Auditor (the "third party") of AXA (hereinafter the "Entity"), appointed as an independent third party and accredited by the COFRAC (COFRAC Inspection Accreditation n°3-1681, scope available at www.cofrac.fr), and a member of your company statutory auditors, we conducted our work in order to provide a report expressing a limited assurance conclusion on the historical information (observed and extrapolated) of the consolidated non-financial information statement (hereinafter respectively the "Information" and the "Statement"), prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the financial year ended on December 31, 2023 , included in the management report pursuant to the legal and regulatory provisions of articles L. 225-102-1,R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce)

Conclusion

Based on the procedures performed, as described in the "Nature and scope of procedures" section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the consolidated non-financial information statement is not compliant with the applicable regulatory provisions and that the Information, taken as a whole, are not presented fairly in accordance with the Guidelines.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, significant elements of which are disclosed in the Statement and available on the Entity's website.

Limitations in the preparation of information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

The Board of Directors is responsible for:

- selecting or establishing suitable criteria for preparing the Information;

- preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of those policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- preparing the Statement in accordance with the Entity's Guidelines as mentioned above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

Responsibility of the Statutory Auditor appointed as an independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R. 225- 105 of the French Commercial Code;
- the fairness of the Information provided in accordance with Article R. 225 105 I, 3 and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the main risks.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- the fairness of the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagement, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes – Intervention de l'OTI – déclaration de performance extra-financière* and acting as the verification programme as well as the international standard ISAE 3000 (revised) [(1)].

Independance and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work was carried out by a team of 8 people between October 2023 and March 2024 and took a total of twenty-two weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted about twenty interviews with people responsible for preparing the Statement, representing in particular Group PBRC, Group Sustainability, Group Investment, Group Underwriting, Group Risk Management, Compliance, IT (data security and privacy) and Human Resources.

Nature and scope of procedures

We planned and performed our work considering the risk of a material misstatement of the Information.

We consider that the procedures we performed were based on our professional judgment and allowed us to provide a limited assurance conclusion on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the associated principal risks;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, objectivity and comprehensibility, taking into account, where appropriate, best practices within the sector;

(1) ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

- verified that the Statement includes each category of social and environmental information set out in Article L. 225 102 1 III of the French Commercial Code as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- verified that the Statement provides the information set out in Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement presents the business model and a description of the main risks associated with of all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to such main risks;
- referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks and the consistency of the outcomes, including the key performance indicators used with respect to the main risks, and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the appendix. For certain risks (impact of climate change on AXA as an investor and as an insurer, AXA's impact on climate change as an investor and as an insurer, inclusive protection, AXA's impact on biodiversity, responsible data use (data privacy and data security), our work was performed at the level of the consolidated entity; for the remaining risks, our work was carried out at the consolidated entity and on a selection of entities, listed below:
  - AXA's impact on climate change as an insurer (green business): AXA France;
  - Inclusive Protection: AXA Emerging Customers;
  - Human resources (safe environment, diversity and inclusion, talent management/loss of key staff): AXA China Region Insurance Company Limited, AXA General Insurance Hong Kong Limited, AXA France, AXA Versicherungen AG, AXA Group Operations SAS et AXA Colpatria Seguros de Vida;
  - AXA's own operations impact on climate change: AXA Hong Kong, AXA France, AXA Switzerland, AXA Colombia, AXA Group Operations;
- verified that the Statement covers the scope of consolidation, *i.e.*, all the entities within the scope of the consolidated entity in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;
- studied the internal control and risk management procedures implemented by the entity and assessed its data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important as set out in appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, based on polls or other sampling techniques to assess the proper usage of the definitions and procedures and to reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities listed above and covers between 20,1% and 97% of the consolidated data selected for these tests;
- assessed the overall consistency of the Statement in relation to our knowledge of all the entities within the scope of the consolidated entity.

The procedures performed in a limited assurance review are less extensive than those required for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, March 18, 2024

The independent third-party
EY & Associés

Caroline Delérable	Olivier Durand
Partner, Sustainable Finance	Partner, one of the Statutory Auditors

Appendix : List of the information we considered most important

Social Information

Quantitative information (including KPIs)	*Qualitative information (actions or results)*
Employee Net Promoter Score "eNPS" (Group level)	
AXA's gender parity amongst Top Senior Executives (Group level)	
% of employees who have been upskilled on climate issues (Group level)	
Salaried employees having been trained at least once during the year (21,5% of headcount)	
Total absenteeism rate salaried workforce (21,5% of headcount)	
Headcount of salaried non-sales force as of 31st December (open-ended contract) (21,5% of headcount)	
Headcount of salaried sales force as of 31st December (open-ended contract) (21,5% of headcount)	

Environmental Information

Quantitative information (including KPIs)	*Qualitative information (actions or results)*
Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital) (Group level)	
Total energy consumption (20,1% of FTEs)	Impact of climate change on AXA operations as an insurer
Distance travelled by the AXA fleet for business travels	Impact of climate change on AXA operations as an investor
Professional travels (plane and train) (20,1% of FTEs)	AXA's impact on climate change as an insurer
CO_2 emissions estimated from energy consumption (20,1% of FTEs)	AXA's impact on climate change as an investor
CO_2 emissions estimated from business travels by air and train (20,1% of FTEs)	AXA's own operations impact on climate change
CO_2 emissions estimated from AXA vehicle fleet (20,1% of FTEs) (20,1% of FTEs)	AXA's impact on biodiversity
Green Premiums (40,4% of green premiums)	
Green Investments (Group level)	

Societal information

Quantitative information (including KPIs)	*Qualitative information (actions or results)*
Number of customers covered by the AXA Group's Inclusive Protection program (97% of covered customers)	Inclusive protection
	Responsible use of data, data protection and data security

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RISK FACTORS AND RISK MANAGEMENT

5.1 RISK FACTORS SNFP

You should carefully consider the following risk factors together with other information contained in this Annual Report. Any of these risks could materially affect our business, financial condition, or results of operations, cause the trading price of our ordinary shares to decline materially or cause our actual results to differ materially from those expected or those expressed in any forward-looking statements made by or on behalf of the Company.

In presenting the risks set forth here, Management has identified the primary categories of risk and the most material risks based on Management's assessment of their materiality and specificity to the AXA Group. Management believes that these are the significant risks to which the AXA Group is exposed as of the filing date of this Annual Report with the AMF and this assessment was based on the perceived likelihood that such risks would materialize and the expected magnitude of their negative impact on the Group. As more fully described below, the primary categories of risk include:

- market-related risks;
- credit- and liquidity-related risks;
- insurance and reinsurance pricing and underwriting-related risks;
- operational risks;
- regulatory and litigation-related risks; and
- risks related to the ownership of the Company's shares.

The foregoing categories of risks, and specific risks within these categories, are increasingly interconnected. For example, the risks related to climate change, as described further below, may affect not only our claims experience through increased natural catastrophe frequency and severity, but may also create increased legal, regulatory and compliance risk. New information, events or circumstances may change Management's assessment of the risks that the Group faces. In particular, Management's assessment may be impacted by the most significant risks identified in AXA's Future Risks Report, including climate change, cyber security risks, geopolitical instability, risks related to artificial intelligence and big data, and energy risks. The risks identified in this Annual Report (which are presented below in order of materiality based on Management's assessment) are not the only risks the Group faces. Additional risks and uncertainties not currently known to us, not specific to the Group or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, results of operations or cash flows.

Management devotes very substantial resources to Risk Management on an ongoing basis, but the Group's Risk Management activities, like all control systems, are subject to inherent limitations and cannot provide absolute protection from the risks described in this Part 5 or the losses that may result in the event they materialize.

Where such risks have had quantifiable and material financial impacts on the Group and/or resulted in material contingent liabilities, those financial impacts and/or contingent liabilities are reflected in the Consolidated Financial Statements, in accordance with applicable accounting principles. The Company's Risk Management processes, procedures and controls are described in Section 5.2 "Internal control and Risk Management" of this Annual Report, which should be read in conjunction with this Section 5.1. You should also refer to Section 5.3 *et seq*. of this Annual Report for quantitative information on the material risks to which the Group is exposed.

Financial Risks

MARKET-RELATED RISKS

Negative developments in economic and financial market conditions, whether on a national, continental or global basis, may materially and adversely affect our business and profitability

Our businesses, financial condition, results of operations and solvency are impacted by global financial market fluctuations and economic conditions generally.

A wide variety of factors have adversely affected, and could negatively impact in the future, economic growth prospects and contribute to high levels of volatility in financial markets. These factors include:

- adverse geopolitical events (including acts of terrorism or military conflicts) and rising geopolitical tensions in various regions and countries (such as the Middle East, Russia, Ukraine, China, Iran, Türkiye, Latin America, Libya, Syria, Iraq, North Korea and Afghanistan), which may result in spikes in asset prices (such as oil) and create inflationary pressures, or otherwise destabilize financial markets;
- political polarization and volatility in countries or regions whose stability is key to well-functioning financial markets;
- concerns over a persistent slowdown or reversal in economic growth and levels of consumer confidence generally;
- current market conditions, including those relating to asset valuations and volatility of asset prices, that may lead to an abrupt and significant repricing in financial markets, disruptions in the global supply chain and elevated and volatile energy and raw material prices;
- actual or expected volatility in interest rates;
- the strengthening or weakening of foreign currencies against the Euro;
- the availability and cost of credit;
- the stability and solvency of certain financial institutions and other companies, including related systemic credit risk concerns and/or central bank intervention in financial markets;
- inflation or deflation in certain markets;
- a downturn in the global real estate market or in specific significant markets (such as the recent downturn in China);
- credit and valuation risks for private assets, created or amplified by high inflation, tight labor markets and more restrictive credit conditions, among other factors; and
- the continuation or escalation of trade-related disputes between China and the United States and European Union, related disruption to global supply and value chains, the prospect, and potential impact, of any further “de-coupling” of China from the global economy, and China-related geopolitical tensions or other new or rising trade tensions.

We have a large investment portfolio and our investment income—which may be impacted by one or more of the foregoing conditions—is an important part of our profitability. In addition, our sales of insurance and Asset Management products (as well as the level of product surrenders and lapses) depend on the performance of financial markets and customer behavior and confidence, as well as other related factors. Our ability to make a profit on insurance and investment products depends in part on the returns on investments supporting our obligations under those products. In addition, certain types of insurance and investment products that we offer expose us to risks associated with financial market fluctuations. These products include certain interest-sensitive or variable products, such as guaranteed or variable annuities, which have crediting or other guaranteed rates that are not necessarily related to prevailing market interest rates or investment returns on underlying assets. Although we use hedging techniques to help mitigate our exposure under certain of these guaranteed benefits, we cannot effectively hedge against all such risks or volatility in the financial markets, which may still adversely impact us. Furthermore, financial market conditions such as those described above could have a material adverse effect on our solvency.

More generally, the economic environment in which we do business may result in less demand for our financial and insurance products. Significant levels of lapses, surrenders or non-payment of policies or funds due to higher unemployment, lower family income, lower corporate earnings, lower business investment and lower consumer spending could all have a material adverse effect on our business, results of operations and financial condition.

For additional information on the sensitivity of our Solvency II ratio to capital market conditions, please refer to the AXA Group’s SFCR, available on AXA’s website (www.axa.com) [1].

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(1) *The AXA Group’s SFCR for the year ended December 31, 2022, is available on AXA’s website, and the AXA Group’s SFCR for the year ended December 31, 2023 is expected to be published in May 2024, on AXA’s website.*

Changes in interest rates and credit spreads may adversely affect the value of our investments, as well as our business, results of operations, solvency, liquidity and financial condition

Fluctuations in interest rates have a direct impact on **(i)** the value of our assets (particularly fixed-income investments) and **(ii)** our ability to realize gains or avoid losses from the sale of those assets, which ultimately affects earnings. The more volatile these fluctuations are, the more unpredictable our investment valuations and earnings will be.

During periods of increasing interest rates, the fair value of certain of our fixed-income investments may decrease, which could negatively impact our shareholders' equity and Solvency II ratio, or could impact our net income in the event our fixed-income assets were sold. Furthermore, surrenders and lapses of life insurance policies and fixed annuity contracts may accelerate as policyholders seek higher returns, which may cause us to liquidate fixed maturity investments in order to obtain liquidity to satisfy such obligations. This, in turn, may result in liquidity strains and realized investment losses. Lower assets under management would reduce the management fees of our Asset Management business. In addition, we may be required, as an issuer of securities, to pay higher interest rates on debt securities, debt, and bank facilities. We may also face an increase in the cost of our repurchase agreements and the cost of derivative hedging transactions, which may increase our interest expenses.

Conversely, during periods of declining or low interest rates, our net investment income and the profitability of our Life & Health business may be negatively impacted. Earnings from any fixed income investments entered into in a low-rate environment compared to the rates we pay to policyholders and annuity contract owners may result in reduced profitability. In-force life insurance and annuity products may become comparatively more attractive to customers in a declining interest-rate environment, resulting in an increase in our liabilities (in particular in relation to flexible-premium products), asset-liability duration mismatches (as more policies and contracts remain in-force from year-to-year) and an increase in provisions for guarantees included in life insurance and annuity products. In addition, an extended period of low interest rates may increase the regulatory capital and amount of assets we must maintain to cover such provisions, which could have an adverse impact on our Solvency II ratio.

Our exposure to changes in credit spreads primarily relates to the impact of such changes on market prices and cash flow variability. A widening of credit spreads will generally reduce the value of the fixed-income securities we hold (including credit derivatives where we assume credit exposure) and increase our investment income associated with purchases of new fixed-income securities in our investment portfolios. Conversely, credit spread tightening will generally increase the value of fixed-income securities we hold and reduce our investment income associated with new purchases of fixed-income securities in our investment portfolios.

Although we take measures, including hedging through derivative instruments, to manage interest rate and credit spread risk, we may not be able to mitigate the effect of any ongoing volatility in interest rates or credit spreads, which could have a material adverse effect on our solvency position, results of operations, financial condition or cash flows through realized losses, impairments, and changes in unrealized gains and loss positions. For additional information on the sensitivity of our Eligible Own Funds (EOF) and Solvency II ratio to changes in interest rates and corporate bond spreads, please refer to Section 6.6 - Note 4.2 "Market risks (including sensitivity analysis)" of this Annual Report and the AXA Group's SFCR, available on AXA's website (www.axa.com) [(1)].

Fluctuations in currency exchange rates may significantly affect our results of operations, financial condition, liquidity, and solvency

Due to the geographical diversity of our business and the fact that significant subsidiaries of the Group are located in the United States, the United Kingdom, Switzerland, Japan and Hong Kong, we are exposed to the risk of exchange rate fluctuations. A significant portion of our shareholdings and investments, revenues and expenses are denominated in currencies other than the Euro, while our Consolidated Financial Statements are published in Euros. Likewise, the portion of our debt and other obligations (including certain reinsurance treaties and retrocession agreements to which we are a party) denominated in currencies other than the Euro is exposed to foreign currency exchange rate fluctuations.

Equity of Group entities is expressed primarily in the Euro, US Dollar, British Pound Sterling, Swiss Franc, Japanese Yen and Hong Kong Dollar. Fluctuations in Euro exchange rates, have had, and may have in the future, a negative impact on the Shareholders' equity Group share and Underlying earnings Group share. We have not implemented a policy of fully hedging the changes in the value of the equity of our subsidiaries with equity denominated in foreign currencies.

Similarly, fluctuations in exchange rates may have an impact on the Group's net income (as a result of the translation of foreign currency transactions, the settlement of foreign currency balances and discrepancies between foreign currency liabilities and assets), cash flows, gearing ratio and solvency. In addition, the currency hedges we use to manage foreign exchange rate risk

(1) The AXA Group's SFCR for the year ended December 31, 2022, is available on AXA's website, and the AXA Group's SFCR for the year ended December 31, 2023 is expected to be published in May 2024, on AXA's website.

may in themselves impact our cash and liquidity position. For more information about the impact of fluctuations in exchange rates and the main hedging positions of AXA SA with respect to foreign currencies, please refer to Section 5.3 "Market risks" of this Annual Report.

Inflation or deflation in our principal markets would have multiple impacts on the Group and may negatively affect our business, solvency position and results of operations

We are exposed to inflation risk in certain of our principal markets, **(i)** through our holdings of fixed interest rate and other instruments, and **(ii)** as a result of the potential for claim payments and expenses to rise faster than anticipated in our reserving and pricing assumptions.

The Group's assets are exposed to increases in inflation, which was pronounced in 2023. Elevated inflation could result in increases in interest rates by central banks and lead to a decrease in the market value of bonds held in our investment portfolio, which could have an adverse effect on the profitability of our investment portfolio and on our revenues. Increases in inflation could also have an impact on the creditworthiness of bond issuers and could result in an increase in credit spreads (see "Changes in interest rates and credit spreads may adversely affect the value of our investments, as well as our business, results of operations, solvency, liquidity and financial condition" above). Depending on the relevant macroeconomic context, increases in inflation could also have a negative impact on risk premiums and share prices, which could result in a decline in the market value of the Group's equity portfolio.

Our Property & Casualty business, in particular, is impacted by inflation in the costs of claims, the size of damage awards resulting from litigation, labor costs, cost of energy and raw materials, medical costs, new/replacement parts and materials, construction costs and/or inflation due in particular to disruptions in the global supply chain. The impact of inflation on claim costs could be more pronounced for certain of our claims that are indexed to inflation and those Property & Casualty lines of business that are considered "long tail", such as general Liability, Workers' Compensation and professional Liability, and other specialty lines of our AXA XL business, as they require a relatively long period of time to finalize and settle claims for a given accident year. In addition, lags in re-pricing in our Property & Casualty business, when combined with inflation, could reduce our profitability, and pricing measures to counteract inflation may be refused by our customers. Inflation driven in the short term by supply chain disruptions and shortages affecting raw materials and goods may negatively impact the results of our operations, especially for our short-tail lines of business. Changes in the level of inflation could also result in an increased level of uncertainty in our estimation of claims reserves, particularly for long tail lines of business, which could have a significant adverse effect on our solvency, results, financial position or cash flows.

A significant decline in the market value of the Group's asset portfolio and an increase in the costs of claims could also lead to a decrease in the Group's shareholders' equity.

We are also exposed to deflation risk, which materialized in the Eurozone in prior periods. Deflation may erode collateral values and diminish the quality of certain invested assets, and may negatively impact customer behavior or otherwise negatively affect our business and results of operations.

Developments adversely impacting the recoverability of goodwill, amortization of intangibles or deferred tax assets could materially affect our results of operations and financial position

The valuation of our intangible assets (such as goodwill) is largely based on subjective and complex judgments concerning items that are inherently uncertain. If those assumptions and judgements were to change adversely, this could reduce the value of our assets and in turn could reduce shareholders' equity.

The recognition of deferred tax assets depends on the performance of each entity concerned as well as relevant tax laws, regulatory requirements and accounting methods. The occurrence of certain events such as actual operating earnings being lower than projections, losses continuing over a longer period than originally anticipated, or changes in tax laws, regulatory requirements, or accounting methods could lead to writing down some of the deferred tax assets for accounting or regulatory purposes.

Adverse experience relative to the methodologies, estimates and assumptions used by Management in valuing investments and determining allowances and impairments may adversely affect our results of operations

Certain of our invested assets, for which there is no active trading market or other observable market data, are valued using models and methodologies that involve estimates, assumptions and significant Management judgment. During periods of market disruption, a larger portion of our invested assets may be valued using these models and methodologies as a result of less frequent trading or less observable market data with respect to certain asset classes. Our valuations on this basis may not represent the price for which a security may ultimately be sold at any specific point in time or the effect on such valuations of external factors and developments, such as climate-related transition risks. These risks may cause the market and prices for certain investments with a high carbon footprint (also known as "stranded assets") to decrease over time. The choice of models, methodologies and/or assumptions may have a material impact on the fair value amounts and could have a material adverse effect on our results of operations and financial condition.

The determination of the allowances and impairments that we recognize with respect to the invested assets we hold varies by investment type, and is based upon our periodic evaluation and assessment of known and inherent risks associated with the respective asset class. Such evaluations and assessments are revised as conditions change and new information becomes available. In considering impairments, Management considers a wide range of factors, including those described in Section 6.6 - Note 1.9.2 "Financial investments" of this Annual Report, and uses its best judgment in evaluating the cause of the decline in the fair value of the invested assets and the prospects for near-term recovery. For certain asset classes, particularly debt instruments, Management's evaluation involves a variety of assumptions and estimates about the operations of the issuer of the instrument and its future earnings potential. Management updates its evaluations regularly and reflects changes in allowances and impairments as such evaluations are revised. However, Management may not have accurately assessed the level of impairments taken and allowances reflected in our financial statements. The need for and timing of any additional impairments and/or allowances may have a material adverse effect on our results of operations and financial condition.

CREDIT AND LIQUIDITY-RELATED RISKS

Adverse capital and credit market conditions may significantly affect our ability to meet liquidity needs, our access to capital and increase our cost of capital

Over the past years, the capital and credit markets have at times experienced high levels of volatility and disruption which, during certain periods of acute stress, have limited the availability of additional liquidity in the markets and the credit capacity of most issuers, including the AXA Group.

We need liquidity to pay our operating expenses (including claims and surrenders), pay dividends, buy back our shares, pay interest on our debts, refinance certain maturing debts, meet collateral or margin calls and cover other liabilities. The availability of additional financing will depend on market conditions, the availability of credit, our credit ratings and credit capacity. It will also depend on customers' or lenders' perception of our long- or short-term financial prospects. While Management has put in place a Liquidity Risk Management framework that includes active monitoring of the Group's liquidity position and contingency plans for accessing liquidity, liquidity constraints over a prolonged period may have a material adverse effect on our business, results of operations and consolidated financial condition.

For information about the contractual maturities of debt instruments held by the Group, please refer to Section 6.6 - Note 7.4.3 "Debt instruments and loans by contractual maturity and exposure to interest rate risk" of this Annual Report.

Downgrades in our insurer and reinsurer financial strength and credit ratings could adversely impact our competitive position and damage our relationships with creditors or trading counterparties

Insurer and reinsurer financial strength and credit ratings are important factors used by the market and customers in establishing the competitive position of insurance and reinsurance companies and in assessing our claims-paying ability. Rating agencies review their ratings and rating criteria and methodologies on a recurring basis, and they may change or withdraw their ratings at any time, based on relevant factors that may not be entirely within our control. Consequently, our current ratings may not be maintained in the future and no undue reliance should be placed on such ratings, which should not be considered as recommendations to purchase, sell or hold any securities we have issued.

A downgrade or the potential for a downgrade in our ratings could have an adverse effect, including **(i)** damaging our competitive position, **(ii)** negatively impacting our ability to underwrite new insurance policies, **(iii)** increasing the levels of surrenders and termination rates of our in-force policies, **(iv)** increasing our reinsurance costs, **(v)** triggering termination provisions or collateral delivery requirements, or requiring us to return unearned premiums to cedants under certain of our reinsurance and retrocessional agreements, **(vi)** negatively impacting our ability to obtain financing and/or increasing our cost of financing, **(vii)** harming our relationships with creditors or trading counterparties and/or **(viii)** adversely affecting public confidence. Any of these developments could have a material adverse effect on our business, liquidity position, results of operations, revenues and financial condition.

The financial condition and conduct of our counterparties could negatively impact the Group

We have significant exposure to third parties that owe us money, securities, or other assets and which may fail to perform, or default on, their obligations to us due to bankruptcy, insolvency, lack of liquidity, operational failure, fraud, or other reasons. Such third parties include:

- reinsurers and capital market counterparties to which we have ceded (directly or indirectly) our insurance risks (and to which our exposure is particularly significant);
- private sector and government (or government-backed) issuers whose securities we hold in our investment portfolios (including mortgage-backed, asset-backed, government bonds and other types of securities);
- borrowers under mortgages and other loans that we extend;
- customers;
- ceding companies;
- service providers;
- distributors, partners and trading counterparties;
- counterparties under swap and other derivative contracts;
- various financial service counterparties such as banks, broker-dealers and investment funds; and
- clearing agents and market exchanges.

We may also have exposures to such counterparties under insurance policies that we have written, including in respect of director and officer ("D&O"), surety and similar coverages. Moreover, we are exposed to counterparty risk with respect to certain policies we write that provide coverage to our policyholders for their credit risk exposures to third parties.

Where collateral is used to support the third party's financial obligations to us, there may be impediments to or delays in our accessing the collateral, and/or it may not be sufficient to fully protect us in the event of a counterparty default. For information on the ratings of our reinsurers, please refer to Section 5.4 "Credit risk - Risk control and risk mitigation - Receivables from reinsurers: rating processes and factors" of this Annual Report.

Furthermore, bank failures, defaults, non- or under-performance or other adverse developments that affect financial institutions, or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems or impact the international, regional and local business environments in which we operate.

Defaults by the foregoing or other counterparties may materially and adversely affect our business, results of operations and financial condition.

Risks related to the Company and its business

INSURANCE AND REINSURANCE PRICING AND UNDERWRITING-RELATED RISKS

Adverse experience relative to the assumptions and judgment used in setting reserves, developing and pricing products and calculating industry measures of value may significantly affect our results of operations or performance indicators, which may have an adverse impact on the price of our securities

The profitability of our businesses depends on a variety of factors including social, economic and demographic trends, policyholder behavior, court decisions, changes in laws and regulations, inflation, investment returns, the cost and availability of reinsurance and underwriting expenses. We make assumptions about these factors in estimating our risk exposures, determining the pricing of our products, establishing our technical provisions and employee benefits reserves and reporting capital levels and business results. These assumptions are based on various modeling techniques (*e.g.*, scenarios, predictive, stochastic and/or forecasting), using both proprietary and third-party models, data analytics and related analyses. Model outputs and related analyses are subject to various assumptions, uncertainties, model errors and the inherent limitations of any statistical analysis (including availability, use, accuracy, and relevance of historical, internal and industry data). In addition, they incorporate numerous assumptions and forecasts about market conditions (such as interest rates, inflation and currency exchange rates), capital requirements, loss frequency and severity, and policyholder behavior. The use of such models can also be affected by operational risks, including input, data, and human error. Adverse experience relative to such assumptions, in particular in the context of pandemics, major natural and man-made catastrophic events, systemic risks, cyber risks, the use of and reliance on incomplete, inaccurate or incomplete models and data, or inherent product defects may result in an increase in the pricing of our insurance products or the need for us to strengthen our product reserves. This may in turn have an adverse effect on our results of operations and financial condition, or lead to litigation.

In our businesses and in the Company's function as the main operational internal reinsurer of the Group we establish reserves for claims (reported and unreported) and claims expenses in accordance with industry practices, as well as accounting, actuarial and regulatory requirements. Reserves do not represent an exact calculation of liability, but instead represent expectations of what the ultimate settlement and administration of claims will cost based on our assessment of facts and circumstances then known, review of historical settlement patterns, estimates of trends in claims severity and frequency, actuarial experience with respect to past events, legal liability and other factors. The amount of reserves net of reinsurance is also determined based on assumptions as to the availability of reinsurance/retrocession coverage, the applicability of such coverage to potential losses, including, for example, with respect to our ability to aggregate those losses in accordance with the relevant policy terms as well as the recoverability of any reinsurance receivables. In establishing such reserves, there is furthermore a risk related to discounting, which may turn out to be erroneous or need updating, which may in turn impact the Group's assessments and/or require that they be revised.

We are exposed to primary insurance risks in our Property & Casualty business cycle, and our earnings depend significantly upon the extent to which our actual claims experience is consistent with the assumptions we use in setting the prices for our products and establishing the liabilities for obligations for technical provisions and claims. Natural and man-made catastrophes and major accidents or incidents, among other adverse developments, are inherently unpredictable and may result in actual claims that exceed expected claims, harming our profitability. This uncertainty may be exacerbated by governmental or regulatory pressure to fill protection gaps. Reserve risk, resulting from fluctuations in the timing or amount of claims settlements, or changes in our estimated losses (among other factors), could negatively impact our results of operations. Our actuarial staff's evaluations of loss reserve levels could change with time and loss experience, which would be reflected in our results of operations in the period in which the estimates are changed. During Property & Casualty loss settlement periods, which can last several years for certain of our businesses, new or evolving facts regarding claims and trends may arise, resulting in changes to overall reserves. Changes may also result from application of statistical and actuarial methods, which may require the adjustment of overall reserves upward or downward. For additional information, please refer to the paragraph below "The occurrence of natural or man-made disasters, including those resulting from changing weather patterns, diseases and climatic conditions, could adversely affect our financial condition, results of operations and cash flows".

Other factors, such as social inflation (increased litigation, expanded theories of liability, higher jury awards and settlement expectations), as well as mass litigation claims related to exposure to harmful products or substances (*e.g.,* asbestos, opioids, talc, glyphosate, lead paint, PFAS), may affect the ultimate costs of claims in our Property & Casualty business in ways that are difficult to assess for reserve estimate purposes and could be material. Our estimates may also be more difficult during times of adverse economic conditions due to unexpected changes in behavior of claimants and policyholders, including an increase in fraudulent reporting of exposures and/or losses, reduced maintenance of insured properties or increased frequency of small claims. Because the establishment of claims reserves is an inherently uncertain and complex process involving numerous estimates and assumptions, ultimately losses may materially exceed our claims reserves and have a material adverse effect on our results of operations.

As is the case for our Property & Casualty business, our Life & Health business's earnings depend upon the extent to which our actual claims experience is consistent with the assumptions we use for pricing our products and determining our liabilities for obligations for technical provisions and claims. In certain cases, product features such as minimum guarantees or options to swap between underlying funds in certain savings products may result in realized losses that are higher than initially anticipated. In particular, assessing the impact of minimum guarantees which are contained within certain of our Life & Health products involve a significant degree of Management judgment.

While we use both our own experience and industry data to develop products and to estimate future policy benefits, including information used in pricing the insurance products and establishing the related actuarial liabilities, actual experience may not match these estimates and systemic risks and other risks relating to pandemics or major natural or man-made catastrophe events may result in loss experience that is inconsistent with our pricing and reserve assumptions. Furthermore, while our New Business Value (NBV) and Contractual Service Margin (CSM) calculations are done on a market consistent basis, changes in assumptions used in calculating these measures may have a material adverse effect on the level of our NBV and/or CSM. For example, our NBV is sensitive to interest rate movements and, consequently, an adverse evolution of interest rates relative to our assumptions may have a significant impact on our NBV and a corresponding impact on the trading price of our securities.

The Group is exposed to climate change and sustainability risks both directly through its own operations and indirectly through its insurance and investment activities

We are exposed to climate change risk and related categories of risks, such as biodiversity loss (for example, where climate change adversely affects species or ecosystems) and sustainability risk (*i.e.*, risks related to environmental conditions, employer responsibility, societal issues or human rights that could have an adverse effect on our business).

The most significant of such risks that have, and may in the future have, a material impact on our business are:

- **physical risks**: *i.e.*, the direct impacts of climate change on people (Life and Health) property and businesses, such as those arising from rising temperatures, the increase in the frequency and severity of extreme weather events, fires, rising sea levels, and changes in exposure to vector-borne diseases;
- **transition risks**: *i.e.*, the risks linked to the transition to a low-carbon economy, including those related to the modification of behavior and strategies of industrial actors, market participants and customers in response to climate change and related policy, regulatory and technological developments; and
- **liability risks**: *i.e.*, the risk of climate-related disputes, claims for compensation and legal proceedings.

Physical risks may significantly impact our business and the insurance and reinsurance industry more broadly, including with respect to risk perception, pricing and modelling assumptions, the need for new insurance products, the amount and quantum of claims and the value of our investments. Physical risks relating to extreme and more frequent weather events may also impact the availability of cover at an affordable level which could impact profitability both through reduced income and reputational impact to the insurance industry.

Transition risks could impact our insurance products, underwriting and the value of our investments. For example, new or more ambitious low-carbon targets imposed by government or investors may create capital and operational consequences for the assets or the companies in which we have invested, reducing the value of those assets or companies. Both the physical and transition risks of climate change increasingly result in liability risks, including potential disputes, claims for compensation and legal proceedings brought against those we insure and potentially directly against AXA, seeking damages for contribution to climate change or for inaccurate or insufficient disclosure around material financial or operational risks. For additional information on regulatory and litigation risks related to climate change, please refer to the paragraph below "Increasing scrutiny and evolving expectations from investors, customers, regulators and other stakeholders regarding climate change and other Environmental, Social and Governance (ESG) matters, as well as geopolitical matters, may result in increased litigation and may impact our business and results of operations".

The occurrence of natural or man-made disasters, including those resulting from changing weather patterns, diseases and climatic conditions, could adversely affect our financial condition, results of operations and cash flows

Impact of catastrophic events. The AXA Group underwrites risks in most regions of the globe (Europe, Africa, North and Latin America, Asia-Pacific) which are all exposed to natural and other man-made catastrophic events described below:

Natural catastrophes include such events as hurricanes, tornadoes, windstorms, hailstorms, earthquakes, volcanic eruptions, freezes, floods, explosions, wildfires, pandemics, and infectious diseases. Changing weather patterns and climatic conditions, including as a result of climate change, have increased the unpredictability, severity and frequency of natural disasters and impacted our ability to predict future trends and exposures. Our exposure to natural disasters depends on various factors and is often more pronounced in certain geographic areas, including major urban centers, with a high concentration of customers, employees and/or insured property and assets.

Other catastrophic events include man-made disasters resulting from negligent or deliberate human actions, such as ransomware and other disruptive forms of cyber-attacks, systemic cyber failures, terrorist attacks, military actions, and the destruction or failure of power grid and other core infrastructure (*e.g.*, telephony or internet infrastructure) failures, as well as any new significant systemic risks (such as those relating to cyber security).

Catastrophic events could result in substantial volatility in or adversely affect our operations, results, financial condition, cash flows or solvency position, including as a result of claims occurring at higher levels or materially earlier than anticipated; losses resulting from disruptions in our operations or failures of our counterparties to perform; or declines in value of our investment portfolio. We monitor the evolution of these risks closely and generally seek to manage our exposure to them through individual risk selection, modelling and monitoring overall exposures and risk accumulation, purchase of third-party reinsurance and risk transfer transactions to capital markets. In some cases, we may reduce our exposure and/or risk appetites. However, we may not be able to adequately anticipate such catastrophic events, which may affect multiple geographic areas and lines of business or exceed our initial projections, due to their frequency or severity.

Such events may furthermore result in **(i)** the introduction of accounting principles and rules preventing insurers and reinsurers from reserving for catastrophic events until they occur and **(ii)** legislative, regulatory, or judicial decisions implemented following major catastrophes, which may seek to expand the intended scope of coverage for catastrophe-related claims beyond policy terms, including through policyholder-friendly or otherwise broad interpretations of policy wording or retroactive extension of policy coverage.

While we seek to reduce our exposure to catastrophic events through diversification and incremental reinsurance, we have experienced, and could in the future experience, material losses from these types of risks, which may exceed our reinsurance and retrocessional protection (or similar protection afforded through risk transfer transactions to capital markets). Such protection may otherwise be inadequate to protect us against losses, and reinsurance receivables may not be recoverable as expected. For additional information on risks related to our reinsurance coverage, please refer to the paragraph below “Reinsurance may be unavailable or too expensive and may not be adequate to protect us against losses, in particular in the context of cyclical Property & Casualty insurance and reinsurance businesses”.

Our Risk Management programs may be inadequate to protect us against the full extent of the exposure or losses we seek to mitigate and may leave us exposed to unidentified, unanticipated or incorrectly quantified risks that could result in significant losses

We employ a range of Risk Management strategies, including reinsurance for our own account and capital markets solutions (such as catastrophe bonds), in order to avoid or limit losses and liabilities. The failure of, or our inability to adapt, any of our Risk Management strategies could result in significant losses and have a material adverse impact on our financial condition, results of operations, and cash flows.

Hedging. We use derivatives (including equity futures, treasury bond futures, interest rate swaps and swaptions, equity options and foreign currency derivatives) to hedge certain, but not all, risks under guarantees provided to our clients or stemming from our assets. In particular, to hedge a significant widening of credit spreads, we use credit swaps to mitigate our exposure to significant deterioration of the credit quality of our asset portfolio. In certain cases, however, we may not be able or may choose not to apply these techniques to hedge our risks as intended or expected for any number of reasons, which may result in higher realized losses and unanticipated cash needs to collateralize or settle transactions. Such reasons may include: size or liquidity of the derivative markets in question; the financial cost of hedging; or the nature of the risk itself may limit our ability to effectively hedge. Hedging counterparties may also fail to perform their obligations, resulting in unhedged exposures and losses on positions that are not collateralized.

Modeling. The operation of our hedging program is based on models involving numerous estimates and Management judgments, including, among others, volatility and interest rates, and correlation among various market movements. These models or their underlying estimates and assumptions could prove inadequate for certain market environments, especially when financial markets experience high volatility.

Reinsurance may be unavailable or too expensive and may not be adequate to protect us against losses, in particular in the context of cyclical Property & Casualty insurance and reinsurance businesses

The Group’s net exposure may increase if we are unable to obtain adequate types and amounts of reinsurance/retrocession, whether as the result of pricing pressure (in particular in the context of a hardening market), limited market capacity, responses to specific major natural catastrophe events, or otherwise. Any of these factors could adversely affect our ability to write future business or result in the assumption of more risk with respect to the policies we issue. We may also incur unexpected costs as a result of one or more reinsurers’ insolvency, inability or unwillingness to make timely payments under the terms of our contracts or in an amount equal to the relevant reinsurance recoverables or inability or unwillingness to maintain collateral on acceptable terms or at all. In addition, the terms of the reinsurance treaties may evolve, which may prevent us from renewing on the same or substantially the same terms or limit our coverage for certain exposures under our policies and lead to a reduction in actual coverage or to exclusions that imply a larger net risk retained by AXA. Changes in customer expectations for appropriate premium levels, the frequency or severity of claims or other loss events, including losses incurred by our ceding insurers, reinsurers and retrocessionaires, the hardening of the reinsurance market or other factors affecting the Property & Casualty insurance and reinsurance businesses may have an adverse effect on our results of operations and financial condition.

Furthermore, there may be uncertainty surrounding reinsurance/retrocessional coverage for losses. Reinsurance/retrocessional coverage for losses may be more difficult to obtain, as our reinsurers may challenge the applicability of coverage, seek to rely on exclusions or seek to limit our ability to aggregate these losses in accordance with policy terms, any of which may require us to pursue arbitration/litigation and involve significant time and cost to enforce our coverage. The amount of reinsurance recovery available to us in respect of these losses may be adversely impacted as a result.

OPERATIONAL RISKS

Cyber-attacks or other security breaches of our computer systems, technologies or networks, or those of our third-party providers, could disrupt our businesses, result in damage to our reputation or significant financial losses, and expose us to potential regulatory sanctions

The increasing frequency and sophistication of ransomware and other disruptive forms of cyber-attacks directed at major financial institutions and other corporations has made clear the significance of these cyber risks and the operational, financial, and reputational damage that they can potentially inflict. Despite the Group's implementation of a variety of security measures, the Group's data, systems, and technologies, as well as the services we provide or rely on (including mobile and cloud services), have been and may in the future be subject to unauthorized intrusions, such as physical or electronic break-ins, ransomware, and other disruptive forms of cyber-attacks, unauthorized tampering, or other security breaches. Like other global financial institutions and companies, the Group has, from time to time, experienced threats to or compromises of its data, systems, and technologies, including phishing, unauthorized access, malware or ransomware attacks, systems failures and disruptions which have required notification to applicable regulators and clients but have not resulted in material consequences for the Group.

Exposure to these threats has widened due to a growing reliance on digital infrastructure, including from extended remote working arrangements put in place across the Group. Management has put in place internal controls and procedures designed to protect client data as well as the Group's assets from hacking or other types of unauthorized intrusions into the Group's computer systems, technologies and networks. However, these controls and procedures may not be sufficient, properly implemented, or effective to prevent all such attempts. This could result in operational disruption, financial losses, unauthorized access to, tampering or loss of sensitive personal data and/or proprietary information, in addition to the diversion of significant Group resources and attention from its ordinary business activities, including the time and attention of Management, and lead to regulatory actions, proceedings or sanctions against us. In addition, our interconnectivity with third-party providers, exchanges, clearing houses, financial institutions and other third parties, could also result in us being adversely impacted by any successful cyber-attack or other security event affecting any of them.

Cyber-attacks and other interruptions or disruptions of our data transmissions, systems and technologies, or those of our third-party providers (including third-party providers deemed critical to our principal activities), or a failure to maintain the availability, integrity or confidentiality of sensitive data residing on such systems or technologies, or transmitted through these networks, could potentially result in financial loss, impairment to our liquidity, a disruption of our businesses, a deterioration of our solvency position, legal claims, regulatory sanctions or damage to our reputation, any of which could materially adversely affect our results of operations or financial condition.

For additional information on the risks relating to the protection of personal data, please refer to the paragraph below "The evolving and complex regulatory environment surrounding data protection and transfer worldwide could increase our costs and adversely impact our business".

In recent years, these cyber-security risks have led to an increased regulatory focus on risks of security breaches stemming from the growing reliance of the financial sector on information and communication technology. For further information on the relevant regulatory frameworks, please refer to "Information and Communication Technology (ICT)" and "Financial Data Acess (FIDA)" in Section 7.3 "General Information - Regulation and Supervision - Other significant legislative and regulatory frameworks" of this Annual Report.

Any failure in managing and implementing our strategic initiatives could materially impact our results of operations, AXA share price and competitive position

We announced our *"Unlock the Future"* strategic plan on February 22, 2024 (the "2024-2026 Strategic Plan"), which can be expected to have a significant impact on the Group's business, competitive position and results of operations. This strategic plan is further described in Section 2.6 "Outlook" of this Annual Report. Our strategic initiatives may not be successful, or the process of achieving their implementation may cause material disruption to our business operations, management, personnel, brand and reputation.

The 2024-2026 Strategic Plan strategic plan is based on a number of assumptions, covering, inter alia, the macroeconomic environment and the development of the Group's activities. These assumptions are based on various modeling techniques and forecasts regarding several factors (*e.g.,* interest rates, inflation, capital requirements, claims expenses, gross domestic product). As a result, the financial targets we intend to achieve as part of the 2024-2026 Strategic Plan and any subsequent strategic plans may be negatively affected by an adverse experience relative to such assumptions. Any failure to achieve such financial targets could materially impact our results of operations, share price, competitive position and reputation.

We may pursue acquisitions, joint ventures, in-force and other transactions to expand, complement, reorganize or reduce the exposure to certain risks of our business, which could adversely affect our business, future profitability and growth

External growth transactions involve risks that could adversely affect our operating results, including the substantial amount of Management time that may be diverted from operations to carry out such transactions, and the risk that assumptions or analyses (whether on the part of the Group or its advisers) used in carrying out such transactions could prove erroneous or incomplete, including but not limited those in respect of financial, strategic or other benefits and/or risks. The completion of any such transaction is subject to certain risks, including those relating to the receipt of required regulatory approvals, the terms and conditions of regulatory approvals including any financial accommodations required by regulators (the satisfaction of which may require the transfer of certain assets or branches of activity and/or commitments or restrictions affecting the conduct of our business), our ability to satisfy such terms and conditions, the occurrence of any event, change or other circumstances that could give rise to the termination of a transaction and the risk that parties may not be willing or able to satisfy the conditions to a transaction. As a result, any such transaction may fail to be completed as contemplated, or at all.

Such transactions could also result in new debt or equity issuances, financing arrangements, and the incurrence of additional costs, contingent or unforeseen liabilities or risks and impairment and amortization expenses relating to goodwill and other intangible assets. Such transactions and the failure to mitigate their risks and uncertainties through due diligence and indemnification provisions could materially and adversely affect our business, financial condition, results of operations and growth. In addition, we may be subject to, or engage in, litigation in connection with or as a result of any such transaction.

Furthermore, we may be exposed from time to time to certain integration risks from newly acquired companies or joint ventures relating to their IT, operations or employees. Integration risk may result in the loss of key employees and/or customers of the acquired companies and reliance on a transaction counterparty for transition services for an extended period of time. In addition, the transaction party may not provide such transition services in a manner that is acceptable to us. In connection with our joint ventures and our investments in entities that we do not control, we may also be exposed to risks associated with our partners and co-shareholders. Any of these factors may result in additional expenses and delay or prevent the effective integration or realization of the desired benefits of the transaction.

We have carried out and may carry out in the future divestitures, in-force management transactions, reorganizations of existing businesses and internal reorganizations, which may result in increased regulatory burdens or adverse effects on our business, financial condition or results of operations. Such divestitures and reorganizations, which may take the form of share or asset sales or merger, as well as reinsurance transactions, may not be carried out within the expected timeframe or at all, due to the failure to obtain regulatory or other approvals or other reasons; the anticipated profit and/or positive effect on our overall risk profile, our Solvency Capital Requirement (SCR) and Solvency II ratio (on a Group basis or AXA SA solo basis), or local solvency and capital adequacy requirements, from any such transactions may not be realized; or we may incur a loss on such transactions. We may retain insurance or reinsurance obligations, counterparty credit risk and other contingent liabilities in connection with our divestiture, discontinuation, liquidation, or run-off of various businesses and may incur other off-balance sheet liabilities that may result in charges to our income statement.

Divestments of equity participations we hold may also be exposed to volatility and other market-related or geopolitical risks, which could impact the carrying value of our remaining stake in such companies, including related goodwill, and adversely affect our results of operations. All of such factors may be exacerbated by economic conditions relating to reinsurance pricing and market capacity. For additional information on the impact of divestitures, acquisitions and other transactions on goodwill, please refer to Section 6.6 - Note 5 "Goodwill" of this Annual Report.

We conduct businesses in highly competitive environments with evolving trends that could adversely impact our results of operations and financial condition

Our competitors include other insurance or reinsurance companies, mutual fund companies, asset management firms, private equity firms, hedge funds, and commercial and investment banks, many of which are regulated differently from us and offer alternative products or more competitive pricing than we do.

In particular, the insurance and reinsurance industry may face disruptive competitive challenges from the emergence of new actors, such as financial technology companies, or fintech, and insurance technology companies, or insurtech, which generally benefit from less extensive regulatory requirements (including less strict capital requirements) as well as from data synergies or technological innovation. In addition, development of alternative distribution channels, claims management or underwriting services for certain types of insurance, reinsurance, and securities products, including through the Internet, may result in increasing competition as well as pressure on margins for certain types of products. Continued consolidation of the insurance and reinsurance sector may also result in increased competition.

Our performance depends on our ability to attract, retain and motivate qualified personnel. Whether we can successfully do so depends on, among other things, the level of compensation and benefits we offer, our reputation as a fair employer and competition from other employers. Changes in working conditions, including changes resulting from the adoption of new technologies that impact the role or experience of our employees, could also adversely affect our recruiting and retention efforts. For additional information on the challenges posed by technological changes, please refer to the paragraph below "The failure to respond effectively to various emerging technological changes may affect our business and profitability".

These competitive pressures and considerations around our human capital could result in increased pricing pressures on a number of our products and services, particularly as competitors seek to win market share, as well as increased costs, which may harm our ability to maintain or increase our profitability.

The failure to respond effectively to various emerging technological changes may affect our business and profitability

We face an ongoing challenge of effectively adapting to a constantly changing technological landscape. If we do not effectively anticipate the impact on our business of changing technologies, such as artificial intelligence, robot-advisors, connected devices, driverless cars or drones, our ability to successfully operate our business may be impaired. New or evolving technologies could disrupt the demand for our products or services from current customers, create coverage issues or impact the frequency or severity of losses. These changes could also affect our ability to accurately price our products and might significantly affect our margins in certain lines of business. For example, the advent of driverless cars, connected devices and usage-based insurance could materially alter the way that automobile, health, or other Personal lines insurance is marketed, priced and underwritten. In addition, the market for coverage for renewable energy infrastructure and for so-called "cyber risks", including ransomware and other cyber-related risk, or similar emerging threats is a rapidly evolving one, and any failure by us to provide innovative products relative to our competitors or new entrants in the market, or to price those products effectively and competitively, may result in a competitive disadvantage.

In addition, there has been a rapid increase in the nature, volume and availability of data in recent years, as well as tools and innovations for its collection, storage, use and management, which impact us and our industry. These tools and innovations include, among others, artificial intelligence, connected customers, "big data", "blockchain", cloud computing, increased mobile Internet access, personalization of genetic data and asymmetric information with respect to genetic testing. We are working in particular to expand our use of artificial intelligence to streamline administrative processes, improve the experience for our customers, make efficiency gains and enhance decision-making capabilities. As with many technological innovations, artificial intelligence tools offer significant promise, but also present a number of potential challenges. Data-driven changes may have unanticipated and adverse impacts on our business, for example by changing the nature of insurance underwriting, pricing and claims handling; by allowing customers and competitors to tailor coverage in ways that we do not currently offer; or by potentially exposing us to increased "moral hazard" in business lines where we are unable, for regulatory or other reasons, to adjust pricing or coverage to reflect individual risk profiles. We may need to incur additional expenses and efforts in order to ensure that our employees, systems and processes are able to efficiently adapt to and manage such changes as they arise.

Given increased competition from other companies in our industry to adopt data analytics and technology, our future success depends in part on our ability to effectively make use of artificial intelligence and machine learning tools. If we are not able to invest, develop and deploy these tools as quickly and effectively as our competitors, our competitive position and profitability may be adversely impacted.

Additionally, the introduction of new products or changes to existing products using artificial intelligence tools may result in new or enhanced governmental or regulatory scrutiny, litigation or claims of violation of contracts to which we are a party. The adoption of new regulations relating to artificial intelligence, including the EU's proposed rules on artificial intelligence (the "AI Act"), could result in significant future regulatory fines for actual or perceived noncompliance, as well as significant compliance costs. Changes to existing regulations, their interpretation or implementation could hinder our ability to take advantage of opportunities in artificial intelligence, impede our use of artificial intelligence technology and increase the cost of research and development in this area. Adoption of artificial intelligence tools may also have an unpredictable impact on employees and be met with internal resistance and difficulties, disrupting its development or resulting in negative employee perception.

There is also a significant risk that artificial intelligence technologies could produce inaccurate or misleading content or other discriminatory or unexpected results or behaviors that could harm our reputation, business or customers. In addition, the use of artificial intelligence involves significant technical complexity and requires specialized expertise, and its development and our use of it in our business and operations may have unanticipated impacts on us as an insurance provider. Any disruption or failure in our artificial systems or infrastructure could result in delays or errors in our operations. Any of these factors could adversely affect our business, financial condition and results of operations.

We operate through arrangements with third parties, including delegation of underwriting and claims authority, which exposes us to operational and regulatory risks and could materially adversely impact our business, results of operations and financial condition

We have entered into contractual outsourcing arrangements with third-party service providers for a wide variety of services required in connection with the day-to-day operation of our insurance, reinsurance and Asset Management businesses (including policy administration, claims-related services, securities pricing and other services) and our product distribution. Such arrangements expose us to operational and regulatory risks incurred by these third parties, including employee misconduct or negligence, fraud, internal control failure, contract error, disruption to distribution arrangements, ransomware and other forms of cyber-attacks, failures in processing policies and handling claims, and non-compliance with applicable laws and regulations.

In addition, part of our insurance and reinsurance businesses is underwritten by third parties under contractual arrangements, which typically authorize such third parties to bind us to new policies and to renew policies, within the terms of our licenses and subject to various contractual obligations and restrictions. If we do not delegate appropriately to relevant third parties or these third parties do not abide by the terms of our policies or licenses, amend material terms of the policies without our approval, do not price appropriately or fail to reserve relevant assumptions or otherwise breach their contractual obligations to us, we could be subject to fines, penalties, injunctions or other similar restrictions for breach of outsourcing/licensing requirements and be liable under the policies issued by breaching third parties. Furthermore, we may be exposed to additional risks, in particular due to legislative or regulatory measures or judicial decisions, such as those imposing customer-friendly interpretations of policy wording, which may apply to policies that were bound on our behalf by third parties.

Furthermore, as with other reinsurers, in our reinsurance business we do not separately evaluate each of the individual risks assumed under our reinsurance treaties and we largely rely on original underwriting decisions made by ceding companies. As a result, if ceding companies did not adequately evaluate the risks insured, the premiums ceded to us may not compensate us for the risks we reinsure and the losses we may incur, which may adversely affect our results of operations and financial condition.

We carry out certain of our operations through joint ventures and other partnership arrangements with third parties that we do not control. These arrangements expose us, in particular, to the failure of any of our partners to meets its contractual obligations or to comply with applicable laws and regulations.

Any of our contractual arrangements with third parties may expose us to operational, financial, and reputational risk, which could materially adversely impact our business, results of operations and financial condition. We may also not be fully indemnified for the contractual breaches of our third parties.

The Group's or its insurance or reinsurance entities' failure to meet their solvency and capital adequacy requirements could have a material adverse effect on our business, liquidity, ratings, results of operations and financial condition

AXA and its subsidiaries are subject to evolving solvency and capital adequacy requirements, including the Solvency II framework, which is currently undergoing a review by the European Commission, including regarding insurance and reinsurance group supervision and internal models used by certain insurers and reinsurers, such as the AXA Group, to calculate their SCR. For more information, please refer to Section 7.3 "General Information - Regulation and Supervision - Regulatory Capital and Solvency Requirements - Solvency II review" of this Annual Report and the paragraph below "The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions and emerging legal, regulatory, and reputational risks in the various jurisdictions in which we operate".

Any changes to the Solvency II framework resulting in an increase of SCR that insurers and reinsurers are required to hold with respect to insurance policies or insurance-based investment products may require us to take actions to preserve our solvency level and business model, which might in turn have an adverse impact on our business, results of operations, relationships with customers, capacity to pay dividends or buy back our shares, as well as our brand and reputation. It is difficult to predict the ultimate outcome of the proposed changes to current requirements, the impacts of which could include additional regulatory costs and operational constraints, as well as changes to our Internal Model, which may significantly and adversely affect our Solvency II ratio and EOF, results of operations, financial condition, and liquidity.

Regulatory restrictions that inhibit our ability to freely move excess capital among our subsidiaries or which otherwise restrict fungibility of the AXA Group's capital resources may, depending on the nature and extent of the restrictions, adversely affect the capital position of our operating insurance or reinsurance subsidiaries, which may have a consequent negative impact on the perception of the AXA's Group financial strength.

Additional regulatory developments regarding solvency capital requirements may adversely affect our prudential regime as well as increase associated costs. Contingency plans developed by Management may not be effective to achieve their objectives and any failure by us and/or our insurance or reinsurance subsidiaries to meet minimum regulatory capital requirements and to maintain regulatory capital at competitive levels could have a material adverse effect on our business, liquidity, credit ratings, results of operations and financial condition. In addition, supervisory authorities may become more conservative in the interpretation, application and enforcement of relevant regulations, as a result of which they may, for example, impose increased reserving requirements for certain types of insurers and reinsurers or certain types of risks, greater liquidity requirements (including capital conservations measures preventing dividend distributions, share buy-backs or other payments to shareholders), higher discounts/"haircuts" on certain assets or asset classes or more conservative calculation methodologies, or question the calculation of our insurance best estimate liabilities or take other similar measures which may significantly increase regulatory capital requirements. In particular, the ACPR, the French insurance supervisory authority, may impose changes to the Internal Model we use to calculate our SCR or change its view regarding our methodologies and/or the integration method of some of our entities, which may adversely affect our Solvency II ratio. For additional information on our Internal Model and Solvency II ratio, please refer to Section 5.2 "Internal control and Risk Management – Internal Model" of this Annual Report.

In the event of a failure by the Group, the Company (which, since 2022, is an ACPR-licensed reinsurer) or any of our insurance or reinsurance subsidiaries to meet applicable regulatory capital requirements, insurance supervisory authorities, including the ACPR, have broad authority to exercise various regulatory and administrative powers at an early stage, including limiting or prohibiting certain activities or operations (such as the acceptance of premiums), prohibiting or on the contrary ordering asset or portfolio disposals, restricting payment of dividends or other shareholder distributions or payments, suspending managers and/or putting a company under special oversight. The ACPR also has the authority to use resolution tools, such as the establishment of a bridge institution and/or liability management structure, to ensure the continuity of critical functions for companies that are failing or likely to fail.

A failure of the Company, the Group and/or any of its insurance or reinsurance entities to meet its regulatory capital requirements and/or a deterioration of its/their solvency position(s) may also result in the need for significant amounts of new capital. In addition, in certain cases, the Company may be required to provide guarantees or capital commitments with respect to its insurance or reinsurance subsidiaries, whether at the request of supervisory authorities or certain counterparties, which may be reflected in our financial statements as off-balance sheet commitments. For additional information on the Company's off-balance sheet commitments, please refer the table entitled"Off-balance sheet commitments" in Appendix III "AXA Parent Company Financial Statements" of this Annual Report.

Any of the foregoing may have a material adverse effect on the Company's or the Group's liquidity position, financial condition, and results of operations.

Inadequate or failed processes, controls or systems, human factors or external events may adversely affect our profitability, reputation, or operational effectiveness

Operational risk is inherent in our business and can manifest itself in various ways, including business interruption, poor vendor performance or default (including under significant outsourcing arrangements), systems malfunctions or failures, software and/or hardware obsolescence, computer viruses, ransomware and other disruptive forms of cyber-attacks and/or other unauthorized access to our websites and/or systems, misappropriation of sensitive information, corruption of data or operational disruption, regulatory breaches, human errors, defective products, external fraud, natural or man-made disasters and terrorist attacks.

We are also exposed to risks arising from potential failures in, or non-compliance with, Group and entity policies concerning such matters as internal controls and procedures and financial reporting policies, as well as from employee misconduct or negligence and fraud. The risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses or other financial intermediaries we use to facilitate our securities transactions could also have adverse effects. Operational risk is part of the business environment in which we operate and we may incur losses from time to time due to these types of risks, as well as impairments to our liquidity, disruption of our businesses, deterioration of our solvency position, legal claims, regulatory sanctions or damage to our reputation.

In particular, our business is highly dependent on the effective operation of our information technology, telecommunications, electronic data, and other operational systems. We rely on these systems to perform necessary business functions, including providing insurance quotes, processing applications and claims, providing information and support to customers and distributors, administering complex products, conducting actuarial analyses and keeping financial records. We also use computer systems to store, retrieve, evaluate and utilize significant amounts of sensitive customer, employee and company data and information, including proprietary and confidential information. Some of these systems, in turn, rely on third-party systems. Systems failures or outages or cyber-attacks, or the failure by third-party technology providers to maintain their services or to meet their contractual obligations, could compromise our ability to perform necessary business functions in a timely manner, which could harm our ability to conduct business and hurt our relationships with our customers and business partners. In the event of a disruption, our systems may be inaccessible, and our employees unable to perform their duties, for an extended period of time.

For additional information on the risks relating to the protection, processing and transfer of personal data (including customer and employee data), please refer to the paragraph below "The evolving and complex regulatory environment surrounding data protection and transfer worldwide could increase our costs and adversely impact our business".

We are dependent on our subsidiaries to cover our operating expenses and shareholder distributions, including dividend payments

Our principal sources of funds are **(i)** dividends from subsidiaries, **(ii)** reinsurance premiums paid by certain of the Group's European Property & Casualty carriers to the Company in its function as the main operational internal reinsurer of the Group and **(iii)** funds that may be raised from time to time through the issuance of debt or equity securities or through bank or other borrowings and other intra-group arrangements. These funds enable us to cover our operating expenses and make shareholder distributions by the Company including dividend payments, among other things.

Regulatory and other legal and contractual restrictions may limit our ability to transfer funds freely, either to or from all our subsidiaries. In particular, our principal insurance subsidiaries and reinsurance subsidiaries are subject to restrictions on the amount of dividends and debt repayments that can be paid to us and our affiliates. Such restrictions may also be strengthened by capital conservation measures implemented by competent EU, national and other supervisory authorities that prohibit the payment of dividends by our subsidiaries to the Company. Financial covenants in letters of credit and revolving credit facilities of our subsidiaries may also restrict their ability to declare and pay dividends.

In addition, the quota-share reinsurance treaties in place between the Company and the Group's European Property & Casualty carriers pursuant to which the Company receives reinsurance premiums were subject to regulatory clearance and regulatory clearance may not be granted each time new arrangements are put in place or existing ones are renewed, as the case may be. Changes in applicable regulation or regulatory guidance may also limit the Company's or its subsidiaries' ability to enter into or renew such arrangements.

Moreover, we are classified as an Internationally Active Insurance Group (IAIG) under the Common Framework for the Supervision of IAIGs (the "ComFrame"), which was developed by the International Association of Insurance Supervisors (IAIS) and will apply to IAIGs, including the AXA Group, and could, in case of adoption of implementing legislation in relevant jurisdictions, result in the imposition of similar or other restrictions on the transfer of funds, including intra-group financing arrangements. These factors may adversely impact our liquidity position and capacity to make shareholder distributions (including dividends).

REGULATORY AND LITIGATION-RELATED RISKS

The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions and emerging legal, regulatory, and reputational risks in the various jurisdictions in which we operate

The AXA Group operates in 51 countries around the world and, at the Company, Group and local entity levels, our insurance and reinsurance operations, among others, are subject to a wide variety of laws and regulations. In July 2022, the Company became the AXA Group's internal reinsurer and, as a regulated reinsurer, is subject to increased regulatory scrutiny. Our regulatory environment is evolving rapidly and supervisory authorities around the world are assuming an increasingly active and extended role in interpreting and enforcing regulations in the jurisdictions in which we do business, resulting in significant compliance challenges. We have highlighted below some of the more recent and noteworthy regulatory developments that we anticipate may impact our business in the coming periods; further details regarding these and related regulatory and supervisory matters also appear in Section 7.3 "General Information - Regulation and Supervision" of this Annual Report. The following summarizes recent developments impacting our required levels of capital and surplus; climate change, sustainability and ESG initiatives; initiatives on fair pay and transparency; customer protection matters; anti-money laundering and and related anti-corruption measures; potential developments at Lloyd's; and changes to IFRS.

Capital standards and restrictions on distributions to shareholders. The multiplicity of different regulatory regimes, capital standards and reporting requirements resulting from work on new capital standards led by the IAIS, such as the Insurance Capital Standard, and the development by the IAIS of the ComFrame, which will apply to IAIGs, including the Company, as well as potential changes to applicable solvency and capital adequacy requirements, such as the regulatory framework established under the Solvency II Directive, could increase operational complexity, regulatory costs and competition. In this regard, a review of the Solvency II framework by the European Commission is currently ongoing. For more information about the proposed directive amending the Solvency II Directive, please refer to Section 7.3 "General Information - Regulation and Supervision - Regulatory Capital and Solvency Requirements - Solvency II review" of this Annual Report.

Policy and regulatory initiatives on climate change, sustainability and ESG. Policy and regulatory initiatives and frameworks, including at French, European Union and international levels, regarding climate change and sustainability, create increasing legal, regulatory, and reputational risks. These initiatives and frameworks include: **(i)** disclosure requirements, such as those resulting from (a) at the French level, article 29 of Law No. 2019-1147 dated November 8, 2019, on energy and climate (the "Energy-Climate Law" or "ECL") and (b) in the European Union, Regulation (EU) 2020/852 (the "Taxonomy Regulation"), Directive (EU) 2022/2464 (the "Corporate Sustainability Reporting Directive" or "CSRD"), Regulation (EU) 2019/2088 (the "Sustainable Finance Disclosure Regulation" or "SFDR"); **(ii)** conduct rules such as those resulting from Commission Delegated Regulation (EU) 2021/1257 amending Commission Delegated Regulation (EU) 2017/2358 regarding the integration of sustainability considerations into the prudential, distribution, investment and advisory framework for insurance and reinsurance undertakings, insurance distributors, asset managers and investment firms; **(iii)** prudential and Risk Management requirements such as those resulting from Solvency II reforms, EIOPA guidance and climate change stress testing exercises (such as the climate stress test exercise conducted by the ACPR, the first results of which were published in May 2021); or **(iv)** general vigilance and due diligence requirements, such as those resulting from the 2017 French "Loi de Vigilance" or the proposed EU directive on Corporate Sustainability Due Diligence (CSDD). For litigation and activism risks related to the foregoing initiatives and frameworks, please refer to the paragraph below "Increasing scrutiny and evolving expectations from investors, customers, regulators and other stakeholders regarding climate change and other Environmental, Social and Governance (ESG) matters, as well as geopolitical matters, may result in increased litigation and may impact our business and results of operations".

Fair pay and transparency. In recent years, there have been significant regulatory and legal developments and enforcement actions in the area of fair pay, including at European Union and international levels, aiming at bolstering equal pay protection and fostering living wages. The EU Council and EU Parliament adopted the EU Pay Transparency Directive in 2023 and gave Member States three years to transpose it into national law. This directive strengthens the application of the principle of equal pay for equal work through pay transparency and enforcement mechanisms. Regulatory and legal developments across jurisdictions may increase compliance and enforcement costs primarily driven by enhanced disclosure obligations and burden of proof as well as possible monetary penalties in case of non-compliance.

Customer protection matters. Our insurance, reinsurance, Asset Management and banking operations are subject to an increasing number of legislative and regulatory initiatives designed to increase consumer protection in the sector of financial services, in particular by enhancing disclosure and transparency requirements, as well as conduct of business and product governance rules, which have also resulted in stricter scrutiny by competent authorities. In the European Union, these initiatives, including Directive (EU) 2016/97 on insurance distribution (as amended, "IDD"), Directive 2014/65/EU on markets in financial instruments (as amended, "MiFID II") and Regulation (EU) 1286/2014 on key information documents for packaged retail and insurance-based investment products (as amended, the "PRIIPs Regulation"), and similar initiatives are under review (or in the course of implementation) in other jurisdictions in which the Group operates. These initiatives, as well as future or revised guidance issued by regulatory authorities (such as the European Securities and Markets Authority (ESMA), EIOPA, the ACPR, the AMF and the Financial Conduct Authority (FCA)) and other emerging social and reputational trends, may increase our legal and compliance costs, limit or restrict our ability to do business or expose us to civil, criminal or regulatory actions, proceedings or sanctions, all of which may adversely impact our brand or reputation. For further information, please refer to "Evolution of the regulatory and litigation environment" in Section 7.3 "General Information - Regulation and Supervision - Other significant legislative and regulatory frameworks" of this Annual Report.

AML and other compliance matters. In recent years there has also been a significant increase in legislative and regulatory initiatives and enforcement actions in the areas of financial crime compliance, including Anti-Money Laundering (AML), international trade sanctions and anti-bribery laws and regulations (*e.g.*, the US Foreign Corrupt Practices Act, the UK Bribery Act of 2010, French Law No. 2016-1691 of December 9, 2016 (also known as "Sapin II")), which have resulted in the need for enhanced controls on transactions. The financial crime compliance programs of financial institutions remain a major focus for regulatory and law enforcement authorities, while regulatory measures in this area continue to be further amended, expanded, and strengthened. For instance, in France, Orders No. 2020-1342 of November 4, 2020, and No. 2020-115 of February 12, 2020, imposed enhanced requirements on French financial institutions, including the reinforcement of internal procedures to implement asset-freezing measures, and prevent and detect acts of corruption and influence-peddling committed in France and abroad. In addition, a regulation establishing a new, EU-wide AML/CFT authority (AMLA) and implementing a sixth AML directive are in the process of being finalized, which could result in enhanced obligations in the future. Furthermore, in certain jurisdictions the relevant AML, anti-corruption and sanctions rules may be enforced on an extraterritorial basis, which could expose our operations to additional or conflicting requirements. In addition, increased cooperation among authorities globally may, in the event we become subject to enforcement proceedings, or are otherwise found to be non-compliant in this area, result in more severe sanctions or monetary penalties.

Regulations for underwriting syndicates and related risks. Following the acquisition of XL Group in 2018, we have been managing, through AXA XL Underwriting Agencies Limited, Syndicate 2003, a large underwriting syndicate at Lloyd's and, as a result, are exposed to a variety of Lloyd's-related regulatory risks. For instance, the Council of Lloyd's has wide discretionary powers to regulate members of Lloyd's, and may vary the method by which the capital solvency ratio is calculated, or impose additional or special levies on members. In addition, if Lloyd's fails to satisfy the FCA's and the Prudential Regulation Authority's annual solvency test in any given year, Syndicate 2003 could be required to cease or reduce underwriting through Lloyd's. A downgrading of the Lloyd's market could also impair Syndicate 2003's ability to trade in certain classes of business at current levels. In connection with Brexit, the Lloyd's model for writing business in the European Union through Lloyd's Belgian underwriting subsidiary, Lloyd's Insurance Company SA, is under review by local supervisory authorities, which may have an impact on Syndicate 2003's ability to write EU business. As a Lloyd's syndicate providing coverage to US policyholders and covering US risks, we could also be required by US regulators to increase the level of funding required as minimum deposits for the protection of US policyholders. Any Lloyd's-related risks could have an adverse effect on our business, financial condition and results of operations.

Changes to IFRS. Changes to IFRS, as required by the International Accounting Standards Board (IASB), may significantly impact insurers and other financial institutions, including AXA, that prepare their consolidated financial statements in accordance with IFRS. In this respect, the Group has implemented simultaneously IFRS 17 – Insurance Contracts and IFRS 9 - Financial Instruments, which became effective for annual periods beginning on or after January 1, 2023. For further information on these two standards, please refer to "Evolution of accounting standards" in Section 7.3 "General Information - Regulation and Supervision - Other significant legislative and regulatory frameworks" of this Annual Report. Any changes to IFRS that may be adopted in the future may have a material adverse effect on our results of operations and financial condition.

We expect the scope and extent of applicable laws and regulations, as well as regulatory oversight, to continue to increase over the coming years. While Management proactively manages legal and regulatory risks and has adopted policies and procedures designed to ensure compliance with applicable laws and regulations in the various jurisdictions where we do business, the potential effects of a change in applicable laws or regulations, their interpretation or enforcement (or the potential effects of any new regulation or legislation in the future), or any determination we make regarding compliance with conflicting regulations, may have an adverse effect on our business, financial condition or results of operations. Any failure by us to remain in compliance with regulations applicable to us could result in fines, penalties, injunctions or other similar restrictions, any of which could negatively impact our earnings and reputation. For a description of the regulations and supervision framework applicable to the Group, please refer to Section 7.3 "General Information - Regulation and Supervision" of this Annual Report.

We may also be adversely affected by a change in applicable laws or regulations, their interpretation or enforcement impacting, or regulatory decisions, authorizations or approvals relating to, third parties with which we do business. For instance, certain of our letter of credit facilities for cedants are effective only if the banks issuing the letters of credit are on the list of banks approved by the National Association of Insurance Commissioners (the "NAIC"). If some or all of the issuing banks under our credit facilities cease to be NAIC approved and we are unable to replace them with NAIC approved banks, our letter of credit facility capacity could be significantly diminished, especially in situations of adverse capital and credit market conditions where the cost of replacement facilities may be significantly increased or prohibitive. Please refer to the paragraph above "Adverse capital and credit market conditions may significantly affect our ability to meet liquidity needs, our access to capital and increase our cost of capital".

Increasing scrutiny and evolving expectations from investors, customers, regulators and other stakeholders regarding climate change and other Environmental, Social and Governance (ESG) matters, as well as geopolitical matters, may result in increased litigation and may impact our business and results of operations

There are increasing scrutiny and evolving expectations from investors, customers, regulators and other stakeholders on ESG practices and disclosures, including those related to environmental stewardship, climate change, diversity, equity and inclusion and workplace conduct. All of this exposes us to new and increasing legal, regulatory and reputational risks.

The AXA Group is exposed to increased ESG- and climate-related litigation risk, including claims by shareholders and other stakeholders for "greenwashing" actions. Such claims are part of a broader risk of litigation and regulatory scrutiny if we are perceived to inadequately disclose or mislead stakeholders in respect of our climate strategy, targets and impacts. This litigation and regulatory risk also extends to the commitments to or of our customers, business partners and suppliers, or if there is a deficiency in the controls or processes we have in place. In addition, ESG-focused activism may aim to require us to disclose significant information in relation to ESG-related actions and commitments and other matters, or, alternatively, claim that our ESG-related commitments, activities and alliances are incompatible with investor expectations, our corporate purpose or other laws and regulations. The Group may also face the risk of other forms of climate-related litigation, including claims brought by NGOs pursuant to the 2017 French "Loi de Vigilance", impacts from potential anti-trust claims against net zero or other standard- and target- setting organizations of which AXA may be a member, mis-selling, fraud, breaches of fundamental human rights, and breaches of fiduciary duties.

The foregoing risks are evolving in the context of a wide-ranging increase of ESG-related rules, guidance, initiatives and disclosure regimes, including at the French, European Union and international levels, designed to ensure that companies are transparent about their climate and ESG-related risks, strategy, targets and goals, and how they are organizing themselves to address ESG challenges. These and similar regulatory requirements, as well as any further regulations regarding the transition to a lower-carbon economy, sustainability and other ESG-related rules and guidance, which may overlap or conflict with one another, could increase our legal and compliance costs, expose us to new or additional risks and adversely affect our business or the value of our investments. Conflicting political and social objectives may create geopolitical differences, including divergent or incompatible approaches to the energy transition, climate policy and "net-zero" initiatives taken by governments and regulators in different jurisdictions, all of which create increased complexity and legal and compliance risks. These differences could also have economic consequences and undermine our ability to fulfill our ESG commitments and support the energy transition. For further information on climate-, ESG- and sustainable finance-related regulatory initiatives, please refer to the paragraph above "The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions and emerging legal, regulatory, and reputational risks in the various jurisdictions in which we operate - Policy and regulatory initiatives on climate change, sustainability and ESG" and "Climate and sustainable finance-related regulatory initiatives" in Section 7.3 "General Information Regulation and Supervision – Other significant legislative and regulatory frameworks" of this Annual Report. For investment-related climate risk analysis, please refer to Section 4.3 "Climate change and biodiversity loss – Risks and impacts in relation to climate change and biodiversity loss" of this Annual Report.

Several organizations that provide information to investors have developed ratings for evaluating companies on their approach to different ESG matters, and unfavorable ratings of our company or our industry may lead to negative investor sentiment and the diversion of investment to other companies or industries. If we are unable to meet the targets, standards, or expectations, whether established by us or third parties, this could result in adverse publicity, reputational harm, or loss of customer and/or investor confidence, which could adversely affect our business and results of operations.

We are also exposed to activist campaigns targeting public companies in other areas, which may come from shareholders, activist funds, non-governmental and other organizations and have increased in recent years. These campaigns have focused on strategic and business reorientations, changes in management and compensation, Board representation, geopolitical issues and other matters. Responding to any activist claims (including the ESG claims described above) can be costly and time-consuming and may adversely affect our business by, among other things, diverting the attention of our Board of Directors, senior management, and employees away from the execution of business strategies. These campaigns raise substantial risks for targeted companies.

These and other liability risks related to ESG and climate change could lead to increased claims and defense costs or materially adversely affect the value of our investments, financial condition and results of operations. Our share price, reputation or corporate brand could also be negatively impacted by such risks, or as a result of changing customer or societal perceptions of organizations that we either insure or invest in due to their actions (or lack thereof) with respect to ESG or climate matters and regulatory compliance. Our sustainability strategy, to which we devote substantial resources, cannot fully protect us from these risks. For more information about AXA's sustainability strategy, please refer to Section 4.1"AXA Group's sustainability strategy" of this Annual Report.

The evolving and complex regulatory environment surrounding data protection and transfer worldwide could increase our costs and adversely impact our business

Collection, transfer, and protection of significant amounts of sensitive data are critical to the operation of our business. Regulations in this area are quickly evolving around the world, which could adversely affect our business if we fail to adapt our rules, internal controls, and strategy to the emerging regulatory environment.

Regulation (EU) 2016/679 dated April 27, 2016 on the protection and movement of personal data (as amended, "GDPR") entered into force on May 25, 2018. GDPR significantly modified the EU data protection framework and, in particular, imposed new restrictions on data usage/processing (including profiling), disclosure to customers and a stronger enforcement regime, under which competent data protection authorities are able to fine companies that do not comply with EU rules up to 4% of their global annual turnover. Similar data protection regulations to GDPR have entered into force in many other jurisdictions, including the United Kingdom, certain US states, China, Brazil, Algeria, Egypt, and Thailand.

In December 2023, the EU Parliament and Council negotiators reached a provisional agreement on the AI Act, which is expected to be voted on in 2024 and to enter into force in 2026. This regulation will establish obligations for AI based on its potential risks and impact. Competent authorities will be able to fine companies that do not comply with EU rules up to 7% of their global annual turnover. AI regulations will likely enter into force in many other jurisdictions, including China. In the meantime, competent authorities may apply stringent GDPR or other data privacy laws to AI which involves personal data.

There is a risk that data collected by the Group and its third-party service providers is not processed in accordance with notices provided to, or obligations imposed by, data subjects, regulators or other counterparties, or in compliance with applicable data-privacy laws. The Group's IT and other systems may also in future be exposed to hacking and unauthorized intrusions, such as physical or electronic break-ins, unauthorized tampering or security breaches or other intentional or unintentional acts by parties acting from within or outside the Group, which could result in sensitive data (including customer and employee data) being stolen, lost or misused. Remote working arrangements and the accelerated digitalization of our operations may increase these threats. Negligence or failure to implement and follow internal Group policies, in particular regarding encryption of data, or to fail to perform adequate internal data collection/processing controls, may also facilitate hacking and other intrusions and result in breaches of GDPR and other applicable laws.

Following the European Union Court of Justice's decision in 2020 to invalidate the European Commission's EU-US Privacy Shield, which had allowed, under certain conditions, the transfer of personal information from EU companies to US companies, transatlantic data flows continued using other mechanisms such as standard contractual clauses between companies and binding corporate rules for transfers within multinational corporate groups. While we currently believe that we can continue using such mechanisms to transfer data to the United States and to other non-EU jurisdictions and add supplementary measures as required, such mechanisms may be subject to future challenge or to stricter scrutiny by the competent authorities, and further changes in applicable regulations may potentially increase our legal and compliance costs, or result in regulatory sanctions or damage to our brand or reputation. In July 2023, the European Commission announced a final adequacy decision for the EU-US Data Privacy Framework (the "EU-US DPF"), a data transfer mechanism that would replace the invalidated EU-US Privacy Shield. As with the EU-US Privacy Shield, the EU-US DPF is limited to entities subject to the investigatory and enforcement powers of the US Federal Trade Commission or Department of Transportation, though other US statutory bodies recognized by the EU may be included in future annexes of the EU-US DPF. Because of this, the AXA Group believes that it may continue to rely on standard contractual clauses and binding corporate rules as data transfer mechanisms to transfer data from the EU to the United States and other non-EU jurisdictions.

Any failure to comply with applicable data protection laws, and data theft, loss or misuse, affecting any Group entity or a third-party service provider, could result in significant regulatory sanctions, penalties, injunctions or other similar restrictions, damage to our reputation, need to compensate customers, or customer litigation (including class actions and individual lawsuits), and consequently have a material adverse effect on our business, results of operations and prospects.

As a global business, we are exposed to various local political, regulatory, financial, and social risks and challenges

As a global business we are exposed to a wide variety of local political, regulatory, business and financial risks, which may affect the demand for our products and services, the value of our investment portfolios, the levels of capital and surplus that we are required to hold, the credit quality of our counterparties and the way we are able to do business in particular countries and markets.

These risks include, for example, political, social or economic instability in the countries in which we operate, including:

- the risk of nationalization or expropriation;
- protectionist and nationalist measures;
- price controls;
- capital controls;
- counter-inflationary measures;
- political polarization;
- restrictions on foreign trade and investment;
- international sanctions against certain countries and connected entities;
- export controls;
- tariffs and subsidies;
- fluctuations in foreign currency exchange rates;
- lack of local business experience in certain markets; and
- risks associated with exposure to insurance industry insolvencies through policyholder guarantee funds or similar mechanisms.

These risks also include the risk of governments, supervisors, regulators and courts in the countries in which we operate adopting policyholder-favorable stances such as the mandatory provision of certain types of coverage, restrictions on cancellation or non-renewal of policies, extension of coverage (such as by extension of scope and/or period), and the imposition of pricing constraints/obligations to ensure the affordability of coverage for policyholders.

In addition, pressures on Households and social cohesion at the local or regional level in the form of reduced economic security and rising inequality, pressures on healthcare systems, food insecurity, or migration (and reactions to migration) could create significant societal problems or conflict in the countries, regions and/or markets in which we operate.

We have been and may become in the future subject to lawsuits, regulatory investigations and/or other proceedings which may affect our business, brand, reputation, relations with regulators and/or results of operations

We are a party to numerous lawsuits (both class actions and individual lawsuits) in our corporate capacity and in our capacity as an insurer/reinsurer and involved in various regulatory investigations and examinations and other actions arising in the various jurisdictions where we and our subsidiaries do business. Please refer to Section 6.6 - Note 28 “Litigations” of this Annual Report. We may be involved in similar proceedings in the future.

Certain of these lawsuits and investigations seek significant or unspecified amounts of damages, including punitive damages (notably in the United States), and may involve allegations of bad-faith denials of coverage, which could potentially increase the overall amounts due, if any, in connection with such matters. These lawsuits also have the potential to impose interpretative judgements on insurance policy wordings and therefore increase our liabilities under these policies. Certain of the regulatory authorities involved in these proceedings have substantial powers over the conduct and operations of our business. The introduction of a class action system in France in 2014 and similar developments in certain other European jurisdictions, as well as the adoption of Directive (EU) 2020/1828 dated November 25, 2020, on consumer representative actions at the EU level, have increased and are likely to continue to increase litigation risks and costs. We face significant legal risks in our businesses, and the amount of damages and penalties claimed in litigation and regulatory proceedings, as well as the volume of claims, against global financial institutions remains high. Furthermore, the increasing number of legislative and regulatory requirements, including tighter controls and higher capital requirements, consumer protection, enhancement of regulatory requirements for the oversight and disclosure of climate, ESG and sustainable finance-related initiatives as well as social and reputational trends may expose us to additional civil, criminal or regulatory actions, investigations, proceedings or sanctions, which could restrict business or have an adverse effect on the Group. For additional information, please refer to Section 7.3 “General Information - Regulation and Supervision” of this Annual Report and to the paragraph above “Increasing scrutiny and evolving expectations from investors, customers, regulators and other stakeholders regarding climate change and other Environmental, Social and Governance (ESG) matters, as well as geopolitical matters, may result in increased litigation and may impact our business and results of operations”.

In addition, in the context of the COVID-19 pandemic, the opioids crisis in the United States, attention to PFAS and the ongoing war in Ukraine, coverage lawsuits have been brought against insurers, including the AXA Group or its subsidiaries in multiple jurisdictions, many of which are ongoing. For additional information, please refer to Section 6.6 - Note 28 “Litigations” of this Annual Report. The extent of reinsurance coverage on these claims may vary depending, among other things, on the resolution of the coverage issues under the primary policies. We may also be involved in proceedings with our reinsurers regarding coverage. For additional information, please refer to the paragraph above “Reinsurance may be unavailable or too expensive and may not be adequate to protect us against losses, in particular in the context of cyclical Property & Casualty insurance and reinsurance businesses”.

Changes in tax laws, regulations or interpretations or uncertainties in the interpretation of certain tax laws may result in adverse consequences to our business and our results of operations

As a global company operating in numerous jurisdictions, we are subject to various tax regimes and regulations. Changes in tax laws, regulations or interpretations could result in administrative actions, litigation, higher tax expenses, payments and compliance costs.

Uncertainties in the interpretation or future developments of tax regimes, particularly in respect of the impact of retroactive interpretative changes to tax law by tax authorities in certain jurisdictions, may significantly affect our tax liabilities, return on investments and business operations. We have been and may increasingly become exposed to the risk of tax audits and investigations (both administrative and criminal) in the various jurisdictions in which we operate. The international tax environment continues to change as a result of actions taken by the OECD, the European Union and national governments, which are intended to address concerns over perceived international tax avoidance techniques. In addition, the introduction of new or more restrictive regulations related to tax matters in the countries where the Group operates could significantly increase compliance costs. For example, tax measures adopted in connection with the OECD Pillar Two minimum taxation rules came into effect on January 1, 2024 and will increase our tax costs, as could any future EU VAT reform for insurance companies. We take tax positions that we believe are correct and reasonable in the course of our business. However, our tax positions may not be upheld by the relevant authorities, and tax audits, reassessments and investigations may result in adverse consequences, including penalties and sanctions. Our business operations, results, financial condition, liquidity, outlook or reputation could be materially affected if one or more of the aforementioned risks materialized.

Risks related to the ownership of the Company's shares

In order to raise capital to fund future growth or for solvency purposes, we may, in the future, offer rights, warrants or similar securities at prices below the then-current market price which may adversely affect the market price of our ordinary shares and dilute the positions of existing shareholders.

The Mutuelles AXA, which comprise two French mutual insurance companies, together held 15.65% of the Company's outstanding shares and 26.02% of its voting rights as of December 31, 2023. The Mutuelles AXA have stated their intention to collectively vote their shares in AXA and may have interests conflicting with other shareholders' interests. For example, even though the Mutuelles AXA do not hold a majority of the total voting rights in AXA, efforts by the Mutuelles AXA to deter a future offer to acquire control of AXA, which other shareholders may find attractive, may prevent other shareholders from realizing a premium for their AXA ordinary shares. The Mutuelles AXA may decide to increase their ownership interest in AXA or to sell all or a portion of the ordinary shares they own at some future date.

5.2 INTERNAL CONTROL AND RISK MANAGEMENT

Information in this section should be read in conjunction with Section 6.6 - Note 4 “Financial and insurance Risk Management” of this Annual Report. The report of the Statutory Auditors on the Consolidated Financial Statements covers only information referred to in Note 4.

The AXA Group is engaged in Insurance, Reinsurance and Asset Management businesses on a global scale. As such, it is exposed to a wide variety of risks, including market risks, credit risk, insurance risks, operational risks, and other material risks, as further described in this Part 5 “Risk Factors and Risk Management” (1) and in Section 6.6 - Note 28 “Ligitations” of this Annual Report.

To manage these risks, the Group has put in place a comprehensive system of internal control and Risk Management designed to ensure that executives are informed of significant risks on a timely basis and can manage these risks, so that the Consolidated Financial Statements and other market disclosures are accurate.

In addition, the Solvency II regime requires the Group to have in place an effective system of governance which provides for sound and prudent Risk Management. This governance system must be based on a clear separation of responsibilities and must be proportionate to the nature, extent, and complexity of the Group’s operations.

In this context, AXA has **(i)** put in place a control framework with three lines of defense with boundaries between each of them clearly defined and **(ii)** appointed four key functions.

The three lines of defense are:

	Responsibilities	Owners		
1st line of defense	Responsible for day-to-day risk and control management and decision-making	Management and staff		Actuarial function
2nd line of defense (independent from the Group’s business operations)	Responsible for developing, facilitating and monitoring an effective risk and control framework	Risk Management	Compliance	Internal Control (including Internal Financial Control)
3rd line of defense	Responsible for providing independent assurance on the effectiveness of the overall control environment		Internal Audit	

The four key functions are:

- **the Risk Management function** responsible for coordinating the second line of defense, ensuring that the risk appetite is implemented with respect to all material risks, and in charge of the design, implementation and validation of the AXA Group economic capital model which is the basis for the Group Solvency II internal model (“Internal Model”), the documentation of the Internal Model and any subsequent changes made to it as well as the analysis of the performance of this model and the production of summary reports thereof. The holder of the Risk Management function, including the internal control function, at Group level is the Group Chief Risk Officer;
- **the Compliance function**, responsible for advising on compliance with laws, regulations and administrative provisions regarding insurance, reinsurance, Asset Management and Banking activities as well as monitoring the effectiveness of the Compliance function/processes. The Compliance function holder at Group level is the Group Chief Compliance Officer;
- **the Actuarial function**, responsible for coordinating the calculation of technical provisions, expressing an opinion on the overall underwriting policy and on the adequacy of reinsurance arrangements. The Actuarial function holder at Group level is the Group Actuarial function holder; and
- **the Internal Audit function**, responsible for performing an evaluation of the adequacy and effectiveness of the Group’s internal control system and other elements of the system of governance. The Internal Audit function is objective and independent from the operational functions. The Internal Audit function holder at Group level is the Global Head of Internal Audit.

(1) *This information is not required under IFRS and as such is not part of the Consolidated Financial Statements. Therefore, it is not covered by the report of the Statutory Auditors on the Consolidated Financial Statements.*

The holders of key functions have direct access to the Board of Directors.

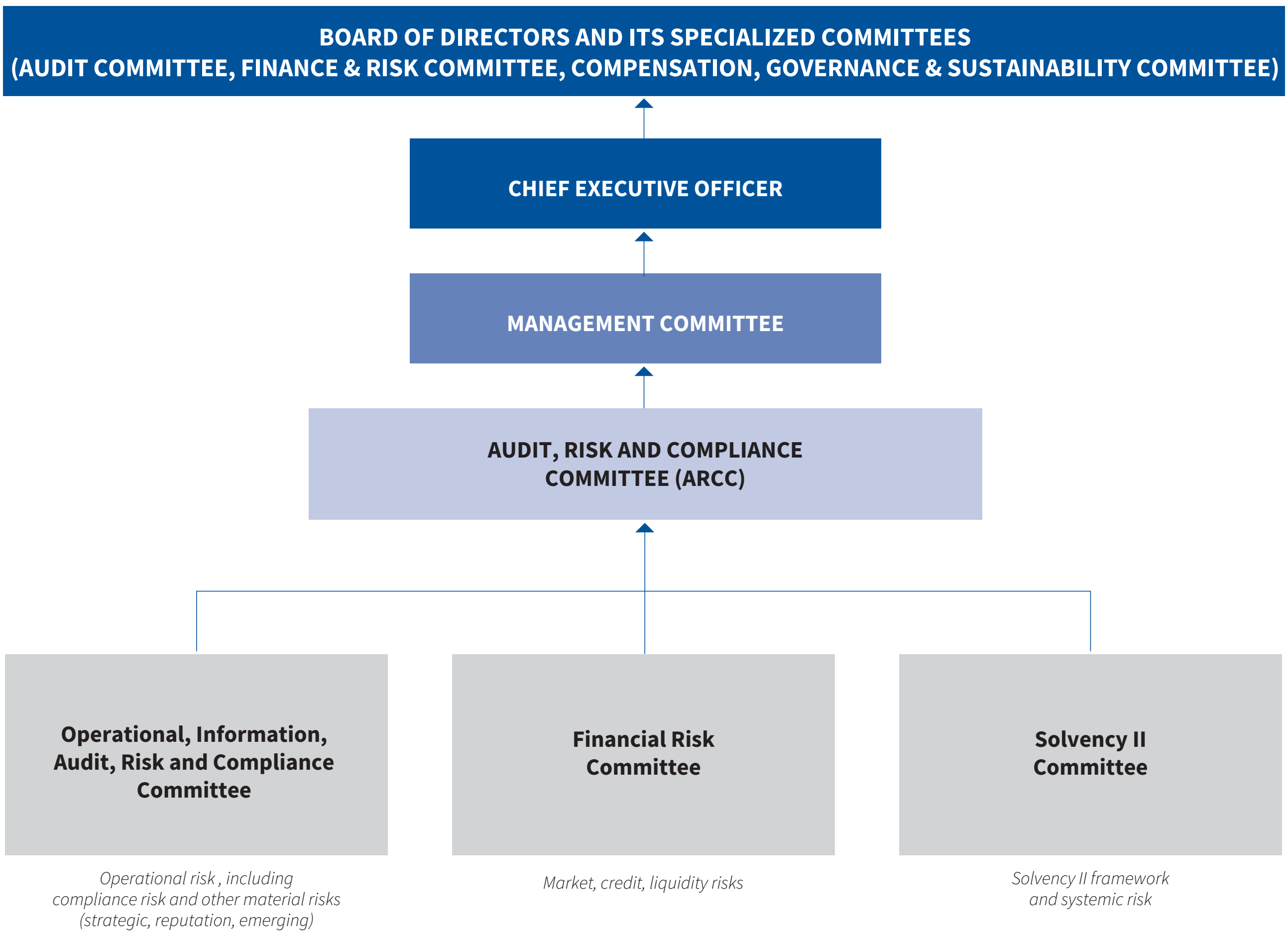
The Group Chief Executive Officer and the two Group Deputy Chief Executive Officers (*Directeurs Généraux Adjoints*), who, under Solvency II, are deemed to be "persons who effectively run" the Group, and the key functions holders must fulfil the requirements for a fit and proper assessment, as set in the Group's internal policy, adopted in compliance with the requirements of Solvency II regulations, both at appointment and on an ongoing basis. These requirements include:

- appropriate competence and capability, taking into account professional qualifications, training, knowledge and relevant experience including understanding of regulatory requirements to enable sound and prudent management (fit); and
- propriety, taking into account reputation, financial soundness, and personal characteristics such as integrity and transparency (proper).

Appointments to any of these positions must be notified to the French *Autorité de contrôle prudentiel et de résolution* (ACPR), through a formal process, including submission of a detailed questionnaire addressing the fitness and propriety of each person, as well as detailed background information.

Governance and Risk Management organization

GOVERNANCE



Board of Directors

The Board of Directors is responsible for ensuring that an appropriate and effective system of Internal Control and Risk Management is in place across the Group. In this context, it can undertake all controls and verifications as it deems appropriate.

The Board of Directors has established three Committees to assist it in fulfilling its responsibilities: an Audit Committee, a Finance & Risk Committee and a Compensation, Governance & Sustainability Committee. All the Board Committees constitute an important part of the Group's overall internal control environment and play a major role in reviewing Internal Control and Risk Management related issues. For more information on the composition and duties of the Board of Directors and its Committees, please refer to Section 3.1 "corporate governance structure" (1) of this Annual Report.

Audit Committee

The Audit Committee notably monitors the Group's internal control systems and procedures for Risk Management with a view to obtaining reasonable assurance as to their effectiveness and consistent application.

The scope of the Audit Committee's responsibilities is set forth in the Audit Committee's Terms of Reference, approved by the Board of Directors and available on www.axa.com.

Finance & Risk Committee

The Finance & Risk Committee notably monitors the general risk situation of the Group as well as the Group's risk strategy and reviews the level of risk to which the Group is exposed as well as the risk appetite framework developed by the Executive Management for financial, extra-financial, (re)insurance and operational exposures.

It also examines any subject relating to the financial management of the Group and in particular the policy on financial Risk Management (including management of foreign exchange and interest rates exposure), the liquidity and financing of the Group, the capital and solvency as well as the impact on capital and solvency at Group level of the main orientations and limits of the Asset Liability Management (ALM) policy. It reviews the Group's responsible investment policy, its implementation and its impact on the Group investment portfolio and plan.

The Scope of the Finance & Risk Committee's responsibilities is set forth in the Board of Directors Terms of Reference and available on www.axa.com.

The Executive Management

Executive Management oversees the implementation of the Internal Control system and the existence and appropriateness of Internal Control, as well as Risk Management monitoring systems within the Group.

For more information about the Executive Management, please see Section 3.1 "Corporate governance structure" of this Annual Report (1).

Audit Risk and Compliance Committee (ARCC)

The Audit Risk and Compliance Committee (ARCC) was created in 2016 by the Chief Executive Officer with the view to strengthening the Group's overall Risk Management governance and is chaired by the Group General Counsel with the purpose of reviewing all material audit, risk and compliance issues faced by the Group.

The scope of the ARCC covers all the Group's operations and includes the following:

- the Group's overall risk appetite, material breaches of risk limits and proposed remedial actions, the Group's risk framework as well as action plans proposed to reduce or otherwise modify the Group's material risk positions when they are beyond defined limits;
- the Group's policy, standards and limits to ensure that they are consistent with the Group's defined risk appetite;
- the Own Risk & Solvency Assessment (ORSA) and the other Solvency II reports (Group Solvency and Financial Condition report, Group Regular Supervisory report, Actuarial function holders reports);
- the Group Pre-Emptive Recovery Plan;
- the major findings identified by Internal Audit; and
- the Group's Compliance standards.

The ARCC reports back to the Management Committee on a regular basis. The ARCC also reviews and discusses the proposed agenda items for the Audit Committee and the Finance & Risk Committee with a view to ensuring that these agendas include the appropriate items.

Reporting to the ARCC, the following Group Risk Committees cover the main risk categories:

- **for financial risks:** the Group Financial Risk Committee is co-chaired by the Group Chief Financial Officer and the Group Chief Risk Officer. This Committee reviews financial risk issues faced by the Group and oversees the financial Risk Management of all (re)insurance and bank units;

(1) This information is not required under IFRS and as such is not part of the Consolidated Financial Statements. Therefore, it is not covered by the report of the Statutory Auditors on the Consolidated Financial Statements.

- **for operational, other material risks (reputation, emerging) and internal control:** the Operational and Information Audit, Risk, Compliance Committee is co-chaired by the Group Chief Risk Officer and the Group Chief Operating Officer.

Insurance risks as well as strategic risk are directly managed and monitored at the Group ARCC level.

The Solvency II Committee, co-chaired by the Group Chief Risk Officer and the Group Chief Financial Officer, is in charge of steering the overall AXA Group Solvency II framework and the governance of the Internal Model. It provides a forum for all Group functions concerned to drive the appropriateness of the Internal Model. The Solvency II Committee reviews the whole SII documentation to be approved by the Group Board of Directors and, by extension to the Solvency II framework, the SII Committee also monitors the subjects related to Systemic risks.

Group Risk Committees are supported by local Risk Committees to ensure consistency in the implementation of the Enterprise Risk Management (ERM) framework.

LINES OF DEFENSE ORGANIZATION

The control framework with three lines of defense has been designed to ensure that the risks that the AXA Group may face are systematically identified, measured, managed, and controlled.

First line of defense: management and staff

Management and staff have primary responsibility for **(i)** establishing and maintaining an effective control environment, **(ii)** identifying and managing the risks inherent in the products, services, and activities in their scope and **(iii)** designing, implementing, maintaining, monitoring, evaluating, and reporting on the Group's internal control system in accordance with the risk strategy and policies on internal control as approved by the Board of Directors.

Group Actuarial function

The Group Actuarial function is headed by the Group Actuarial function holder, who reports to the Group Chief Financial Officer and Management Committee member (operational/functional reporting) and to the Group Deputy Chief Executive Officer, in charge of Finance, Risk Management, Strategy, ceded Reinsurance, Underwriting and Operations, and *Dirigeant Effectif* (executive who effectively runs the Company as required by Solvency II) (hierarchic reporting).

The Actuarial function, in accordance with article 48 of the Solvency II Directive:

- coordinates the calculation of technical provisions;
- ensures the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- assesses the sufficiency and quality of the data used in the calculation of technical provisions;
- compares best estimates against experience;
- informs the administrative, management or supervisory body of the reliability and adequacy of the calculation of technical provisions;
- oversees the calculation of technical provisions in the cases set out in article 82 of the Solvency II Directive;
- expresses an opinion on the overall underwriting policy;
- expresses an opinion on the adequacy of reinsurance arrangements;
- contributes to the effective implementation of the Risk Management system referred to in article 44 of the Solvency II Directive, in particular with respect to the risk modelling underlying the calculation of the capital requirements set out in Chapter VI, Sections 4 and 5, and to the assessment referred to in article 45 of the Solvency II Directive.

The Group Actuarial function holder annually produces an Actuarial report submitted to the Board of Directors, and an opinion on the reserves twice a year. The Actuarial report identifies any deficiencies and gives recommendations as to how such deficiencies should be remediated.

The Group Actuarial function holder alerts the Executive Committee/Board of Directors on any major deficiency on his area of responsibility.

Second line of defense: Group Risk Management function, including Group Internal Control function and Group Compliance function

Group Risk Management (GRM) function

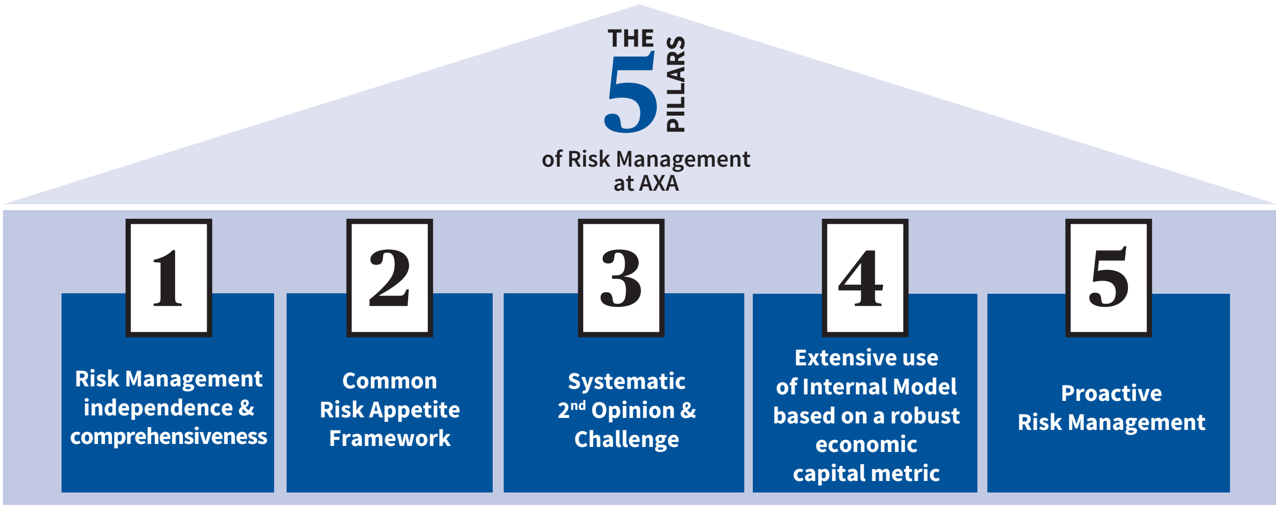
GRM is headed by the Group Chief Risk Officer, who reports to the Group Deputy Chief Executive Officer, in charge of Finance, Risk Management, Strategy, ceded Reinsurance, Underwriting and Operations.

The role of GRM is to identify, quantify and manage the main risks to which the Group is exposed. To this end, GRM develops and deploys a number of risk measurements, monitoring instruments and methods, including a standardized methodology and framework for stochastic modelling (through the Internal Model) including the ORSA required under Solvency II.

When appropriate, this role leads to the implementation of decisions that affect the Group's risk profile, helping to monitor the solvency position and manage the volatility of the Group's earnings through sound understanding of the risks taken and optimization of capital allocation.

As an integrated part of all the Group's business processes, GRM is also responsible for the definition and implementation of the ERM framework within the AXA Group.

The ERM framework is based on the following five pillars, cemented by a strong risk culture:



1. **Risk Management independence and comprehensiveness:** Chief Risk Officers are independent from operations (first line of defense) and Internal Audit Department (third line of defense). The Risk Management Department, together with the Compliance and Internal Control Departments, constitute the second line of defense, whose objective is to develop, coordinate and monitor a consistent risk framework across the Group;
2. **Common risk appetite framework:** Chief Risk Officers are responsible for ensuring that senior management reviews and approves the risks to which the relevant entity or business unit is exposed, understands the consequences of an adverse development in such risks and have action plans that can be implemented in case of unfavorable developments;
3. **Systematic second opinion on key processes:** Chief Risk Officers provide a systematic and independent second opinion on product approval process, reserves, reinsurance, investments and ALM and challenge on operational risks and strategic plan;
4. **Extensive use of internal model based on a robust economic capital metric**: the Internal Model is intended to offer a concrete and powerful tool to control and measure exposure to most risks, in line with the Solvency II framework. The Internal Model is designed as a consistent and comprehensive Risk Management tool, which also forms an important element in the capital management and planning process;
5. **Proactive Risk Management:** Chief Risk Officers are responsible for early detection of risks. This is ensured through challenge of and constant dialogue with the relevant business and supported by the AXA Group's emerging Risks Management framework.

GRM oversees the operating entities' adherence to the ERM, supported by the local Risk Management teams. It coordinates Risk Management for the Group, steers the local Risk Management Departments, and strives to develop a risk culture throughout the Group.

GROUP COMPLIANCE FUNCTION

The Group Compliance function is responsible for advising Executive Management and the Board of Directors on applicable compliance laws, regulations, and administrative provisions, and on the impact of regulatory change on AXA Group's operations. The Group Compliance function provides expertise, advice, and support to AXA entities to assess significant compliance matters, analyzes the major compliance risks and contributes to designing solutions to mitigate the risks to which the Group is exposed. The Group Compliance function manages a wide range of compliance related matters including **(i)** financial crime (which includes anti-bribery and corruption, anti-money laundering and international sanctions/embargo compliance), **(ii)** data privacy, **(iii)** conduct and customer protection, **(iv)** compliance & ethics, **(v)** the monitoring of other major compliance and regulatory risks, and **(vi)** regular reporting of significant compliance and regulatory matters to Executive Management, the Board of Directors and regulators.

The Group Chief Compliance Officer reports to the Group Deputy Chief Executive Officer & Group General Secretary.

The compliance activities within the Group are set out in a number of standards and policies which set the minimum requirements expected to be achieved by AXA entities and their Compliance functions.

The compliance section of the Group Standards contains standards and policies on significant risk areas affecting compliance activities and sets out the high-level controls and monitoring principles to which the entities must adhere. Adherence to the Standards and Policies (Compliance Governance, Anti-Money Laundering, Sanctions, Anti-Bribery, Cross Border, Data Privacy) is mandatory. In 2022, a new Standard on Conduct and Customer Protection was established to support the Group's ambition and the AXA Value, "Customer First". It is designed to ensure that AXA continues to provide its customers with suitable advice, products, and services to meet their needs. The Standard was rolled out across the Group in 2023.

The Group Compliance function undertakes an annual Compliance Risk Assessment exercise which requires entities to identify the most significant compliance risks to which they are exposed. Based on this assessment an Annual Compliance Plan is developed for the following year. Using the same methodology and to comply with the French extraterritorial law (Sapin II) and ACPR requirements, separate Anti-Bribery and Corruption Risk Assessment and Anti-Money Laundering Risk Assessment were also implemented across AXA entities. These risk assessments enable entities to identify in a more granular manner the associated risks.

The Group Compliance function has implemented a number of monitoring processes. For example, the Compliance In-Depth Review (CIDR) which is an ongoing program of structured on-site Compliance reviews conducted by the Group Compliance Department to AXA Group Companies worldwide. The main purpose of these reviews is to measure adherence to the Group Standards and Policies, to define improvement action plans, to provide experienced advice, including on compliance technical aspects, and to rate the entity's maturity level against other Group companies. This program was introduced in 2009 using a risk-based approach.

On a regular basis, the Group Compliance function reports to the Group Audit Risk & Compliance Committee, the Audit Committee, and the Board of Directors (as required) on significant compliance matters. These include major regulatory changes that have compliance implications, results of the Compliance Risk Assessment, and any other significant issues that require escalation.

GROUP INTERNAL CONTROL FUNCTION

To further strengthen its control environment, the AXA Group established in 2017 a centralized Internal Control function within the second line of defense independent from business operations. The Group Head of Internal Control is reporting to the Group Head of Operational Risk and Internal Control. The Group Internal Control Department is responsible for the development of a standardized methodology and framework for internal control and for oversight of its implementation in the AXA Group's subsidiaries. For more information on the internal control at local level, please refer to the paragraph "Risk Management and internal control at local level" below.

The Internal Control framework of the AXA Group:

- is based on the principle of proportionality and takes into account the nature, scale and complexity of the entities' operations;
- is aligned with the COSO "Internal Control – Integrated Framework" of the Committee of Sponsoring Organizations of the Tradeway Commission;
- is an integral part of the Risk Management thus providing the Executive Management with a view of the risk and control environment;
- is underpinned by the Group Internal Control Standard and Group Solvency II Internal Control Policy, first approved by the Audit Committee and the Board of Directors of AXA SA in December 2017;
- encompasses Internal Financial Control, implemented since 2010 to provide reasonable assurance regarding the reliability of Internal Control Over Financial Reporting (ICOFR), and extended to Solvency II in 2014 to contribute to the Internal Model validation process. For more information on Internal Financial Control, please refer to the paragraphs "Financial reporting, disclosure, controls and procedures" and "Internal Model validation" below.

On a regular basis, the Group internal control reports to the Group Operational and Information Audit, Risk, Compliance Committee and to the Audit Committee of the Board of Directors.

Third line of defense: Group Internal Audit function

The Group's Internal Audit function provides the Group Audit Committee and the Group's Management Committee with independent and objective assurance on the effectiveness of the overall control environment across the Group.

The Global Head of Internal Audit reports to the Chair of the AXA Group Audit Committee and to the Group Deputy Chief Executive Officer and General Secretary.

All Internal Audit teams across the Group report to the Global Head of Internal Audit whilst also having a direct and unfettered reporting line to their local Audit Committee Chair and an administrative reporting line within their local management structure.

The Group's Internal Audit function exists to help the Board and Executive Management protect the assets, reputation, and sustainability of the organization by providing an independent and objective assurance activity designed to add value and improve the organization's operations. It helps the organization meet its objectives by bringing a systematic, disciplined approach to challenge Executive Management and evaluate the effectiveness of Risk Management, control, and governance processes.

Group Internal Audit sets an annual plan of work, based on an assessment of both the inherent risk and the adequacy of controls as well as consideration of the audit cycle. The plan is formally reviewed, and its performance formally monitored by the Group Audit Committee.

Over the audit cycle, the principal risk areas of applicable audit universe components for each entity are expected to be audited. Any exceptions identified are notified to the Audit Committee.

A report is issued at the conclusion of each audit assignment to the relevant senior management. The results of the audits and resolution status of internal audit issues are presented to the relevant Audit Committee and Executive Management Committee on a regular basis.

Risk Management, Internal Control and Actuarial function at local level

Governance: the Group Governance Standards require, among other things, the Boards of AXA's main subsidiaries to establish an Audit Committee. The Audit Committees have a critical role in reviewing financial results and other financial information prepared by the management of these subsidiaries, financial reporting and control processes, critical accounting policies, specific accounting issues, key risks, and systems of internal control, fraud, and similar issues.

In addition, the Group has established Standards that apply to AXA SA and entities (including Joint ventures) where AXA has the majority of the voting rights or has a minority interest but exercises control through other means such as management. They are mandatory for all entities (including AXA SA) within scope unless otherwise indicated. The Standards focus on critical requirements and form part of the overall Risk Management framework which allow the Group to have a clear understanding of risks, both locally and Group-wide.

Chief Executive Officers are required to certify annually to the Group Chief Executive Officer that to the best of their knowledge their entities comply with the Standards. Entity Boards must be formally informed of the Annual Certifications, together with any material breaches, areas of non-compliance and corresponding mitigation plans in order to monitor progress of remedial actions.

Please note that in the following paragraphs AXA SA is included within the scope of local entities.

Risk Management: Risk Management is a local responsibility, in accordance with GRM standards and guidelines. The roles and responsibilities of local Risk Management teams are validated jointly by the Executive Committees of local entities and the Group Chief Risk Officer to ensure the alignment of central and local interests.

The minimum missions required for local Risk Management teams are:

- coordinating the second line of defense locally (which covers among others Compliance, Internal Control, Security) through a specific system of governance framework;
- ensuring that the risk appetite is implemented with respect to all risks consistently with the Group's risk appetite, with enhanced reporting, risk limits and decision processes;
- providing a second opinion on key processes, such as the definition of characteristics for new products before launch, reserves, ALM studies & asset allocation and reinsurance strategies;
- with respect to the Internal Model, Risk Management checking the adequacy of the local risk profile, and implementing, testing and validating the Internal Model.

Local Chief Risk Officers head the local Risk Management teams within each operational entity, and report both to their local Chief Executive Officer and to the Group Chief Risk Officer. They are independent from operations and Internal Audit Departments. Local Chief Risk Officers regularly report to the local Board of Directors (or to a sub-Committee) on Risk Management matters.

Their teams are responsible for controlling and managing risks within Group policies and limits, and for validating investment or underwriting decisions through local Risk Committees. The Group Chief Risk Officer chairs the Chief Risk Officers' meeting composed of the Chief Risk Officers of AXA's main subsidiaries, which meets on a quarterly basis and have monthly calls.

Internal Control: Internal Control is a local responsibility in accordance with the Internal Control Standard and Policy. Entities are expected to:

- define and document their controls and control procedures covering all important risks and processes (First line responsibility);
- regularly verify and challenge the effectiveness of the control environment (Second line responsibility);
- implement a comprehensive monitoring and reporting on internal control deficiencies at a senior level of the organization to ensure that these are rectified in an adequate and timely manner.

Local Heads of Internal Control (or equivalent) are independent from operations and report preferably to their local Chief Risk Officer. Local Heads of Internal Control (or equivalent) regularly report to the local Risk Committee and to their local Audit Committee on Internal Control matters.

Compliance: the local Compliance functions are expected to undertake an annual Compliance Risk Assessment to identify the major compliance risks to which the business is exposed. Based on the Compliance Risk Assessment, an Annual Compliance Plan must be developed at the end of each year for the following year. The local Compliance function must directly report on a regular basis to local senior management and the local Audit Committee (or equivalent body), on significant compliance matters, including key compliance risks, major regulatory changes that have compliance implications, the Annual Compliance Plan, outstanding Compliance In-Depth Review action points and any other significant issues that require escalation.

Actuarial function: the local Actuarial function holders report both to local Finance, Risk, or the Chief Executive Officer and to the Group Actuarial function holder. Their role is, in the same way as for the Group Actuarial function, defined in accordance with article 48 of the Solvency II Directive.

Local Actuarial function holders produce an Actuarial report submitted to the administrative, management or supervisory body, at least annually. The Actuarial report identifies any deficiencies and gives recommendations as to how such deficiencies should be remediated.

Local Actuarial function holders alert the local Executive Committee/Board of Directors and Group Actuarial function holder on any major deficiency on their area of responsibility.

The Group Actuarial function holder chairs the Chief Actuaries meeting composed of the local Actuarial function holders, that meets on a regular basis.

FINANCIAL REPORTING, DISCLOSURE, CONTROLS AND PROCEDURES

Scope of responsibilities

The PBRC (Plan Budget Result Central) Department within the Group Finance Department is responsible for consolidation, management reporting, as well as actuarial indicators and Solvency II Own Funds. These missions are performed for regular closings, forecasts, and strategic plan exercises. PBRC works with local PBR units within the Finance Departments of Group subsidiaries.

The local PBR units are responsible for producing their respective contribution to the Group Consolidated Financial Statements.

PBRC's role encompasses the following principal activities:

- development of both accounting and reporting standards;
- managing process instructions with the subsidiaries for the various exercises;
- managing the Group's financial consolidation and reporting systems;
- producing the Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS) and analyzing key performance indicators;
- developing and using management control tools;
- managing and consolidating the Solvency II Own Funds and related actuarial indicators;
- coordinating the production of the Group's Annual Reports filed with the AMF;
- coordinating the production of reports filed with the ACPR related to Solvency II;
- liaising with the Statutory Auditors and contributing to Audit Committee meetings as required;
- coordinating the production of the Statement of Non-Financial Performance; and
- fostering convergence of accounting and financial reporting processes, systems and organizations for insurance activities in Europe.

PBRC has defined and implemented a set of policies and procedures to ensure that the consolidation process leading to the consolidated financial statements is timely and accurate. This consolidation process is based on the following:

Definition of standards and use of a centralized information system

Group accounting standards, which are consistent with accounting and regulatory principles, are set forth in the "AXA Group Accounting Manual" and updated regularly by PBRC experts. These guidelines are submitted to AXA's Statutory Auditors for review before being made available to AXA's subsidiaries.

The Group's consolidation and reporting processes are based on a central information system "Magnitude". This tool is managed and updated by a dedicated team. This system is also used to deliver the management reporting information and the Solvency II Own Funds. The process through which this management reporting information and the Solvency II Own Funds are produced and validated is the same as the one used to prepare consolidated financial information.

Operating control mechanisms

At entity level, AXA's subsidiaries are responsible for recording and controlling accounting and financial data that comply with the AXA Group Accounting Manual and reflect consolidation rules under IFRS accounting standards. In this respect, the Chief Financial Officer of each entity signs off on the accuracy of their respective contribution to the consolidated figures reported through "Magnitude" and their compliance with both the AXA Group Accounting Manual and instructions in all frameworks produced (IFRS, actuarial indicators, and Solvency II Own Funds) within the internal financial control program.

At PBRC level, accounting, financial and economic information reported by entities are analyzed by teams that liaise with subsidiaries on a full-time basis. In particular, these teams analyze the compliance with the AXA Group Accounting Manual and Group actuarial standards.

Internal Control Over Financial Reporting (ICOFR)

The AXA Group's ICOFR is a process designed under the supervision of the Group Chief Financial Officer and the Group Chief Risk Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements.

In that context, and based on the Group Internal Control Standard, the Group has implemented a comprehensive program managed by Group Risk Management, entitled Internal Financial Control (IFC), to ensure that the Group Chief Executive Officer has a reasonable basis to conclude that AXA Group's ICOFR is effective as of the end of each financial year.

The IFC program is based on the Group's IFC Standard, which is an Internal Control and governance standard based on the "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Tradeway Commission (COSO). It is designed to ensure consistency and quality in AXA Group's financial reporting and provide an overall framework for the annual IFC program precising the Scope of application and governance.

The entities in IFC Scope are required to document their significant processes and key controls, as well as the rationale of how the associated risk of material misstatement due to error or fraud can be reduced to an acceptable level. This is performed under the supervision of the Chief Financial Officer, sponsor of the IFC program. The independent Internal Financial Control function, anchored within Risk Management for most entities, is in charge of testing the design and operational effectiveness of those key controls, and ensuring that identified control deficiencies are remediated.

At each year-end, the in-Scope entities must perform an evaluation of their ICOFR as part of an internal certification process, involving formal sign-off by process owners and with a formal management report from the entity's Chief Financial Officer and Chief Risk Officer stating their conclusion as to the effectiveness of the entity's ICOFR.

Disclosure controls and procedures

The Group has implemented a formal internal review and sign-off process pursuant to which all Management Committee members, Chief Financial Officers and certain other senior executives are required to certify various matters covered in AXA's Universal Registration Document.

This process is based on the following four pillars:

1. Chief Financial Officer Sign-Off Certificates, which are required to be submitted by all local Chief Financial Officers to PBRC, together with the required subsidiary financial reporting and consolidation information;
2. IFC Management reports are required to be submitted by the Chief Financial Officer or another senior executive of every in-scope entity, as part of the IFC program dedicated to ICOFR;
3. Disclosure Controls & Procedures certificates, which are required to be submitted by AXA's Management Committee members, Chief Financial Officers and certain other senior executives pursuant to which each of these executives is required to review the Group's Universal Registration Document and formally certify **(i)** the accuracy and completeness of the information in the Annual Report with respect to the companies under his/her responsibility, and **(ii)** the effectiveness of disclosure controls and procedures and ICOFR at companies under his/her responsibility (with specific disclosure of any significant deficiencies or material weaknesses). In addition, as part of this "sub-certification" process, these executives are required to review and comment on a number of cross-sectional disclosures in the Universal Registration Document relating to risk and other matters;
4. Chief Financial Officer Sign-Off certificates on the notes to the Consolidated Financial Statements: PBRC provides Chief Financial Officers with the contribution of the entities under their responsibility to the Consolidated Financial Statements in order to facilitate their certification on the accuracy and completeness of the information in the Universal Registration Document of the Group.

For further information, please refer to Appendix I "Management's annual evaluation of the internal control over financial reporting" of this Annual Report.

CONCLUSION

The Group has established a comprehensive system of Internal Control procedures and mechanisms that management believes appropriate and adapted to its business and the global scale of its operations.

However, all Internal Control systems, no matter how well designed, have inherent limitations and cannot provide absolute certainty or guarantee against the materialization of risks and control failures. Even systems determined to be effective by the management may not prevent or detect all human errors, all system malfunctions, all fraud, or all misstatements and can provide only reasonable assurance.

Own Risk and Solvency Assessment (ORSA) (1)

POLICY AND GOVERNANCE

Under Solvency II, the Group and certain of its subsidiaries (*i.e.,* all insurance and reinsurance entities in the European Economic Area and insurance and reinsurance entities outside the European Economic Area that are within the scope of the Internal Model) are each required to produce an ORSA report which is filed with the applicable national supervisor. At Group level, the Group Chief Risk Officer is responsible for developing the ORSA policy, implementing the ORSA process and coordinating the ORSA reporting.

The ORSA policy defines minimum standards for assessing and reporting own risks and Solvency to be applied across the Group. Adherence to this policy is expected to be promoted and monitored by all entity heads of Risk Management Department (Chief Risk Officers).

The Group ORSA report is reviewed annually by the Solvency II Committee and presented, first, to the ARCC, and then to the Audit and the Finance & Risk Committees, before being submitted to the Board of Directors, which approves the conclusions of the Group ORSA report and authorizes its filing with the ACPR.

Beyond the annual ORSA report, a quarterly assessment is performed to update the Group's risk position against Risk Appetite limits and adapt management actions accordingly. This information is reported to the ARCC which regularly reviews all material audit, risk and compliance issues faced by the Group and to the Finance & Risk Committee of the Board of Directors.

PURPOSE AND CONTENT

ORSA is a key component of our Risk Management encompassing processes to identify, assess, manage and report the short to medium-term risks associated with our business, with the aim to assess the overall solvency needs related to the Group's risk profile.

ORSA mainly encompasses Risk Management and financial activities, which are organized around the following processes:

- Solvency Capital Requirement (SCR) & Eligible Own Funds (EOF) quarterly calculation;
- liquidity risk reporting;
- strategic planning and financial projections;
- risk appetite process;
- stress and scenario testing analysis and monitoring; and
- reputation, regulatory, emerging and strategic risk assessment and review.

The ORSA report provides an assessment on:

- the overall Solvency needs through the measurement of quantifiable risks considering risk mitigation actions implemented in current economic context and approved business strategy and within approved risk appetite limits. Stress scenario analyses are performed to ensure adequacy of the economic capital assessed. This is supported by the Enterprise Risk Management system, including the identification, monitoring and management of non-quantifiable risks;
- the compliance, on a continuous basis, with **(i)** regulatory capital requirements, through the assessment of the ability to meet capital requirements using the approved Internal Model, in compliance with the Solvency II regulatory standard, as well as **(ii)** requirements regarding technical provisions. Stress scenario analyses are performed to ensure adequacy of the economic capital assessed. Also, the extensive use of the Internal Model outputs for key decision-making processes provides a feedback loop for improving the modelling according to the evolution of the risk profile;
- the significance with which the risk profile of the AXA Group deviates from the assumptions underlying the SCR calculated on the basis of the Internal Model. Extensive validation tests are performed to assess the relevance of the Internal Model and the model error. Limitations of the Internal Model and evolution plan resulting from the validation activities are presented.

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(1) *This information is not required under IFRS and as such is not part of the Consolidated Financial Statements. Therefore, it is not covered by the report of the Statutory Auditors on the Consolidated Financial Statements.*

Internal Model [1]

For more information on regulatory capital and solvency requirements applicable to the Group, including Solvency II, please refer to Section 7.3 "General Information - Regulation and Supervision" of this Annual Report.

The Group has developed a robust economic capital model since 2007. The internal model of the Group (the "Internal Model") is used in its Risk Management systems and decision-making processes. The ACPR has approved the use by the Group of its Internal Model to calculate its SCR since Solvency II is in force. The Internal Model encompasses the use of AXA Group's economic capital model on all material entities.

AXA continues to review regularly the scope, underlying methodologies and assumptions of the Internal Model and will adjust its SCR accordingly. In addition, AXA's Internal Model has been and may be revised from time to time in accordance with applicable regulations. However, any major change to the Internal Model would be subject to the prior approval of the ACPR, which may require adjustments to the level of SCR. In addition, the Group monitors EIOPA's work program which, through its objectives, is also expected to continue to carry out consistency reviews of European insurers' internal models. Such review may lead to further regulatory changes to increase convergence and to strengthen oversight of cross-border groups, as well as changes to internal models and Solvency II capital requirements.

The Group's main goal in using its Internal Model as opposed to the Solvency II standard formula is to better reflect the Group's risk profile in its SCR. This is reflected through several objectives:

- taking into account local specificities – the Group is a global company, and caters to a wide range of insurance markets with a variety of products offered targeting certain demographics and with differing risk exposures. It is therefore appropriate, to the extent possible, to calibrate stresses specific for these risk profiles and to allow for the benefits of diversification of risks which arise as a result of being spread over these markets;
- addressing shortcomings inherent to the standard formula – based on its expertise, the Group can improve on the approach of the standard formula (which is naturally constrained by its general scope, and which does not cover all measurable risks) and have models more appropriate to the scope of the Group; and
- allowing for better evolution of the model over time – as the Group's experience increases, business expands to new markets and product innovations create different risks to consider, the flexibility of an internal model allows the specificities of these developments to be reflected.

The Internal Model is based on a common definition of risks used consistently throughout the Group. It aims to ensure that the Company risk mapping is comprehensive and is followed in a consistent way across the Company and that efficient procedures and reporting are in place so that roles and responsibilities are allocated to identify, measure, monitor, manage and report key risks.

The Group risk grid [2] aims to identify all material risks applicable to the Company's insurance businesses. The Internal Model is intended to capture all material risks to which the Group is exposed from the risk assessment performed at sub-risk level to the overall aggregation of risk categories.

The underlying methodologies and assumptions used in the economic capital model are regularly reviewed to ensure that they accurately reflect the AXA Group's risk profile and new methods are developed and integrated regularly (in accordance with the Internal Model change policy).

The SCR, calculated on the basis of the Internal Model, represents the value at risk of Group EOF at the 99.5th percentile over a one-year horizon. In other words, the Solvency Capital Requirement is the capital needed to sustain an extreme shock likely to occur with a 0.5% probability (*i.e.,* a 1 in 200 years event). It aims at including all material quantifiable risks (market, credit, insurance and operational) and reflecting the Group's diversified profile.

In addition to the risks that impact the SCR through the Internal Model calculation, the Group also monitors its liquidity risk, reputation risk, strategic risk, and regulatory risks as well as emerging threats.

(1) This information is not required under IFRS and as such is not part of the Consolidated Financial Statements. Therefore, it is not covered by the report of the Statutory Auditors on the Consolidated Financial Statements.

(2) The Group risk grid is designed to identify all risks applicable to AXA businesses. Risk categories are further split into sub-risks. The risk assessment is performed at the sub-risk level. The risk grid is regularly reviewed and validated at Group level.

AXA GROUP SOLVENCY II RATIO

In addition to the SCR assessment, which intends to cover all quantifiable risks to which the Group is exposed (insurance, financial, and operational risks), the AXA Group performs sensitivity analyses of its Solvency II ratio to material risks and events.

These analyses quantify, for instance, the potential impact on the AXA Group's Solvency II ratio of **(i)** financial shocks on corporate bond and sovereign spreads, on interest rates, and on equity, and credit migration, **(ii)** a wide range of shocks reflecting historical stress events (such as the 2008-2009 financial crisis, the 2011 financial crisis), and **(iii)** standardized shocks such as one year out of two hundred pandemic spread on mortality exposures, a vicennial Nat-Cat shock or a vicennial operational risk.

These sensitivity analyses do not take into account preemptive management actions that might be taken to mitigate the effects of the defined shocks, nor indicate a probability of occurrence, but are designed:

- to demonstrate that the AXA Group Solvency ratio is resilient to a wide range of shocks;
- to ensure through the risk appetite framework that the management reviews and acknowledges the risks that arise in their company, understands the consequences of an adverse development of these risks, and have action plans that can be implemented in case of unfavorable developments; and
- to verify the robustness of the Internal Model.

The Solvency II ratio as of December 31, 2023, as published on February 22, 2024, was assessed at 227% [1], compared to 215% as of December 31, 2022.

INTERNAL MODEL GOVERNANCE

At Group level, the governance bodies involved in the Internal Model governance are as follows:

- the Board of Directors reviews the Internal Model, and authorizes the application to the ACPR for approval of major changes to the Internal Model;
- the Audit, Risk and Compliance Committee; and
- the Solvency II Committee.

At Group level, the Internal Model is reviewed, tested, and approved on an ongoing basis by the Solvency II Committee. The Solvency II Committee is supported by risk technical working groups reviewing changes proposed to the Internal Model and presenting conclusions of these diligences to the Solvency II Committee. The Solvency II Committee also reviews the Internal Model validation and model change processes and liaises with local governance. It also reviews the conclusions of the regular validation activities.

INTERNAL MODEL VALIDATION

The Group has implemented and documented a validation process of its Internal Model to monitor its performance and continued adequacy. This process and associated governance are documented in the Group validation policy, endorsed by the ARCC.

The Group validation policy is supplemented by local validation policies specifying the local validation activities and responsibilities.

Validation does not only apply to the quantitative aspects of the model (input data, theory & methodology, parameters & assumptions, data, results) but also encompasses the qualitative aspects of the model: expert judgment, documentation, model governance, use test, systems/IT.

Risk Management performs regular integrated validation activities, described in the Internal Model validation policy, mostly organized around:

- validation of the model structure, modelling choices, parameters, and assumptions; and
- validation of the Solvency Capital Requirement calculation and results.

These tasks are performed mostly within the Risk Management Departments in charge of the model, through controls and validation activities using validation tools such as sensitivity tests, back testing, scenario testing, and stability analysis and any other relevant activity.

These validation procedures are complemented by independent challenge and validation of assumptions, key parameters, and results through Committees (including assumptions Committees, calibration Committees and clearance Committees) intended to provide an adequate level of expertise and seniority.

In particular, Group Risk Management teams provide independent testing of the local model choices, local parameters, assumptions, or calibration as well as local results.

Apart from this fully integrated validation, sanctioned by the Group Chief Risk Officer's review and sign-off, a comprehensive independent review process has been defined and implemented to provide adequate comfort to AXA Group management and Board of Directors that the model and its outputs meet a "fit for purpose" standard.

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(1) The Solvency II ratio is estimated primarily using AXA's Internal Model calibrated based on an adverse 1/200 years shock. For additional information, please refer to Section 5.2 "Internal Control and Risk Management - Internal Model" of this Annual Report. The Solvency II ratio will be finalized prior to the publication of the AXA Group's SFCR currently expected to be on May 17, 2024.

The independent reviews are performed by the following two internal teams:

- IFC teams, at local and Group level, responsible for assessing the effectiveness of the Internal Control framework over Solvency II, on the basis of the testing of processes and controls over the EOF and SCR or internal model, at least annually; and
- Internal Model Review (IMR) team, a Group team responsible for the in-depth actuarial review of the model under local teams' responsibility, the conception and methodology when locally developed, and the local implementation of the Group principles where relevant. IMR controls are performed on a 3-year rolling basis, independently from closing agenda.

Both IMR and IFC are fully independent from the development, the governance, and the processing of the Internal Model.

Furthermore, independent third parties have been engaged to provide a positive assurance opinion to the AXA Group Board of Directors on the compliance of the Internal Model with the Solvency II Directive requirements. Such independent opinion is provided based on FY2022 process and results, at Group and local levels.

At the end of the annual validation process, the Board of Directors is provided with a report summarizing the conclusions of the internal review by Risk Management and the conclusion of the independent review by IMR and IFC as well as a review by independent third parties as aforementioned.

Governance of investment strategy and Asset Liability Management (ALM)

The AXA Group, as an insurance group, follows an investment strategy mainly driven by Asset Liability Management (ALM). The overall objectives of all investment decisions made within the Group are to meet its obligations and commitments to policyholders, to protect the solvency of the Group's entities, and to generate superior return over time.

GENERAL INVESTMENT GOVERNANCE

The Group Chief Investment Officer (Group CIO) heads the Group-wide community of local insurance companies CIOs, the central Investment & ALM Department, and reports to the Group Chief Financial Officer. In particular, he is responsible for aligning AXA's investment strategy with the Group's broader strategy, including its commitments to responsible investment, promoting better cooperation between entities, improving the strategy and investment methodology and steering investment decisions.

Local investment & ALM activities are steered by local CIOs. Local CIOs manage local portfolios, aiming at an optimized risk-return ratio, maintain reporting lines to the Group, and manage close relationships with asset managers and local stakeholders. Moreover, they are responsible for the investment performance and for implementing and executing a sound Asset Liability Management.

GROUP AND LOCAL GOVERNANCE BODIES

In order to efficiently coordinate local and global investment processes, decisions within the Group's investment community are taken by two main governance bodies:

- the Group Investment Committee, which is chaired by the Group Chief Financial Officer. This Committee defines the Group's investment strategy, steers tactical asset allocation, evaluates new investment opportunities and monitors the Group's investment performance; and
- the Group Financial Risk Committee is co-chaired by the Group Chief Financial Officer and the Group Chief Risk Officer. The Group Chief Investment Officer is also member of this Committee (please refer to the paragraph "Audit Risk and Compliance Committee" above).

At the entity level, each insurance company has a local Investment and ALM Committee whose terms of reference are approved by the local Executive Committees.

These Committees are responsible for, inter alia, defining the entity's Strategic Asset Allocation, approving, and monitoring investments, meeting local compliance obligations, and reviewing the participation in investment proposals syndicated by the Group, as well as local investment proposals.

ALM STUDIES AND STRATEGIC ASSET ALLOCATION

ALM aims to match assets with the liabilities generated by the sale of insurance policies. The objective is to define the optimal asset allocation so that all liabilities can be met with the highest degree of confidence while maximizing the expected investment return.

ALM studies are performed by the Investment & ALM Department with the support of internal asset managers when appropriate and a second opinion is provided by the Risk Management Department. They use methodologies and modelling tools that develop deterministic and stochastic scenarios, embedding policyholders' behavior considerations for the liabilities, financial market evolution for the assets and taking into account existing interaction between the two. This process aims at maximizing expected returns given a defined level of risk. Furthermore, a series of additional constraints are taken into account, such as Solvency II economic capital model considerations, earnings stability, protection of the solvency margin, preservation of liquidity, as well as local and consolidated capital adequacy and requirement.

ALM constraints are also taken into account when new insurance products are being designed as part of the product approval process (see Section 5.6 "Insurance risks - Product approval" of this Annual Report).

At the entity level, the strategic asset allocation issued from the ALM study must be reviewed by local Risk Management, and verified against predefined risk appetite limits, before being approved by the local Investment and ALM Committee.

INVESTMENT APPROVAL PROCESS

Investment opportunities, like non-standard investments, new strategies, or new structures, are subject to an Investment Approval Process (IAP) in line with the third pillar of the Group Risk Management principles which provides for a systematic second opinion on key processes. The IAP ensures key characteristics of the investment are analyzed, such as risk and return expectations, experience and expertise of the investment management teams, as well as accounting, tax, legal and reputational issues.

The IAP is completed at Group level for any significant investment, depending on the investment size and the number of entities participating in it. The successful completion of an IAP is done after the production of a second independent opinion by Group Risk Management. The IAP is used and completed at local level to cover local regulatory characteristics (including tax and statutory accounting).

Local IAP is also run for investments in new asset classes for local entities under the same principles.

GOVERNANCE FRAMEWORK FOR DERIVATIVES

Products involving hedging programs based on derivative instruments are designed and executed with the support of dedicated teams at AXA Investment Managers and AXA SA. In a similar way, this set-up ensures that all entities benefit from technical expertise, legal protection, and good execution of such transactions within the following governance framework for derivatives.

Derivative strategies are reviewed by local Investment and ALM Committees. In addition, there is a segregation of duties between those responsible for making investment decisions, executing transactions, processing trades, and instructing the custodian. This segregation of duties aims in particular at avoiding conflicts of interest.

The market risks arising from derivatives are regularly monitored taking into account the Group's various constraints (such as risk appetite and Internal Model).

Such monitoring is designed to ensure market risks, arising from cash or derivative instruments, are properly controlled and remain within approved limits.

Legal risk is addressed by defining a standardized master agreement. The Group's business units may trade derivatives only if they are covered by legal documentation which complies with the requirements set out in the Group standards. Any change to certain mandatory provisions defined in the Group standards must be approved by GRM.

Additionally, there is a centralized counterparty risk policy. GRM has established rules on authorized counterparties, minimum requirements regarding collateral and counterparty exposure limits.

The operational risk related to derivatives is measured and managed in the context of the Group's global operational risk framework. Furthermore, execution and management of derivatives are centralized within dedicated teams, reducing the AXA Group's operational risk.

Valuation Risk is also addressed through the use of dedicated teams, within the Group's asset managers and banks. They independently counter-valuate the derivatives positions so as to achieve appropriate accounting, payment, and collateral management. They also challenge the prices proposed by counterparties in the event that the applicable AXA entity wishes to initiate, terminate, or restructure derivatives. Such capacity in pricing requires strong expertise, which relies on rigorous market analysis and the ability to follow the most up-to-date market developments for new derivatives instruments.

INVESTMENT AND ASSET MANAGEMENT

For a large proportion of its assets, the Group utilizes the services of asset managers to invest in the market:

- local AXA companies assign the day-to-day management of their asset portfolios primarily to AXA's Asset Management subsidiary, namely AXA Investment Managers. Local CIOs continuously monitor, analyze, and challenge asset managers' performances; and
- in order to benefit from a more asset-specific and/or geographical expertise, the Group may also decide to invest through external asset managers. In such event, thorough due diligence analyses are performed by the Investment and the Risk Management communities, and a continuous monitoring is implemented at both Group and Local levels.

5.3 MARKET RISKS

Market risks: definition and exposure

Information in this section should be read in conjunction with Section 6.6 - Note 4 “Financial and insurance Risk Management” of this Annual Report. And the paragraph “Market-related risks” in Section 5.1 “Risk Factors” of this Annual Report.

AXA Group is exposed to financial market risks through its core business of financial protection (*i.e.,* insurance) and through the financing of its activities as part of its equity and debt management.

The market risks to which Property & Casualty (P&C), Life & Health portfolios are exposed arise from a variety of factors including:

- a decline in market returns may cause us to accelerate amortization of intangible assets;
- a decline in returns on assets (linked to a sustained fall in yields on fixed income investments or to lower equity markets) could reduce investment margins on General Account products or fees on Unit-Linked contracts and impact the performance of asset managers;
- a change in yields on fixed-income investments (linked to changes in interest rates or in credit spreads) affects the market value of investments and the fair value of insurance contracts that could impact adversely the Group’s solvency or liquidity position, and increase policyholder’s surrenders due to competitive pressures;
- a decline in market value of other investments (relating, for example, to equity, real estate, or alternatives, etc.) could adversely impact the Group’s solvency position, as well as available surplus;
- a change in foreign-exchange rates would have limited impact for the operating units since foreign-currency commitments are matched to a large extent by assets in the same currency or covered by hedges, but it could affect the earnings contribution in euros;
- furthermore, Health and Property & Casualty activities are subject to inflation which may increase the compensation payable to policyholders, so that the actual payments may exceed the associated liabilities set aside. This risk can be significant for long-tail businesses but is managed through regular pricing adjustments or specific protections against peaks of inflation.

The Group policies implemented to manage these risks are tailored to each product type and their related risks.

The main market risks to which the AXA Group is exposed are the following:

- interest-rate risk, spread risk and equity risk related to the operating activities of Group subsidiaries;
- exchange-rate risk related to the operating activities of Group subsidiaries; and
- risks relating to the management of holding companies’ exposure to foreign currency exchange rate fluctuations and debt.

AXA Group’s exposure to market risks is covered by AXA Group’s Solvency Capital Requirement metric, as detailed in the paragraph “Internal Model” in Section 5.2 “Internal Control and Risk Management” of this Annual Report and is taken into account in AXA’s Liquidity Risk Management framework (please refer to Section 5.5 “Liquidity Risk” of this Annual Report).

Risk control and risk mitigation

For more information on the AXA Group's risk controls and Risk Management processes, please refer to Section 5.2 "Internal Control and Risk Management" of this Annual Report.

In addition, AXA Group's investment strategy, which is mainly driven by Asset Liability Management, aims to meet the Group's obligations and commitments to policyholders, and to protect the solvency of the Group and of its entities (please refer to paragraph "Governance of investment strategy and Asset Liability Management (ALM)" in Section 5.2 "Internal Control and Risk Management" of this Annual Report).

Local operating units have the primary responsibility for managing their market-related risks, while abiding by the risk framework defined at Group-level, in terms of limits/thresholds and standards. This approach aims to allow a swift reaction in an accurate and targeted manner to changes in financial markets, political and economic environments in which the Group operates.

A wide variety of Risk Management techniques are used to control and mitigate the market risks to which the Group is exposed. These techniques, used primarily in all operating subsidiaries, include:

- local risk appetite governance and processes, including functional limits on market risks defined locally and approved by the local Board or Executive Committee;
- Asset Liability Management (ALM), *i.e.,* defining an optimal strategic asset allocation with respect to the liabilities' structure in order to reduce the risk to a desired level;
- a disciplined investment process, requiring for any sophisticated investment a formal thorough analysis by the Investment Department, and a second opinion by Risk Management;
- hedging of financial risks when they exceed the tolerance levels set by the Group. Operational management of derivatives is based on stringent rules and is mainly performed by AXA SA for the holding company activities and AXA Investment Managers for operating units;
- a regular monitoring of the financial risks on the Group Solvency II ratio; and
- reinsurance which also offers solutions to mitigate certain financial risks.

As regards the market risks relating to the management of holding companies' foreign exchange and interest rates exposure, the following Risk Management measures have been defined and implemented.

For the purpose of optimizing the financial management and control of financial risks linked to AXA SA and its sub-holding companies, the Group Corporate Finance and Treasury Department has defined a methodology to monitor and assess financial risks.

The policy on the management of holding companies' interest rate risk aims at monitoring and limiting the potential medium-term variation in interest expenses and consequently at partially protecting future levels of interest expenses against certain movements in interest rates. Regarding foreign exchange risk, the purpose of the policy is to **(i)** partially protect the value of AXA's net foreign currency investments in its subsidiaries and **(ii)** protect significant cash flows.".

AXA regularly monitors its exchange rate hedging strategy and will continue to review its effectiveness and the potential need to adapt it taking into account impacts on earnings, value, solvency, gearing ratio and liquidity.

The Group Corporate Finance and Treasury Department is in charge of producing reporting data that consolidate interest rate, foreign exchange, and liquidity risk exposures, as well as the interest expenses of AXA SA and its sub-holdings. This reporting also includes medium-term forecasts.

Synthetic reports, including information about hedging strategies, are sent to, and reviewed by the Finance & Risk Committee of AXA's Board of Directors five times a year.

Focus on main market risks and sensitivity analysis

INTEREST RATES, EQUITY & REAL ESTATE RISKS RELATED TO THE OPERATING ACTIVITIES OF GROUP SUBSIDIARIES

AXA Group performs sensitivity analyses of the Group Eligible Own Funds (EOF) to estimate its exposure to positive and adverse movements in interest rates, equity markets and real estate. The outcome of these sensitivity analyses is disclosed within Section 6.6 - Note 4 "Financial and insurance Risk Management" of this Annual Report.

EOF represent the amount of economic capital available to absorb losses under stress events. The EOF are the surplus of assets over liabilities derived from the Solvency II balance sheet.

AXA Group Risk Management is monitoring EOF sensitivities and the EOF is derived from IFRS shareholders' equity.

The following table presents the reconciliation between IFRS shareholders' equity to group EOF:

Reconciliation IFRS Shareholders' equity to Solvency II EOF *(in Euro billion)*	**2023**
IFRS Shareholders' equity	**52.4**
Contractual Service Margin (net of tax)	26.6
IFRS Shareholders' equity inc. CSM	**79.0**
Net URCG not included in Shareholders' equity [a]	6.0
Elimination undated subordinated debts	-5.4
Elimination intangibles	-21.7
o/w Goodwill	*-17.9*
o/w Others	*-3.7*
IFRS tangible net asset value	**57.9**
Foreseeable dividends and distribution [b]	-6.0
Technical provision adjustments	-8.8
o/w Risk Margin vs Risk adjustment	*-6.5*
o/w BEL adjustment	*-2.3*
Other adjustments	-2.0
Unrestricted TIER 1	**41.0**
Restricted Tier 1 + Tier 2	15.7
Tier 3	0.8
Group Eligible Own Funds	**57.4**

(a) Difference with IFRS 17/9 off balance sheet net OCI on assets held at cost driven by differences in tax
(b) Dividends to be paid in year N+1 and provisions for share buy-back.

The main elements of the reconciliation from the €52.4 billion of IFRS shareholders' equity to the €57.9 billion of IFRS TNAV are as follows:

- addition of Contractual Service Margin (net of tax) of €26.6 billion;
- addition of €6.0 billion of net unrealized gains and losses on assets not reflected in IFRS shareholders' equity;
- deduction of €-5.4 billion of undated deeply subordinated notes and undated subordinated notes included in IFRS shareholders' equity; and
- elimination of €-21.7 billion of intangible assets.

The main elements of the reconciliation from the €57.9 billion of IFRS TNAV to the €41.0 billion of Group EOF Unrestricted Tier 1 are as follows:

- deduction of €-6.0 billion of foreseeable dividends to be paid to shareholders in 2024 of €-4.4 billion and provisions for share buy-back of €-1.6 billion;
- addition of €-8.8 billion reflecting the Solvency II technical provision adjustments corresponding to the adjustment from IFRS reserves to best estimate liabilities (€-2.3 billion) and the difference between IFRS Risk Adjustment and Solvency II Risk Margin (€-6.5 billion); and
- other adjustments between IFRS TNAV and group EOF Unrestricted Tier 1 (€-2.0 billion);

Group EOF are then the sum of Unrestricted Tier 1, Restricted Tier 1, Tier 2, and Tier 3.

Please refer to pages 344 to 345 of Section 6.6 – Note 4.2 "Market risks (Sensitivity analysis)" where information is given about the sensitivities of the EOF and CSM to changes in major economic assumptions as IFRS17 requires sensitivities analysis to be disclosed in the Notes to Consolidated Financial Statements.

EXCHANGE-RATE RISK RELATED TO THE OPERATING ACTIVITIES OF GROUP SUBSIDIARIES

A 10% change in foreign exchange rate as at December 31, 2023 and December 31, 2022 between euro and main functional currencies of the Group (USD, JPY, and CHF) would have had the following impacts on shareholders' equity Group share and Underlying earnings Group share:

2023 *(in %)*	**Shareholders' equity Group share**		**Underlying Earnings Group share**	
Currency	**-10%**	**+10%**	**-10%**	**+10%**
US Dollar	4%	-4%	3%	-3%
Japanese Yen	0%	0%	1%	-1%
Swiss Franc	1%	-1%	2%	-2%

2022 *(in %)*	**Shareholders' equity Group share**		**Underlying Earnings Group share**	
Currency	**-10%**	**+10%**	**-10%**	**+10%**
US Dollar	3%	-3%	2%	-2%
Japanese Yen	1%	-1%	1%	-1%
Swiss Franc	1%	-1%	2%	-2%

In the insurance companies, which accounted for 93% of Group assets at December 31, 2023 (92% in 2022), assets and liabilities with foreign currency exposure are generally naturally matched or hedged.

- **France:** 33% of Group assets at the end of 2023 (34% in 2022):

  In France, AXA was exposed to exchange-rate risk for a total amount of €20,230 million at the end of 2023 (€22,330 million in 2022) held both directly and indirectly through investment funds partly invested in foreign currencies (US Dollar: €15,670 million *versus* €17,160 million in 2022, Pound Sterling: €2,850 million *versus* €2,660 million in 2022 and Japanese Yen: €770 million *versus* €1,330 million in 2022). This exposure allows AXA France to diversify its investments and enable policyholders to benefit from the performance of international financial markets. AXA France offsets its exposure to exchange rate risk by using foreign exchange forwards and other derivatives (notional of €17,100 million *versus* €19,620 million in 2022).

- **Europe:** 36% of Group assets at the end of 2023 (35% in 2022):

  Switzerland

  In Switzerland, AXA was exposed to exchange-rate risk through their investments in foreign currencies (mainly Euro and US Dollar) due to limited investment possibilities in the Swiss market. A major portion of the exposure is hedged back into Swiss Francs with foreign exchange swaps, options, and forwards. At the end of 2023, Switzerland foreign exchange exposure amounted to €13,198 million (€13,051 million in 2022) which represented 23% of total assets (25% of total assets in 2022), of which €10,387 million were hedged (€10,416 million in 2022).

Germany

In Germany, AXA held €11,755 million investments denominated in foreign currencies at the end of 2023 (€12,650 million in 2022) both directly and indirectly through investment funds with the aim of diversifying its investments and taking advantage of foreign markets' performance. These investments were mainly denominated in US Dollar (€9,543 million *versus* €9,970 million in 2022) and in Pound Sterling (€1,096 million *versus* €1,101 million in 2022). AXA Germany controls and limits its exchange-rate risk by using foreign exchange forwards for a notional amount of €7,452 million (notional €6,730 million in 2022), currency swaps for a notional amount of €2,246 million (notional €2,413 million in 2022), foreign exchange collars for a notional amount of €927 million in 2023 (€1,781 million in 2022) and congruent coverage (matching assets and liabilities denominated in the same currency) for €12 million (€42 million in 2022).

Belgium

In Belgium, AXA held investments in foreign currency for €2,480 million at the end of 2023 (€2,900 million in 2022) both directly and indirectly through investment funds with the aim of diversifying its investments and taking advantage of foreign market performance. These investments were mainly denominated in US Dollar for €1,670 million (€1,900 million in 2022) and in British Pound for €337 million (while the 2nd highest exposure in 2022 was Japanese Yen for €569 million). AXA Belgium controls and limits its exchange rate risk by using Foreign Exchange Forwards, Cross Currency Swaps and Collar Options strategies for a notional amount of €2,180 million (€2,850 million in 2022).

United Kingdom & Ireland

In the United Kingdom, AXA is exposed to exchange-rate risk through its AXA Insurance and AXA PPP Healthcare subsidiaries, which operate in Pound Sterling, and through AXA Ireland which operates in Euro. It has diversified its investment portfolios in line with Asset Liability Management objectives. At the end of 2023 AXA UK held investments denominated in foreign currencies for €4,433 million (€4,653 million in 2022) mainly in US Dollar (€2,257 million), with further UK exposure to the Euro (€1,495 million) and exposure to Pound Sterling (€471 million) in Ireland. This exposure is held both directly and indirectly through investment funds (CLO funds, Alternative Credit funds, Assets Backed Securities, Commercial Real Estate loans and other investment funds). Of this exposure, €3,741 million was hedged through foreign exchange forwards, options or cross currency swaps (€4,131 million in 2022), with a further €398 million of exposure hedging liabilities held within the business (€321 million in 2022).

Spain

In Spain, AXA entities held investments in foreign currency for €706 million in 2023 (€846 million in 2022), directly and indirectly through physical assets. These investments are mainly denominated in US Dollar with €554 million (€592 million in 2022). Exchange-rate risk exposure was hedged for a notional amount of €674 million (€838 million in 2022) using mainly foreign exchange forwards, currency swaps and collars.

Italy

In Italy, AXA held investments in foreign currency for €958 million in 2023 (€901 million in 2022) both directly and indirectly through physical assets. These investments are mainly in US Dollar for €631 million (€627 million in 2022). The overall exchange risk exposure is managed within the foreign exchange limits approved by Local Investment Committees. Unhedged foreign exchange exposure amounts is € 146 million at December 2023 (€127 million in 2022).

- **Asia:** 12% of Group assets at the end of 2023 (12% in 2022):

Japan

In Japan, AXA entities may invest when relevant outside the Japanese market in order to diversify and optimize investments and enhance returns. At the end of 2023, the total assets denominated in foreign currencies held both directly and indirectly through investment funds (mainly in Euro) represented an amount of €13,824 million (€13,106 million in 2022) excluding assets backing Unit-Linked contracts. Most of the corresponding exchange-rate risk was hedged through the use of derivatives.

Hong Kong

AXA Hong Kong holds investments denominated in foreign currencies €22,200 million (€20,347 million in 2022), both directly and indirectly through investment funds. These investments are mainly denominated in US Dollar €18,773 million (€16,981 million in 2022), partly in congruence to the technical liabilities denominated in US dollar €10,244 million (€9,130 million in 2022). The remaining positions alllow to take advantage of the US bond market which is more developed than the HK bond market, notably in terms of liquidity and available maturities. Exchange-rate risk exposure is hedged using foreign exchange forwards and cross currency swap for a notional amount of €7,673 million (€4,460 million in 2022 by options, foreign exchange forwards and cross currency swap).

- **International:** 2% of Group assets at the end of 2023 (1% in 2022):

  AXA entities held investments denominated in foreign currencies for €1,403 million in 2023 (€1,837 million in 2022) mainly through Government bonds which are mainly denominated in US Dollar €1,201 million (€1,144 million in 2022). In particular, Mexico has its exchange-rate risk exposure mostly under congruent coverage, matching assets and liabilities denominated in the same currency. Besides, Colombia hedges their exchange-rate risk exposure through forwards.

- **AXA XL:** 8% Group assets at the end of 2023 (8% in 2022):

  For the majority of AXA XL's business, assets and liabilities are denominated in US Dollar. For business written in currencies other than in US Dollar, the risk is managed primarily by matching assets and liabilities in each currency. Asset positions in certain currencies are hedged back to US Dollars using foreign exchange forwards with a notional amount of €2,188 million at the end of 2023 (€1,843 million in 2022).

- **Transversal and Central Holdings:** 9% of Group assets at the end of 2023 (9% in 2022):

  AXA SA & other Central Holdings

  Since 2001, AXA SA has adopted a hedging policy whose objective is to limit variations in net foreign currency denominated assets resulting from movements in exchange rates. The purpose of the foreign exchange risk policy is to **(i)** partially protect the value of AXA's net foreign currency investments in its subsidiaries, and **(ii)** protect significant financial cash flows. As at December 31, 2023 and December 31, 2022, the main hedging positions of AXA SA were as follows:

	Amount in currency *(in billion)*		Amount in Euro *(in billion)* [(a)]	
Foreign currency hedging	**2023**	**2022**	**2023**	**2022**
US Dollar	7.9	4.8	7.1	3.6
HK Dollar	8.9	2.2	1.0	0.3
Japanese Yen	312.5	337.2	2.0	2.2
Pound Sterling	0.4	2.9	0.4	2.1
Swiss Franc	1.6	1.2	1.7	1.9

(a) Hedging positions have increased by €2.2 billion compared to December 31, 2022, reflecting an increase in the hedging of financial cash flows coming from Hong Kong and AXA XL.

In addition to the foreign exchange rate management performed locally (hedged through Foreign Exchange forward and currency swaps), the Group Corporate Finance and Treasury Department steers the global exposure to foreign exchange risk and reports the position five times a year to the Finance & Risk Committee of the Board of Directors.

5.4 CREDIT RISK

Credit risk: definition and exposure

Information in this section should be read in conjunction with Section 6.6 - Note 4 "Financial and insurance Risk Management" of this Annual Report. Only information referred to in Note 4 is covered by the report of the Statutory Auditors on the Consolidated Financial Statements.

Information in this section should be read in conjunction with the paragraph "Credit and liquidity-related risks" in the Section 5.1 "Risk factors" of this Annual Report.

Credit risk is defined as the risk that a third party in a transaction will default on its commitments. Given the nature of its core business activities, AXA Group monitors three major types of counterparties, using methods suitable to each type:

- investment portfolios held by the Group's insurance operations (excluding assets backing separate-account products where the financial risk is borne by policyholders) as well as by banks and holding companies;
- receivables from reinsurers resulting from reinsurance ceded by the AXA Group; and
- credit and credit-sensitive exposures on third party obligors stemming from some Group insurance and assumed reinsurance businesses.

AXA Group's exposure to credit risk is covered by AXA Group's Solvency Capital Requirement metric, as detailed in the paragraph "Internal Model" in the Section 5.2 "Internal Control and Risk Management" of this Annual Report and is taken into account in AXA's liquidity Risk Management framework (please refer to Section 5.5 "Liquidity risks" of this Annual Report).

Risk control and risk mitigation

For more information on the AXA Group's risk controls and Risk Management processes, please refer to Section 5.2 "Internal Control and Risk Management" of this Annual Report.

In addition, AXA Group's investment strategy, which is mainly driven by Asset Liability Management, aims to meet the Group's obligations and commitments to policyholders, and to protect the solvency of the Group and of its entities (please refer to paragraph "Governance of investment strategy and Asset Liability Management (ALM)" in Section 5.2 "Internal Control and Risk Management" of this Annual Report).

A specific set of limits take into account all AXA Group exposures on a given ultimate shareholder through debt securities, cash, equity, derivatives, reinsurance receivables, insurance and assumed reinsurance commitments. They aim at managing globally the default risk of a given counterparty.

INVESTED ASSETS: A CENTRAL MONITORING OF COUNTERPARTY EXPOSURE

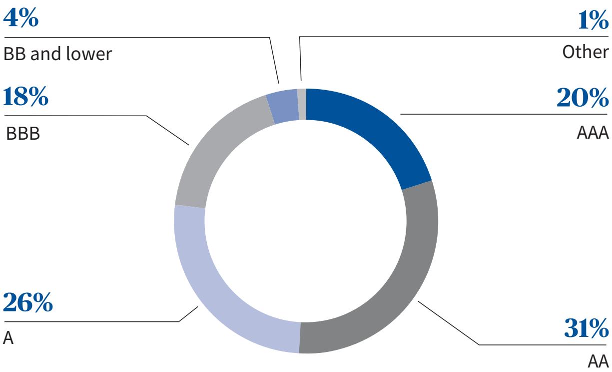
AXA Group concentration risk is monitored by different analyses performed at Group level by issuer and ultimate shareholder, in addition to local procedures and by a set of Group and local issuer limits.

These limits aim at managing the default risk of a given issuer, depending on its rating and on the maturity and seniority of all bonds issued by the issuer and held by the AXA Group (corporate, Government agency and sub sovereign).

On sovereign exposures, specific limits have also been defined on government bonds and government-guaranteed bonds.

Compliance with the limits is ensured by the Group through defined governance. The Group Credit Risk Committee handles, on a monthly basis, the issuer exposure breaches to the Group's limits and determines coordinated actions for excessive credit concentrations. A Group Credit Team reporting to the Group Chief Investment Officer (Group CIO) provides credit analyses independently from Group asset managers, in addition to local CIO teams. The Group Financial Risk Committee is regularly kept informed of the main credit risks.

As at December 31, 2023, the breakdown of the debt security portfolio (€313 billion) by credit rating category was as follows:

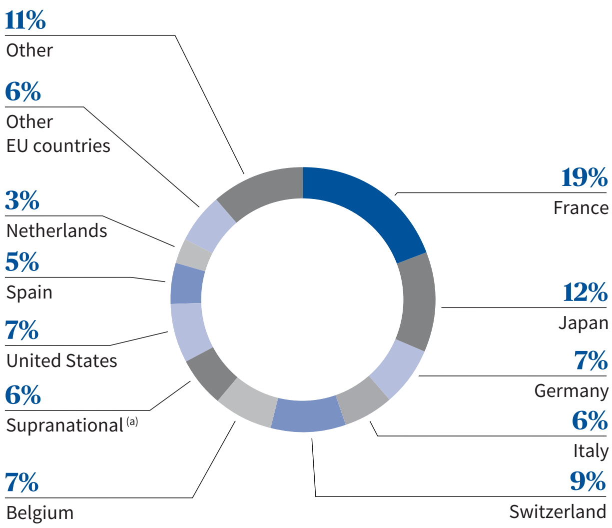


As at December 31, 2022, the breakdown of the debt security portfolio (€310 billion) by credit rating was: 19% in AAA, 31% in AA, 25% in A, 21% in BBB, 5% in BB and lower, and 1% in other.

Credit risk diversification and analysis policies, particularly using credit ratings, are implemented by Investment Departments and monitored by Risk Management teams.

The ratings use in the graph above are mainly based on external credit agency ratings.

As at December 31, 2023, the breakdown of Government and Government related bonds fair values (€172 billion) by country was as follows:



(a) Includes mainly European institution issuers (European Investment Bank, European Union, European Financial Stability Facility, Eurofima).

CREDIT DERIVATIVES

The AXA Group, as part of its investment and credit Risk Management activities, uses strategies that involve credit derivatives (mostly Credit Default Swaps or CDS), which are mainly used as an alternative to debt security portfolios, when coupled with government debt securities, but also as a protection on single corporate names or specific portfolios.

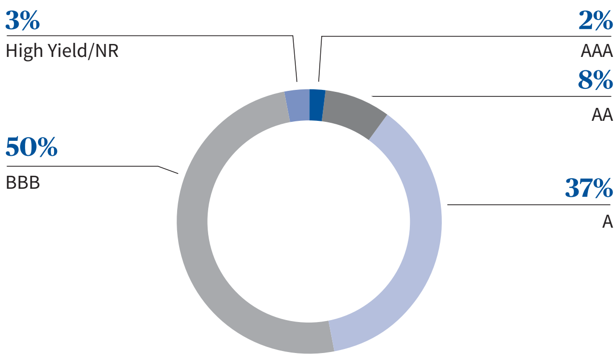
As at December 31, 2023, the nominal amount of positions taken through credit derivatives was €17.3 billion of CDS (cumulated notional amounts of €10.5 billion protections bought and of €6.8 billion protections sold), which can be broken down as follows:

i. €10.5 billion of CDS protections bought to hedge credit risk with regard to certain investments, mostly in corporate bonds;

ii. €6.8 billion of CDS protections sold as an alternative to the direct purchase of a corporate bond mainly by holding government bonds and at the same time selling protection on very good quality names. This type of ALM strategy is often implemented to compensate for the lack of depth or liquidity in some markets in order to take synthetic credit risk.

Limits applied to issuers take into account the credit derivative positions.

As at December 31, 2023 the breakdown of these CDS's underlying debt securities gross exposure by rating was as follows:



Credit risk relating to CDOs is monitored separately, depending on the tranches held, and regardless of the type of assets held (debt securities or credit derivatives).

5

COUNTERPARTY RISK ARISING FROM OVER-THE-COUNTER (OTC) DERIVATIVES

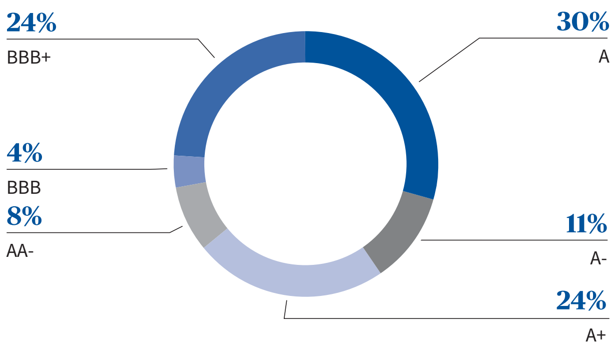
AXA Group actively manages counterparty risk generated by OTC derivatives through a specific Group-wide policy. This policy includes:

- rules on derivative contracts (ISDA, CSA);
- mandatory collateralization;
- a list of authorized counterparties;
- a limit framework and an exposure monitoring process.

Limits are set specifically for each authorized counterparty, based on an internal scoring system. This policy also includes daily collateralization for the majority of the Group's exposure.

The Group Credit Risk Committee approves changes to the above policy and reviews the exposures every month.

As at December 31, 2023, the breakdown of counterparty exposure coming from OTC derivatives by rating was as follows (positive fair value net of collateral received):



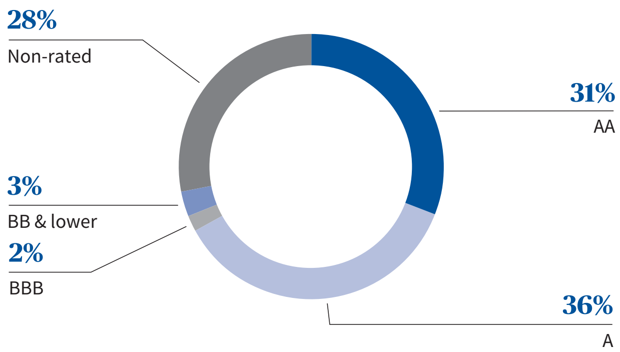
RECEIVABLES FROM REINSURERS: RATING PROCESSES AND FACTORS

To manage the risk of reinsurers' insolvency, a Security Committee is in charge of assessing reinsurers' quality and acceptable commitments. The Committee is under joint authority of GRM and AXA Global Re. This risk is monitored to oversee the credit reinsurance exposure of the Group and to avoid any excessive exposure to any specific reinsurer. The Group Security Committee meets monthly – and more frequently during renewal periods – and decides on any action to be taken with the aim of limiting AXA Group's exposure to the risk of default by any of its reinsurers.

In addition, the Group summarizes and analyzes its exposure to all reinsurers by factoring in all positions with reinsurers (claims, premiums, reserves, deposits, pledges, and security deposits).

The Group's top 50 reinsurers accounted for 72% of Assets arising from insurance contracts, investment contracts, and reinsurance contracts held in 2023 (*versus* 77% in 2022).

The breakdown of all reserves ceded to reinsurers by reinsurer rating as of December 31, 2023 (€36.5 billion) was as follows:



The "Non-rated" caption relates to reserves ceded to reinsurance pools, reserves ceded to reinsurers with which the AXA Group manages limited business (not in the top 50) and reinsurers not rated by the main rating agencies.

As of December 31, 2022, the breakdown of reserves ceded to reinsurers (€36.8 billion) by reinsurer rating was: 34% in AA, 36% in A, 2% in BBB, 5% in BB and lower and 23% in non-rated.

The ratings use in the graph above are based on a compound AXA scale taking into consideration AM Best and S&P ratings.

CREDIT EXPOSURE STEMMING FROM INSURANCE AND ASSUMED REINSURANCE BUSINESSES

The AXA Group, through AXA XL, is also exposed to credit risk through various insurance and assumed reinsurance businesses that either:

- embed a credit component, such as Trade Credit Insurance, Political Risk-Contract Frustration, Surety, Mortgage Reinsurance; or
- are sensitive to credit risk, *i.e.,* there is a strong correlation between a credit event and claims under the (re)insurance cover, such as Directors & Officers (D&O) and Errors & Omissions (E&O).

Among those exposures, the larger ones are reported monthly on a per name basis and are aggregated wherever relevant with exposures coming from other sources, mainly investments, to maintain concentrations under control.

Each month, the Group Credit Risk Committee monitors the aggregate ultimate shareholder exposures *versus* the risk appetite limits, as well as the contributions of the various credit risk sources including the split by lines of business, reviews potential breaches to the Group limits and remediation plans, and when necessary, handles additional capacity requests and allocates capacity between investments and insurance & reinsurance businesses. AXA Credit team provides the Group Credit Risk Committee with credit assessments on the biggest exposures or on a case-by-case basis when required.

Utilizations of Group limits per name are shared with local Risk Management and business teams, in order to avoid excessive concentrations and breaches.

The Group Financial Risk Committee is regularly informed of the main credit risks including those related to (re)insurance businesses.

BANK CREDIT ACTIVITIES

At December 31, 2023, total invested assets of banking activities amounted to €10.4 billion (€11.4 billion as at December 31, 2022).

AXA Banking operations, based in France, are mostly limited to retail banking activities, distributing simple investment and credit products.

As such, AXA banks' Risk Management policies are based on their stated risk appetite, with the following key principles:

- Dedicated Counterparty and Credit Risk functions with appropriate Committees;
- quality of sovereign, international institutions, corporate and bank counterparties portfolio closely monitored;
- adequacy to Group risk standards; and
- tightly managed market, asset & liability, foreign exchange and interest rate risks including a strict collateral policy.

Credit risk in the banks encompasses:

- retail credit risk, resulting from the commercial activity – sales of mortgages and other type of loans to retail clients and small enterprises. Credit Risk Management is done through careful risk and a regular monitoring of portfolios by product management teams and Risk Management teams;
- other than retail credit risk, resulting from investment activity. This activity is limited with strong control processes in place.

Credit risks are regularly reviewed by the Management Board of each bank, and are subject to regulation.

The banks aim to meet all regulatory capital obligations.

5.5 LIQUIDITY RISK

Information in this section should be read in conjunction with Section 2.4 “Liquidity and capital resources” of this Annual Report.

The liquidity risk is the uncertainty, emanating from business operations, investments or financing activities, over whether AXA SA and/or an AXA entity will have the ability to meet payment obligations in a full and timely manner, in current or stressed environments. Liquidity risk concerns assets and liabilities as well as their interplay.

Liquidity is a key dimension of the Risk Appetite Framework allowing the AXA Group to ensure that both AXA SA and the local entities have at all times sufficient liquidity buffer to withstand a severe shock. The objective is achieved through the monitoring of the liquidity adequacy across the AXA Group on the basis of the “Excess Liquidity” metric, *i.e.* the difference between liquidity resources and liquidity needs calculated under severe stress conditions and over different time horizons: 1 week, 1 month, 3 months and 12 months.

For each time horizon, the post-stress liquidity resources available and the post-stress liquidity needs (*i.e.* net outflows) to be paid are projected to measure the excess liquidity. The stressed conditions are calibrated so as to reflect extreme circumstances (*e.g.* distressed financial markets, confidence crisis towards the Group, natural catastrophes). The approach is prudent as it is assumed that all events occur simultaneously.

5.6 INSURANCE RISKS

Insurance risks: definition and exposure

Information in this section should be read in conjunction with Section 6.6 – Note 4 “Financial and insurance Risk Management” of this Annual Report. Only information referred to in Note 4 is covered by the report Statutory Auditors on the Consolidated Financial Statements.

Information in this section should be read in conjunction with the paragraph “Pricing and underwriting-related risks” in Section 5.1 “Risk factors” of this Annual Report.

The Group’s insurance subsidiaries are primarily responsible for managing their insurance risks linked to underwriting, pricing and reserving. They are also responsible for taking appropriate actions in response to changes in insurance cycles and to the political and economic environments in which they operate.

In the context of its Property & Casualty (P&C) and Protection & Health businesses operations as described in Section 1.3 “Business overview” of this Annual Report, the AXA Group is exposed to the following main insurance risks, which include:

- premium risk resulting from fluctuations in the timing, frequency and severity of insured events, and relating to:
  - valuation of loss component on existing contracts (insufficient liability for remaining coverage),
  - mispricing of policies to be written (including renewals) during the period, and
  - expense payments;
- reserve risk resulting from fluctuations in the timing and amount of claim settlements and relating to the insufficiency of liability for incurred claims, which includes:
  - misestimating claim costs (average payments), and
  - fluctuation of payments around their statistical average;
- catastrophe risks embedding both natural events such as climatic or meteorologic phenomena (including windstorms, hurricanes, floods or hailstorms), tectonic ones (earthquakes, volcanoes) and man-made ones, such as nuclear, liability, cyber, conflagration, terrorist attacks.

Life risks also include risks related to mortality, longevity, lapses, disability and pandemics among others. The main risks to which the Life business is exposed are longevity risk and lapse risk, which are both sensitive to changes in interest rates, and could be defined as follows:

- longevity risk is the risk related to the overestimation of mortality rates for business contingent on longevity;
- lapse risk includes the risk of experiencing lapses lower (or higher) than expected on a permanent basis for businesses adversely sensitive to a decrease (or an increase) in lapses, as well as the risk of experiencing a mass lapse on all businesses on a short-term horizon.

AXA Group’s exposure to insurance risks is covered by the AXA Group’s Solvency Capital Requirement, as detailed in the paragraph “Internal Model” in Section 5.2 “Internal Control and Risk Management” of this Annual Report and is taken into account in AXA’s liquidity Risk Management framework (please refer to Section 5.5 “Liquidity risk” of this Annual Report).

Risk control and risk mitigation

For more information on the AXA Group's risk controls and Risk Management processes, please refer to Section 5.2 "Internal Control and Risk Management" of this Annual Report.

In addition, AXA Group's investment strategy, which is mainly driven by Asset Liability Management, aims to meet the Group's obligations and commitments to policyholders, and to protect the solvency of the Group and of its entities (please refer to paragraph "Governance of investment strategy and Asset Liability Management (ALM)" in Section 5.2 "Internal Control and Risk Management" of this Annual Report).

Insurance risks for Life & Health and Property & Casualty businesses are covered through four major processes, defined at Group level but performed jointly by central and local teams:

- implementing a product approval process, which entails risk controls on new products that complement underwriting rules and product profitability analyses;
- optimizing reinsurance strategies in order to limit the Group's peak exposures thereby protecting its solvency by reducing volatility and to mitigate risk within the Group to benefit from diversification;
- reviewing insurance liabilities, including a roll forward analysis; and
- monitoring emerging risks to share expertise within the underwriting and risk communities.

PRODUCT APPROVAL

AXA Group has defined a set of procedures to approve new products launches. These procedures are adapted and implemented locally and aim at fostering product innovation across the Group while maintaining risks under control. The validation framework relies among others on the results of the Solvency Capital Requirement's assessments, based on the AXA Group's Internal Model, to ensure that new products undergo a thorough approval process before they are brought to market.

In Life, as well as Health, the Product Approval Process is managed at local level for all traditional products meeting Group's minimum requirements, which allows maintaining time-to-market product launches. For sophisticated products, local entities require Group's approval before launch to ensure all long-term commitments are monitored at Group level and benefit from the Group expertise on enhanced or specific guarantees.

In Property & Casualty, methods are adapted to the underwriting of risks, while maintaining the principle of local decision-making based on a documented approval procedure and using the output of the internal model. The aim is twofold:

- for pre-launch business, the aim is to ensure that new risks underwritten by the Group have been scrutinized before proposing them to customers;
- for post-launch business, appropriate profitability and risk control are performed to verify that the business remains in line with the Group's risk framework.

This framework is part of the Group underwriting policy and ensures that no risks are taken outside the Group tolerances and that value is created by adequate risk pricing.

EXPOSURE ANALYSIS AND RISK ASSESSMENT

AXA Group reviews regularly its exposure to ensure that the risks underwritten are diversified geographically and by lines of business in order to manage risk concentration, and to verify adequacy of reinsurance.

For Life Health and Property & Casualty activities, AXA Group has developed and deployed common models and metrics to consistently measure risks throughout the Group (in particular *via* its economic capital framework as detailed in Section 5.2 "Internal Control and Risk Management" of the Annual Report. This enables the Group to verify that its exposure complies with consolidated risk appetite limits along the dimensions of earnings, Eligible Own Funds (EOF), solvency and liquidity. These tools also contribute substantially to monitoring the major risks (claims frequency deviation, claims severity, reinsurance, pricing consistency, natural and man-made catastrophes, biometric and behavior risks deviations).

This framework is included in the governance set out previously for product development control.

In the Life & Health businesses, these tools allow for mortality/longevity risks to be analyzed on a multi-country basis. The AXA Group regularly monitors its exposure to these risks (including mortality, longevity and morbidity) and uses the results of this work to optimize its product design and its reinsurance coverage. These exposure analyses are supported by expert risk models in Life.

Regarding the Property & Casualty exposures, *ad hoc* concentration risk models (internal and external for natural catastrophe and for man-made catastrophe) are developed to ensure yearly natural catastrophe volatility, coming from events such as windstorm, earthquake, hurricane or typhoon, or catastrophe man-made events, such as cyber or liability ones, are not likely to affect the Group above the set tolerance levels.

Since 2015, the Group has strategically developed a strong in-house expertise of development and validation of natural catastrophe models to cope with their dynamic nature in the context of global climate change. This has been complemented by a reinforced and continuously enhanced expertise in the modelling of systemic events (without border in time and space) like Cyber.

CEDED REINSURANCE

The reinsurance structure in charge of Life Health and Property & Casualty reinsurance (AXA Global Re up to mid-2022 and then Group Ceded Re) reports to the Group Chief Underwriting Officer. Its main mandate is to contribute to the protection of the Group through the centralization of the Group's purchase of reinsurance.

For the Life & Health and Property & Casualty operations, reinsurance programs are set up as follows:

- Group's operating entities reinsurance capacity are set in alignment with Group Standards and with their local risk appetite limits considering the risk assessment previously described;
- Their risks are modeled through in-depth actuarial analyses conducted on each portfolio. Specifically, for Property & Casualty, modelling is fully aligned with the Group economic capital model; for risks associated with the main natural perils (storms, floods, earthquakes, etc.), AXA uses several models both in-house and external; for man-made risks (including Casualty and Cyber), AXA uses in-house models.

Reinsurance strategy

Centralization and harmonization of treaty reinsurance purchase is based on the same procedures for both the Life Health businesses as for the Property & Casualty activities.

In order to build adjusted and optimized protection, the Group's operating entities are reinsured by AXA SA except for very specific cases notably for products developed in partnership with reinsurers in Life & Health and except for some AXA XL treaties.

Group Ceded Re can place a variable part of the local treaties on the reinsurance market, for regulatory reasons for example. A portion of the risk exposure is retained within AXA SA and protected through the Group covers (including through an internal pool mechanism for Property) and the remaining part is ceded to external reinsurers.

Group Ceded Re is responsible for all Group external cessions. Since the acquisition of the XL group, AXA XL contributes to placing directly part of its covers (mainly quota share for specialties and for US portfolios) under Group Ceded Re's delegation and control. 2024 Group reinsurance protections ensure respecting the risk appetite as in 2023.

These protections consist of major Group-covers (CAT, Property Per Risk, International Liability, Marine Whole Account (incl. Marine, Energy, etc.), Cyber, and Life) and various entities' specific local covers mainly driven by AXA XL-dedicated protections (*e.g.* Aviation, Marine, Energy, US Liability, Political risks, retro, etc.).

The structures of Group covers are designed to adequately protect the Group in compliance with the Group risk appetite framework. Specific proportional and non-proportional covers are arranged through either the traditional reinsurance market or alternative capital markets (Insurance Linked Securities – ILS, such as cat bonds etc.) both on an indemnity and industry loss index basis.

AXA also uses alternative capital market solutions also known as Insurance-Linked Securities (ILS), such as catastrophe bonds, as part of the overall reinsurance strategy. The use of ILS may not provide the same level of protection as traditional reinsurance, and the protections provided may vary depending on the region in which the loss occurred, or the number of events that make up the loss. Like traditional reinsurance, the accessibility of the ILS market may be impacted by disruptions, volatility or uncertainty, such as those that may arise following a major catastrophic event. Also, to the extent that AXA uses ILS products providing reinsurance protections based on an industry loss index rather than on its actual incurred losses, such transactions could result in a larger or lower residual loss than anticipated.

Finally, in addition to the analyses described above, the Group Security Committee regularly monitors the AXA Group credit exposures to reinsurers, to ensure that consolidated exposures remain within the Group risk tolerance (see Section 5.4 "Credit Risk - Receivables from reinsurers" of this Annual Report).

INSURANCE LIABILITIES

Operational entities specifically monitor their reserve risks. Liability for incurred claims is estimated and booked on a file-by-file basis by the claims handlers. Additional liabilities are also booked by the local entities.

The additional liabilities' calculations are carried out locally by a two-independent-opinion process.

Actuaries in charge of assessing liabilities use various statistical and actuarial methods. Their assumptions are made following discussions with claims managers, pricing actuaries, underwriters and other specialized departments.

They notably ensure that:

- a sufficient number of operating elements have been scrutinized (including contracts, premiums and claims patterns, claims' handling, and reinsurance effects);

- enough data is available (such as sufficient claims experience or granularity) and adequate to achieve the reserving exercise;
- the technical assumptions and actuarial methodologies are in line with professional practices and sensitivity analyses are performed at least for most significant ones;
- a roll-forward analysis of liabilities including merit-rating (boni-mali, Actual-to-Expected) back-tests has been performed, the regulatory and economic context references are taken into account and material deviations are explained;
- the operational losses relating to the reserving process have been adequately quantified; and
- the Best Estimate Liabilities have been calculated in accordance with articles 75 to 86 of the Solvency II Directive and Group guidelines.

The breakdown of the Group's Property & Casualty discounted liabilities by line of business was as follows:

- 25% at the end of 2023 (24% at the end of 2022) of the Group's Property & Casualty discounted liabilities cover Motor insurance business;
- 11% at the end of 2023 (10% at the end of 2022) of the Group's Property & Casualty discounted liabilities cover Property insurance business;
- 8% at the end of 2023 (8% at the end of 2022) of the Group's Property & Casualty discounted liabilities cover Liability insurance business;
- 5% at the end of 2023 (5% at the end of 2022) of the Group's Property & Casualty discounted liabilities cover Specialty insurance business;
- 9% at the end of 2023 (11% at the end of 2022) of the Group's Property & Casualty discounted liabilities cover Reinsurance business;
- 43% at the end of 2023 (43% at the end of 2022) cover the other lines of business.

The breakdown of the Group's Life & Health technical insurance discounted liabilities by product type was as follows:

- 91% at the end of 2023 (91% at the end of 2022) of the Group's Life & Health discounted liabilities cover Life business;
- 9% at the end of 2023 (9% at the end of 2022) of the Group's Life & Health discounted liabilities cover Health business;

5.7 OPERATIONAL RISKS SNFP

Information in this section should be read in conjunction with the paragraph "Operational and business-related risks" in Section 5.1 "Risk factors" of this Annual Report.

AXA Group has defined a single framework for identifying, quantifying and monitoring the main operational risks that may arise from a failure in its organization, systems, processes and resources or from external events.

Operational risks include legal risks and excludes risks arising from strategic decisions, as well as reputation risks.

AXA Group's Operational risk framework provides for the deployment of a common system, dedicated operational risk teams and a common operational risk typology classifying operational risks into seven risk categories: internal fraud; external fraud; employment practices and workplace safety; clients, products and business practices; damages to physical assets; business disruption; and system failures and execution, delivery and process management. Its implementation is not limited to insurance activities. It encompasses all AXA entities, including insurance companies, banking activities, AXA Investment Managers and internal service providers consistent with AXA policy on operational Risk Management.

Both quantitative and qualitative requirements are defined:

- across the Group, the most critical operational risks of each entity and a set of stress scenarios are identified and assessed following a forward-looking and expert-opinion approach. These risk scenarios are then used to estimate the capital requirement needed to cover operational risks based on advanced models based on Solvency II principles. The operational Risk Management process is embedded into local governance through senior management validation to ensure that the risk assessment is adequate, appropriate and comprehensive but also to ensure that adequate corrective and pre-emptive actions are defined and implemented in respect of the main risks;
- in addition, a loss data collection process is in place within most companies of the Group in order to track and appropriately mitigate actual operational risk losses. This process is also used as a valuable source of information to back-test the assumptions taken in risk assessments.

A key objective of the AXA Group's operational risk economic capital model is to understand and reduce losses resulting from operational failures and to define an appropriate risk response strategy for major operational risk scenarios. Entities and Group Operational Risk profiles are presented to local/Group Risk Committees for decisions and actions to be taken.

In 2023, the Group Operational Risk Profile is reasonably well spread out with all seven operational risk categories covered and the main risks being the following:

- transaction capture, execution and maintenance risk is a major risk and relates to process error, failure, and/or misperformance;
- compliance risk due to increases in legislation and regulation remains a major concern and is under the close monitoring of Group Compliance;
- external fraud & system security risk continues also to be a top priority. AXA Group's exposure to cyber risk is still high with more and more new technology into AXA Group's products and services. Information on cyber risks should be read in conjunction with the paragraph "Operational and business-related risks" in Section 5.1 "Risk factors" of this Annual Report.

AXA Group's exposure to operational risks is captured in the AXA Group's Solvency Capital Requirement as detailed in the paragraph "Internal Model" in Section 5.2 "Internal Control and Risk Management" of this Annual Report.

Specific actions are identified at Group and local levels to mitigate these risks. Also, the implementation of the Internal Control framework will continue to contribute to better embed controls in activities and mitigate the risks.

As regards information risks, AXA has built an Information Risk Management (IRM) framework to enable information risk decisions to be made consistently across the organization and establish sustainable Risk Management capabilities that are integrated with the business.

AXA relies on third-party providers for outsourcing of services at different stages of the value chain. Although relying on partners is a strategic advantage, onboarding a vendor into AXA's organization requires AXA to assess the risks it might bring, such as regulatory, compliance, IT security, etc.

To protect both business and customers, AXA has set up a dedicated Vendor Risk Framework program co-sponsored by Group Risk Management and Group Procurement. This program is supported by Group functions (Compliance, Data Privacy, Information Security, Operational Resilience, Legal, Reputation and Internal Control) and local stakeholders (Chief Risk Officers, Chief Procurement Officers and Insurance Procurement Directors).

The Vendor Risk Framework defines a set of requirements for each relationship, with a risk-based approach, *i.e.* existing and potential new contracts. After identification of the criticality through pre-determined criteria, an appropriate level of due diligence, minimum requirements and oversight is implemented.

For more information on the AXA Group's risk controls and Risk Management processes, please refer to Section 5.2 "Internal Control and Risk Management" of this Annual Report.

5.8 OTHER MATERIAL RISKS

Strategic risks

A strategic risk is the risk that a negative impact (current or prospective) on earnings or capital, material at the Group level, arises from (a) a lack of responsiveness to industry changes or consumers' needs evolution, or (b) adverse business decisions regarding:

- significant changes in footprint, including through disposals or acquisitions;
- changes in product offering and client segmentation;
- changes in distribution model (channel mix including alliances/partnerships, multi-access and digital distribution).

Given the nature of strategic risks, there is no capital charge assessment but a strong strategic Risk Management framework to anticipate and mitigate these risks. Group Risk Management is involved at early stage in major strategic projects (*e.g.* large M&A projects). The Group governance standards require among other things a Risk Management second opinion on key processes, including significant transactions and strategic plans. Furthermore, the ORSA report provides an assessment on the overall solvency needs which include the Solvency II ratio projection made until the strategic plan horizon and in stress scenarios as detailed in Section 5.2 "Internal Control and Risk Management - Own Risk and Solvency Assessment (ORSA)" of this Annual Report.

Reputation risk

Reputation risk is the risk that an event, internal or external, will negatively influence the stakeholders' perception and trust of the Company or where there is a gap between stakeholders' expectation and the Company's behaviors, attitudes, values, actions, or inactions.

Given the nature of reputation risk, there is no capital charge assessment but the AXA Group has defined a global framework with a two-fold approach to reactively protect and proactively identify, monitor, manage and mitigate reputational issues to not only minimize value destruction, but also to build and maintain brand equity and trust among stakeholders.

AXA Group has a Global Reputation Network whose purpose is to implement locally a Reputation Risk Management framework. The objectives of the Reputation Risk Management approach are in line with AXA's overall Enterprise Risk Management approach aiming to develop a reputation risk culture and risk intelligence.

Three main objectives drive the Reputation Risk Management approach:

- proactively manage reputation risk, avoid or minimize negative issues impacting the reputation of AXA and build trust among all of AXA stakeholders;
- define accountability for reputation risk across the organization, at Group and local levels;
- implement a common reputation Risk Management framework throughout the organization.

AXA Group monitors in near real-time potential and existing issues and receives periodic top reputation risk reports from local entities. Every two months, an informational report is submitted to the Group Audit, Risk and Compliance Committee, and once a year, an internal report analyzes the main cases of reputation risk managed by AXA. Regular dialogue with the Global Reputation Network allows for building awareness, identification and dissemination of key topics that could negatively impact the Group's reputation.

The implementation of the Reputation Risk Framework encompasses AXA Group's main activities including insurance, Asset Management as well as internal service providers.

Emerging risks SNFP

Emerging risks are risks which may develop or which already exist and are continuously evolving. Emerging risks are marked by a high degree of uncertainty, as some of them may never even emerge.

Given the nature of emerging risks, there is no capital charge assessment, but the AXA Group has established processes to monitor emerging risks which could develop over time and become significant. The emerging risk framework encompasses a network of circa 120 people within the AXA Group (mainly based in insurance, Asset Management and support function entities such as AXA Group Operations) which allows expertise to be shared within the business and risk communities and ensures adequate underwriting policies are defined.

Emerging risks surveillance is organized through a detection process including regular monitoring of scientific publications, court decisions, etc. Risks are monitored and classified within a risk mapping constituted of five sub-groups (environment & energy, society, regulation & politics, economy, finance & business, health & medicine, and tech & data). After prioritization of the monitored risks by senior management or after a warning from an entity, in-depth internal studies are developed on a bi-annual basis by GRM to review a specific risk and its potential impact in terms of insurance.

Since 2014, an annual Future Risks Survey is conducted to collect the views of internal and external stakeholders on the most significant emerging risks for society at large.

By seeking to develop new solutions, acting as an advisor to Risk Management and actively contributing to the overall debate about the issues involved, along with other major market players, AXA Group intends to promote a better understanding and better forecasting of the emerging risks and to support sustainable development.

Regulatory risks

For further information on the regulatory environment in which AXA Group operates including regulatory risks, please refer to the paragraph “Regulatory-related risks” in Section 5.1 “Risk factors” of this Annual Report.

Sustainability risks SNFP

For further information on the sustainability risks to which the AXA Group might be exposed, either from the perspective of the impacts on AXA’s business or from the perspective of the impact of AXA’s business operations, please refer to Section 4.1 “AXA Sustainability strategy” of this Annual Report. In addition, certain sustainability risks which are material to the AXA Group, are also referenced in the “Risk Factors” contained in Section 5.1’

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6

CONSOLIDATED FINANCIAL STATEMENTS

AXA has started applying IFRS 17 - Insurance Contracts and IFRS 9 - Financial Instruments effective January 1, 2023, as detailed in "Chapter 6.6: Notes to the Consolidated Financial Statements – Note 1.2.1.1" of this Annual Report. In this Annual Report, unless provided otherwise, "restated" refers to the comparative period that was restated for the impact of the application of both IFRS 17 and IFRS 9.

6.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in Euro million) Notes		December 31, 2023	December 31, 2022, restated	January 1, 2022, restated
5	Goodwill	17,855	17,754	17,167
6	Other intangible assets	4,630	4,720	4,764
	Intangible assets	**22,485**	**22,474**	**21,931**
	Investments in real estate properties	29,542	28,684	28,011
	Financial investments	394,476	389,586	486,073
	Assets backing contracts where the financial risk is borne by policyholders	82,753	76,491	86,183
7	**Investments from insurance activities**	**506,772**	**494,760**	**600,268**
7	**Investments from banking and other activities**	**20,812**	**20,815**	**20,632**
8	**Investments accounted for using the equity method**	**1,938**	**2,234**	**2,451**
	Assets arising from insurance contracts and investment contracts with discretionary participation features	11	4	-
	Assets arising from reinsurance contracts held	25,211	24,378	25,804
12	**Assets arising from insurance contracts, investment contracts, and reinsurance contracts held**	**25,222**	**24,382**	**25,804**
	of which present value of future cash flows	*24,059*	*23,225*	*24,566*
	of which risk adjustment for non-financial risk	*488*	*504*	*525*
	of which Contractual Service Margin	*675*	*653*	*713*
18	Derivative assets	11,016	16,927	10,208
	Tangible assets	2,095	2,231	2,443
17	Deferred tax assets	3,483	3,269	2,417
	Other assets	**16,595**	**22,427**	**15,068**
17	Current tax receivables	719	928	945
	Other receivables	11,748	10,720	10,992
9	**Receivables**	**12,467**	**11,648**	**11,937**
5	**Assets held for sale**	**13,187**	**13,451**	**8,107**
10	**Cash and cash equivalents**	**24,972**	**26,167**	**25,053**
	TOTAL ASSETS	**644,449**	**638,357**	**731,251**

(in Euro million) Notes		December 31, 2023	December 31, 2022, restated	January 1, 2022, restated
	Shareholders' equity – Group share	**49,579**	**46,072**	**51,885**
	of which Net income – Group share	*7,189*	*5,061*	-
	Minority interests	**2,819**	**3,018**	**3,702**
11	**Total shareholders' equity**	**52,398**	**49,090**	**55,587**
	Subordinated debt	11,020	12,069	10,780
	Financing debt instruments issued	2,411	1,672	800
15	**Financing debt**	**13,431**	**13,741**	**11,580**
	Liabilities arising from insurance contracts and investment contracts with discretionary participation features	456,896	444,812	539,351
	Liabilities arising from other investment contracts	12,110	12,366	14,485
	Liabilities arising from reinsurance contracts held	8	5	11
12	**Liabilities arising from insurance contracts, investment contracts, and reinsurance contracts held**	**469,013**	**457,183**	**553,848**
	of which present value of future cash flows	*431,261*	*419,892*	*515,781*
	of which risk adjustment for non-financial risk	*3,101*	*3,104*	*3,765*
	of which Contractual Service Margin	*34,651*	*34,188*	*34,301*
13	**Liabilities arising from banking activities**	**10,603**	**12,161**	**14,653**
14	**Provisions for risks and charges**	**5,395**	**6,516**	**9,424**
18	Derivative liabilities	13,476	19,714	11,775
17	Deferred tax liabilities	1,740	914	785
	Other liabilities	**15,216**	**20,628**	**12,560**
	Minority interests of controlled investment funds and puttable instruments held by minority interests	7,593	6,400	7,750
	Other debt instruments issued, notes and bank overdrafts	11,064	10,558	10,518
17	Current tax payables	1,279	1,312	963
	Collateral debts relating to investments under a lending agreement or equivalent	32,079	34,245	35,030
	Other payables	13,582	13,474	12,145
16	**Payables**	**65,598**	**65,988**	**66,406**
5	**Liabilities held for sale**	**12,795**	**13,049**	**7,194**
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**644,449**	**638,357**	**731,251**

6.2 CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(in Euro million, except EPS in Euro) **Notes**		**December 31, 2023**	**December 31, 2022, restated**
12	Insurance revenue	80,889	80,449
19	Fees and charges relating to investment contracts with no discretionary participation features	234	275
19	Revenues from other activities	2,503	2,660
19	**Revenues from all activities**	**83,627**	**83,384**
12	Insurance service expenses	(71,681)	(74,469)
12	Net expenses from reinsurance contracts held	(2,276)	(1,068)
22	Expenses from other activities	(3,327)	(3,288)
22	**Expenses from all activities**	**(77,284)**	**(78,824)**
	Result from all activities	**6,343**	**4,559**
	Net investment income	12,073	12,332
	Net realized gains and losses relating to investments at cost and at fair value through Other Comprehensive Income (OCI) [(a)]	(1,245)	(127)
	Net realized gains and losses and change in fair value of investments at fair value through profit or loss	7,161	(12,817)
	Change in impairment on investments	(234)	(243)
20	**Investment return**	**17,755**	**(855)**
12	Net finance income or expenses from insurance contracts issued	(14,500)	3,870
12	Net finance income or expenses from reinsurance contracts held	270	394
20	**Net finance income or expenses from insurance and reinsurance contracts**	**(14,230)**	**4,264**
20	**Financial result excluding financing debt expenses**	**3,525**	**3,409**
22	Other income and expenses [(a)] [(b)]	(649)	(584)
	Change in impairment on goodwill and other intangible assets	(1)	-
	Other operating income and expenses	**(650)**	**(584)**
	Operating profit before tax	**9,218**	**7,384**
8	Income (net of impairment) from investments accounted for using the equity method	277	(149)
21	Financing debts expenses	(609)	(652)
	Profit before tax	**8,886**	**6,583**
17	Income tax	(1,513)	(1,376)
	Net income	**7,373**	**5,207**
	Split between:		
	Net income - Group share	**7,189**	**5,061**
	Net income - Minority interests	184	146
24	**Earnings per share**	**3.14**	**2.13**
24	**Fully diluted earnings per share**	**3.13**	**2.12**

(a) As of December 31, 2023, it included the impact of IAS29 standard application related to hyperinflation in Türkiye for €-39 million (€-37 million Group share) and €-34 million (€-32 million Group share) as of December 31, 2022.
(b) As of December 31, 2022, it included the impact related to the disposal process of General Account portfolio in Belgium.

6.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in Euro million)	December 31, 2023	December 31, 2022, restated
Net income	**7,373**	**5,207**
Changes in fair value of financial instruments [(a)]	10,025	(56,058)
Net finance income and expenses from insurance contracts issued	(9,617)	56,200
Net finance income and expenses from reinsurance contracts held	898	(4,133)
Foreign currency translation differences	(819)	1,233
Items that may be reclassified subsequently to Profit or Loss	**487**	**(2,759)**
Realized capital gains or losses on equity instruments, without recycling in Profit or Loss [(c)]	(420)	546
Change in fair value of equity instruments, without recycling in Profit or Loss [(b)] [(c)]	1,221	(1,744)
Actuarial gains and losses from defined benefit plans	290	471
Change in fair value of financial liabilities attributable to changes in credit risk	(3)	6
Items that may not be reclassified subsequently to Profit or Loss	**1,087**	**(721)**
Other comprehensive income, net of tax	**1,574**	**(3,480)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**8,947**	**1,727**
Split between:		
Comprehensive Income – Group share	**8,662**	**1,698**
Comprehensive Income – Minority Interests	**285**	**29**

(a) Including changes in the fair value of cash flows hedge reserve and cost of hedging reserve.
(b) Including changes in the fair value hedge reserve of equity instruments.
(c) Including reactivity from insurance contracts, without recycling in Profit or Loss.

CONSOLIDATED FINANCIAL STATEMENTS
6.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

6.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in Euro million, except for number of shares and nominal value)	Number of shares *(in thousands)*	Nominal value *(in Euro)*	Paid-in capital	Other reserves recognized *through* OCI [b]	Undated subordinated debts	Translation reserves [a]	Employee benefits	Retained earnings [b]	Shareholders' equity Group share	Minority interests	Total shareholders' equity
Shareholders' equity opening January 1, 2023	**2,351,771**	**2.29**	**23,317**	**(8,758)**	**5,704**	**(1,643)**	**(2,652)**	**30,103**	**46,072**	**3,018**	**49,090**
Paid-in capital	(81,582)	2.29	(2,105)	-	-	-	-	-	(2,105)	-	(2,105)
Share based compensation	-	-	70	-	-	-	-	-	70	-	70
Treasury shares	-	-	847	-	-	-	-	-	847	-	847
Undated subordinated debt	-	-	-	-	(250)	-	-	(185)	(435)	-	(435)
Others (including effect of changes in scope of consolidation) [b]	-	-	-	(0)	-	0	(0)	255	255	(485)	(230)
Dividends paid	-	-	-	-	-	-	-	(3,787)	(3,787)	-	(3,787)
Impact of transactions with shareholders	**(81,582)**	**2.29**	**(1,188)**	**(0)**	**(250)**	**0**	**(0)**	**(3,717)**	**(5,155)**	**(485)**	**(5,639)**
Net income	-	-	-	-	-	-	-	7,189	7,189	184	7,373
Other comprehensive income (OCI) [b]	-	-	-	2,432	(16)	(799)	287	(432)	1,473	101	1,574
Total comprehensive income for the period	**-**	**-**	**-**	**2,432**	**(16)**	**(799)**	**287**	**6,758**	**8,662**	**285**	**8,947**
Shareholders' equity closing December 31, 2023	**2,270,189**	**2.29**	**22,130**	**(6,327)**	**5,439**	**(2,442)**	**(2,364)**	**33,143**	**49,579**	**2,819**	**52,398**

(a) As of December 31, 2023, it included the effect over the reporting period of applying IAS 29 standard related to hyperinflation in Türkiye for €141 million, of which €137 million Group share.

(b) It included the first time application impact of IFRS 17 Insurance contracts in ICBC-AXA Assurance Co. for €+227 million in Retained earnings and €-242 million in other comprehensive income as well as the application impact of IAS 12 amendment relating to deferred taxes on Leases (€14 million in Group share).

(in Euro million, except for number of shares and nominal value)	Number of shares *(in thousands)*	Nominal value *(in Euro)*	Paid-in capital	Other reserves recognized *through* OCI	Undated subordinated debts	Translation reserves [a]	Employee benefits	Retained earnings [b]	Shareholders' equity Group share	Minority interests	Total shareholders' equity
Shareholders' equity opening January 1, 2022, as previously reported	**2,421,569**	**2.29**	**25,718**	**16,935**	**6,696**	**(2,843)**	**(3,185)**	**27,815**	**71,135**	**4,094**	**75,229**
Adjustments on initial application of IFRS 17 and IFRS 9, net of tax	(0)	-	(73)	(20,074)	-	(27)	68	856	(19,249)	(392)	(19,642)
Shareholders' equity opening January 1, 2022, restated	**2,421,569**	**2.29**	**25,645**	**(3,139)**	**6,696**	**(2,870)**	**(3,117)**	**28,671**	**51,886**	**3,702**	**55,587**
Paid-in capital	(69,798)	2.29	(1,867)	-	-	-	-	-	(1,867)	-	(1,867)
Share based compensation	-	-	59	-	-	-	-	-	59	-	59
Treasury shares	-	-	(520)	-	-	-	-	-	(520)	-	(520)
Undated subordinated debt	-	-	-	-	(994)	-	-	(203)	(1,197)	-	(1,197)
Others (including effect of changes in scope of consolidation)	-	-	-	0	-	(0)	0	(448)	(448)	(713)	(1,161)
Dividends paid	-	-	-	-	-	-	-	(3,539)	(3,539)	-	(3,539)
Impact of transactions with shareholders	**(69,798)**	**2.29**	**(2,328)**	**0**	**(994)**	**(0)**	**0**	**(4,190)**	**(7,512)**	**(713)**	**(8,225)**
Net income	-	-	-	-	-	-	-	5,061	5,061	146	5,207
Other comprehensive income (OCI)	-	-	-	(5,620)	2	1,226	465	562	(3,363)	(117)	(3,480)
Total comprehensive income for the period	**-**	**-**	**-**	**(5,620)**	**2**	**1,226**	**465**	**5,623**	**1,698**	**29**	**1,727**
Shareholders' equity closing December 31, 2022, restated	**2,351,771**	**2.29**	**23,317**	**(8,758)**	**5,704**	**(1,643)**	**(2,652)**	**30,103**	**46,072**	**3,018**	**49,090**

(a) As of December 31, 2022, it included the effect over the reporting period of applying IAS 29 standard related to hyperinflation in Türkiye for €115 million, of which €112 million Group share.

(b) As of December 31, 2022, it included the cumulative effect for previous periods of applying IAS 29 standard related to hyperinflation in Türkiye for €127 million, of which €126 million Group share.

6.5 CONSOLIDATED STATEMENT OF CASH FLOWS

(in Euro million)	December 31, 2023	December 31, 2022, restated
Profit before tax	**8,886**	**6,583**
Net amortization expense [a]	(562)	(805)
Change in goodwill impairment and other intangible assets impairment [b]	1	-
Net increase/(write back) in impairment on investments and tangible assets	279	259
Change in fair value of assets and liabilities at fair value through profit or loss	(9,032)	9,396
Net change in liabilities arising from insurance and investment contracts [c]	(79)	(10,004)
Net increase/(write back) in other provisions [d]	(9)	(159)
Income arising from investments in associates – Equity method	(277)	149
Adjustment of non cash balances included in the operating income before tax	**(9,680)**	**(1,163)**
Net realized gains and losses	3,056	3,090
Financing debt expenses	609	652
Adjustment of balances included in operating income before tax for reclassification to investing or financing activities	**3,665**	**3,743**
Dividends recorded during the period	(3,732)	(3,495)
Investment income & expense recorded in profit or loss during the period	(8,118)	(8,717)
Adjustment of transactions from accrued to cash basis	**(11,850)**	**(12,212)**
Net cash impact of deposit accounting	(497)	311
Dividends and interim dividends collected	4,549	4,223
Interests collected	13,656	11,469
Interests paid (excluding interests on financing and undated subordinated debts, margin calls and other)	(4,761)	(2,453)
Net operating cash from banking activities	(701)	(848)
Net change in operating receivables and payables	4,913	1,288
Net cash provided by other assets and liabilities	(1,143)	(1,463)
Tax expenses paid	(1,084)	(1,343)
Other operating cash impact and non cash adjustment	483	570
Net cash impact of transactions with cash impact not included in the operating income before tax	**15,415**	**11,754**
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	**6,437**	**8,705**
Purchase of subsidiaries and affiliated companies, net of cash acquired	(809)	(34)
Disposal of subsidiaries and affiliated companies, net of cash ceded	(46)	315
Net cash related to changes in scope of consolidation	**(855)**	**281**
Sales and/or repayment of debt instruments [e]	64,591	66,770
Sales of equities instruments [e] [f]	19,050	24,504
Sales of investment properties held directly or not	3,244	2,818
Sales and/or repayment of loans and other assets [e] [g]	24,680	22,566
Net cash related to sales and repayments of investments [e] [f] [g]	**111,566**	**116,657**

(in Euro million)	December 31, 2023	December 31, 2022, restated
Purchases of debt instruments [e]	(59,823)	(55,425)
Purchases of equity instruments [e] [f]	(18,496)	(25,954)
Purchases of investment properties held direct or not	(3,216)	(3,114)
Purchases and/or issues of loans and other assets [e] [g]	(28,708)	(31,953)
Net cash related to purchases and issuance of investments [e] [f] [g]	**(110,243)**	**(116,446)**
Sales of tangible and intangible assets	21	33
Purchases of tangible and intangible assets	(427)	(398)
Net cash related to sales and purchases of tangible and intangible assets	**(406)**	**(365)**
Increase in collateral payable/Decrease in collateral receivable	110,583	112,486
Decrease in collateral payable/Increase in collateral receivable	(112,243)	(112,768)
Net cash impact of assets lending/borrowing collateral receivables and payables	**(1,660)**	**(281)**
NET CASH PROVIDED/(USED) BY INVESTING ACTIVITIES	**(1,598)**	**(155)**
Issuance of equity instruments	362	335
Repayments of equity instruments	(2,062)	(3,959)
Transactions on treasury shares	(90)	(28)
Dividends payout	(3,948)	(3,676)
Interests on perpetual debts paid	(250)	(290)
Acquisition/sale of interests in subsidiaries without change in control	-	(0)
Net cash related to transactions with shareholders	**(5,988)**	**(7,618)**
Cash provided by financial debts issuance	1,750	3,361
Cash used for financial debts repayments	(1,944)	(1,538)
Interests on financing debt paid	(599)	(496)
NET CASH RELATED TO GROUP FINANCING	**(793)**	**1,327**
NET CASH PROVIDED/(USED) BY FINANCING ACTIVITIES	**(6,781)**	**(6,291)**
NET CASH PROVIDED BY DISCONTINUED OPERATIONS	**-**	**0**
CASH AND CASH EQUIVALENT AS OF JANUARY 1 [h]	**25,681**	**24,374**
Net cash provided by operating activities	6,437	8,705
Net cash provided by investing activities	(1,598)	(155)
Net cash provided by financing activities	(6,781)	(6,291)
Net cash provided by discontinued operations	-	0
Impact of change in consolidation method	539	(487)
Net impact of foreign exchange fluctuations and reclassification on cash and cash equivalents	(151)	(464)
CASH AND CASH EQUIVALENT AS OF DECEMBER 31 [h]	**24,127**	**25,681**

(a) Includes premiums/discounts capitalization and relating amortization, amortization of investment and owner occupied properties (held directly).
(b) Includes impairment and amortization of intangible assets booked in the context of business combinations.
(c) Includes impact of reinsurance and change in liabilities arising from contracts where the financial risk is borne by policyholders.
(d) Mainly includes change in provisions for risks & charges, for bad debts/doubtful receivables and change in impairment of assets held for sale.
(e) Includes related derivatives.
(f) Includes equity instruments held directly or by consolidated investment funds as well as non consolidated investment funds.
(g) Includes sales/purchases of assets backing insurance & investment contracts where the financial risk is borne by policyholders.
(h) Net of bank overdrafts.

Cash and cash equivalents are presented in Note 10.

6.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Accounting principles

1.1 GENERAL INFORMATION

AXA SA, a French *Société Anonyme* (the "Company" and, together with its consolidated subsidiaries, "AXA" or the "Group"), is the holding (parent) company and, since 2022, the internal reinsurer of an international financial services group focused on financial protection. AXA operates both in Europe and worldwide. The list of the main entities included in the scope of consolidation is provided in Note 2 to the Consolidated Financial Statements.

AXA is listed on Euronext Paris Compartiment A.

These Consolidated Financial Statements including all Notes were set by the Board of Directors on March 13, 2024.

1.2 GENERAL ACCOUNTING PRINCIPLES

AXA's Consolidated Financial Statements are prepared as of December 31, 2023.

The Consolidated Financial Statements are prepared in compliance with International Financial Reporting Standards (IFRS) and interpretations of the IFRS Interpretations Committee that are endorsed by the European Union before the end of the reporting period with a compulsory date of January 1, 2023. Accordingly, the Group uses the option provided by the European Union which allows not to apply the annual cohort requirement under IFRS 17 - Insurance Contracts for determining the groups of insurance contracts meeting some criteria (refer to paragraph 1.14.3).

1.2.1 IFRS requirements adopted on January 1, 2023

1.2.1.1 IFRS 17 - INSURANCE CONTRACTS AND IFRS 9 - FINANCIAL INSTRUMENTS

AXA has started applying IFRS 17 - Insurance Contracts and IFRS 9 - Financial Instruments from January 1, 2023.

IFRS 17 - Insurance Contracts, published on May 18, 2017 and amended on June 25, 2020 and on December 9, 2021, was adopted by the European Union with an exemption regarding the annual cohort requirement (refer to paragraph 1.14.3).

IFRS 9 - Financial Instruments was issued on July 24, 2014 and adopted by the European Union on November 22, 2016, with the published effective date on January 1, 2018. However, amendments to IFRS 4 - Insurance Contracts allowed entities issuing insurance contracts within the scope of IFRS 4 to notably apply a temporary exemption from implementing IFRS 9 until the effective date of IFRS 17. In this context, the Group, eligible for this temporary exemption option, decided to defer the implementation of IFRS 9 until January 1, 2023.

Finally, an amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information", issued on December 9, 2021 and endorsed by the European Union on September 8, 2022, improved requirements for the comparative information to be disclosed on initial application of IFRS 17 and IFRS 9. This amendment permits entities that first apply both standards at the same time to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before. AXA decided to restate the comparative period at the first application of IFRS 9 and apply this "classification overlay", including the impairment requirements of IFRS 9, to all eligible financial assets.

The adoption of IFRS 17 and IFRS 9 results in significant accounting changes, with an impact on AXA's consolidated statement of financial position, consolidated statement of profit or loss, and other comprehensive income. The nature and effects of these changes are summarized below.

Impacts of adoption of IFRS 17 and IFRS 9 at the transition date (January 1, 2022)

The restated consolidated statement of financial position as at January 1, 2022, compared to the consolidated statement of financial position as at December 31, 2021 as published, highlights the following impacts of IFRS 17 and IFRS 9 at the transition date:

(in Euro million)	December 31, 2021 (published)	January 1, 2022 (restated)	Impact of the Restatement
Goodwill	17,167	17,167	-
Value of purchased business in force	919	-	(919)
Deferred Acquisition Costs and equivalent	17,825	-	(17,825)
Other intangible assets	4,297	4,764	467
Intangible assets	**40,208**	**21,931**	**(18,277)**
Investments in real estate properties	28,355	28,011	(343)
Financial investments	486,564	486,073	(491)
Assets backing contracts where the financial risk is borne by policyholders	86,315	86,183	(132)
Investments from insurance activities	**601,234**	**600,268**	**(965)**
Investments from banking and other activities	**19,729**	**20,632**	**903**
Investments accounted for using the equity method	**2,601**	**2,451**	**(150)**
Assets arising from insurance contracts and investment contracts with discretionary participation features	-	-	-
Assets arising from reinsurance contracts held	36,970	25,804	(11,166)
Assets arising from insurance contracts, investment contracts, and reinsurance contracts held	**36,970**	**25,804**	**(11,166)**
of which present value of future cash flows	-	*24,566*	*24,566*
of which risk adjustment for non-financial risk	-	*525*	*525*
of which contractual service margin	-	*713*	*713*
Derivative assets [(a)]	-	10,208	10,208
Tangible assets	2,443	2,443	-
Deferred tax assets	421	2,417	1,996
Other assets	**2,864**	**15,068**	**12,204**
Receivables arising from direct insurance and inward reinsurance operations [(b)]	25,812	-	(25,812)
Receivables arising from outward reinsurance operations [(b)]	2,612	-	(2,612)
Current tax receivables	908	945	37
Other receivables	8,991	10,992	2,001
Receivables	**38,323**	**11,937**	**(26,386)**
Assets held for sale	**8,512**	**8,107**	**(405)**
Cash and cash equivalents	**25,051**	**25,053**	**2**
TOTAL ASSETS	**775,491**	**731,251**	**(44,240)**

(a) Derivatives, presented alongside their underlying items until December 31, 2021, are reclassified in separate assets and liabilities lines in the restated statement of financial position as of January 1, 2022.

(b) Insurance and reinsurance related receivables and payables as of December 31, 2021 are reclassified in the restated statement of financial position as of January 1, 2022 due the cash basis presentation required by IFRS 17, leading to a decrease of technical liabilities and reinsurance assets of €-16,331 million and €-10,312 million, respectively.

(in Euro million)	December 31, 2021 (published)	January 1, 2022 (restated)	Impact of the Restatement
Shareholders' equity excluding Other Comprehensive Income ("OCI") on investments and technical liabilities – Group share	54,201	55,024	823
OCI on investments and technical liabilities – Group share	16,934	(3,139)	(20,073)
Minority interests	4,094	3,702	(392)
TOTAL SHAREHOLDERS' EQUITY	**75,229**	**55,587**	**(19,642)**
TOTAL SHAREHOLDERS' EQUITY EXCLUDING OCI	**58,068**	**58,745**	**677**
Subordinated debt	10,449	10,780	331
Financing debt instruments issued	800	800	-
Financing debt	**11,249**	**11,580**	**331**
Liabilities arising from insurance contracts and investment contracts with discretionary participation features	545,087	539,351	(5,736)
Liabilities arising from other investment contracts	14,663	14,485	(178)
Liabilities arising from reinsurance contracts held	-	11	11
Liabilities arising from insurance contracts, investment contracts, and reinsurance contracts held	**559,750**	**553,848**	**(5,902)**
of which present value of future cash flows	-	*515,781*	*515,781*
of which risk adjustment for non-financial risk	-	*3,765*	*3,765*
of which Contractual Service Margin	-	*34,301*	*34,301*
Liabilities arising from banking activities	**14,643**	**14,653**	**10**
Provisions for risks and charges	**8,942**	**9,424**	**482**
Derivative liabilities (a)	-	11,775	11,775
Deferred tax liabilities	5,334	785	(4,549)
Other liabilities	**5,334**	**12,560**	**7,226**
Minority interests of controlled investment funds and other puttable instruments held by minority interests	7,750	7,750	-
Other debt instruments issued, notes and bank overdrafts	10,518	10,518	-
Payables arising from direct insurance and inward reinsurance operations (b)	10,957	-	(10,957)
Payables arising from outward reinsurance operations (b)	15,362	-	(15,362)
Current tax payables	924	963	39
Collateral debts relating to investments under a lending agreement or equivalent	35,030	35,030	-
Other payables	12,177	12,145	(32)
Payables	**92,719**	**66,406**	**(26,313)**
Liabilities held for sale	**7,626**	**7,194**	**(432)**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**775,491**	**731,251**	**(44,240)**

(a) Derivatives, presented alongside their underlying items until December 31, 2021, are reclassified in separate assets and liabilities lines in the restated statement of financial position as of January 1, 2022.

(b) Insurance and reinsurance related receivables and payables as of December 31, 2021 are reclassified in the restated statement of financial position as of January 1, 2022 due the cash basis presentation required by IFRS 17, leading to a decrease of technical liabilities and reinsurance assets of €-16,331 million and €-10,312 million, respectively.

The total restated shareholders' equity under IFRS 17 and IFRS 9, excluding other comprehensive income ("OCI") remains broadly stable at transition (€58,745 million including minority interests) as compared to total shareholders' equity (excluding OCI) under IFRS 4 and IAS 39.

(in Euro million)	December 31, 2021 (published)	Net impact of IFRS 9 [(a)]	Net impact of IFRS 17	January 1, 2022 (restated)
Shareholders' equity excluding Other Comprehensive Income ("OCI") on investments and technical liabilities – Group share	**54,201**	**2,388**	**(1,565)**	**55,024**
OCI on investments and technical liabilities – Group share	**16,934**	**(2,544)**	**(17,529)**	**(3,139)**
Minority interests	**4,094**	**(2)**	**(390)**	**3,702**
TOTAL SHAREHOLDERS' EQUITY	**75,229**	**(158)**	**(19,484)**	**55,587**
TOTAL SHAREHOLDERS' EQUITY EXCLUDING OCI	**58,068**	**2,097**	**(1,420)**	**58,745**

(a) Including the effect of the remeasurement at cost of some real estate properties in the scope of IAS 40 - Investment properties, that were previously accounted for at fair value with changes in fair value through profit or loss.

The scope of application of the OCI option is different under IFRS 17 compared to IFRS 4:

- for non-direct participating contracts, the impact of changes in discount rates on technical liabilities flows through OCI, which therefore partly matches the OCI on investments; both OCI components evolve in a consistent manner, mainly depending on interest rates movements, with some differences arising from duration gaps and the shape of the interest rate curves;
- for direct participating contracts, the OCI on the technical liabilities fully offsets the OCI on the investments. In addition, a negative accounting mismatch in OCI structurally occurs as some underlying items, notably investments in real estate properties, are accounted for at amortized cost by AXA, with therefore no recognition of unrealized gains and losses in shareholders' equity while these unrealized gains and losses are included in the value of the contracts (with a corresponding opposite effect in OCI).

Further details on these impacts are provided below for both IFRS 17 and IFRS 9. For the description of the main IFRS 17 and IFRS 9 accounting principles applied by AXA, refer to paragraphs 1.9 to 1.10 and 1.14.

IFRS 17 - Insurance Contracts

Main changes resulting from the adoption of IFRS 17

IFRS 17 establishes the principles for the recognition, measurement and presentation of insurance contracts and supersedes IFRS 4 - Insurance Contracts. It aims at being more economic and better reflecting the underlying profitability of the business, while increasing comparability across the industry.

The main changes in the measurement of insurance contracts under IFRS 17 compared to IFRS 4 are as follows:

- the present value of future cash flows (PVFCF) is a forward looking and market consistent best estimate of future cash inflows and outflows that are now discounted;
- the recognition of a risk adjustment for non-financial risk ("RA"), €3,240 million as of January 1, 2022 net of reinsurance, which reflects the compensation required by AXA for bearing the uncertainty around the amount and timing of the future cash flows that arises from non-financial risk as insurance contracts are fulfilled. In this respect, the Group considers the 62.5th-67.5th percentile range as the adequate level of prudence on underlying insurance liabilities;
- the introduction of the Contractual Service Margin ("CSM"), €33,588 million as of January 1, 2022 net of reinsurance, which represents the present value of estimated future profits attributable to the shareholders for non-onerous contracts; it is released through the statement of profit or loss over the coverage period of the contracts, as AXA provides services to policyholders;
- compared to the level at which the liability adequacy test was performed under IFRS 4, the level of aggregation of the contracts under IFRS 17 is more granular and can therefore result in more contracts being identified as onerous and losses on onerous contracts being recognized in profit or loss sooner.

IFRS 17 does not change the underlying profitability of any given insurance contract. It can only change the pattern of earnings recognition over the life of the contracts:

- for Life & Savings, as well as for long term Protection & Health businesses, the CSM amortization profile can differ from the previous timing of profit recognition under IFRS 4 and the CSM mechanism is expected to absorb small to medium technical variances and also financial variances for direct participating contracts. However, in case of significant technical or financial chocks, some group of contracts may become onerous and trigger the recognition of a loss in profit or loss;
- for Property & Casualty business, the changes relative to IFRS 4 are limited and mainly linked to the discounting of all claims reserves, a more granular onerous contract testing based on facts and circumstances, and the inclusion of a risk adjustment for non-financial risk. Earnings of this line of business are more sensitive to interest rates level (*e.g.* positive impact from discounting claims reserves, net of the unwind of the discount, in a rising interest rate environment).

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As a result of applying IFRS 17, the shareholders' share in the unrealized capital gains and losses on underlying items related to direct participating contracts is recognized in CSM instead of equity under the previous accounting framework. Therefore, shadow accounting (*i.e.* recognition of policyholders' participation in unrealized capital gains and losses as it was allowed by IFRS 4 for insurance and investment contracts with discretionary participating features) no longer applies under IFRS 17.

In respect of the presentation of the consolidated statement of financial position, the other changes compared to IFRS 4 relate notably to the following:

- intangible assets decreased as a result of the removal of Deferred Acquisition Costs ("DAC") and the value of purchased business in-force ("VBI") respectively for €17,825 million and €919 million as of January 1, 2022; these assets are henceforth implicitly embedded within the CSM under IFRS 17, goodwill was not affected by the adoption of IFRS 17;
- insurance and reinsurance related receivables and payables are no longer presented separately from technical liabilities and reinsurance assets, leading to a reduction of total assets and liabilities;
- policy loans, presented within the investments under IAS 39, are reclassified within insurance liabilities (refer to paragraph IFRS 9 - Financial Instruments below);
- portfolios of contracts that have asset balances and those that have liability balances are presented separately on each side of the consolidated statement of financial position.

Furthermore, in the consolidated statement of profit or loss, insurance revenue will not reflect the premiums underwritten during the year, but the premiums earned during the period, net of any investment component, corresponding to the release of the fulfilment cash flows (*i.e.* the expected cash flows of the period plus the related release of risk adjustment for non-financial risk) and the CSM.

Transition methods

The transition to IFRS 17 involved determining the methodology to be used for measuring the insurance contracts in force at the transition date, which is the beginning of the annual reporting period immediately preceding the date of initial application, namely January 1, 2022.

Theoretically, the transition from IFRS 4 to IFRS 17 requires applying the new standard fully retrospectively, as if it was applied from the inception of insurance contracts in force. However, if the application of this full retrospective approach ("FRA") is impracticable, the two following options are possible:

- either the modified retrospective approach ("MRA"), which consists in applying certain modifications of general requirements, to the extent that the full retrospective application is impracticable, but still with the objective to achieve the outcome as close as possible to the retrospective application, based on reasonable and supportable information available without undue cost and effort;
- or the fair value approach ("FVA"), which consists in repricing the contracts in the light of actuarial and financial parameters seen at the transition date by calculating the CSM as the positive difference between **(i)** the fair value of liabilities determined in accordance with IFRS 13 - Fair Value Measurement [(1)], corresponding to the price that would be required by an external party to acquire the liabilities, and **(ii)** the fulfilment cash flows of insurance contracts.

In practice, the Group has applied the FRA only to the liabilities for remaining coverage ("LRC") of insurance contracts measured using the Premium Allocation Approach ("PAA") and the liabilities for incurred claims ("LIC") occurred since 2016.

For the other groups of insurance contracts, different factors (such as the impossibility of running models since the inception of the contracts, the unavailability of yield curves, the lack of historical data) have made the application of the FRA impracticable. For these groups of contracts, AXA has applied the MRA or the FVA, namely:

- for long-term Life & Savings contracts, the MRA was the most broadly used approach, which mainly consisted in calculating an approximate CSM by reusing past information coming from European Embedded Value ("EEV") or Solvency II, and the analyses of movements leading to get results close to those that would have been obtained using a FRA, the FVA being applied only on a more limited basis;
- for LIC occurred before 2016 related to non-direct participating contracts, in the absence of reasonable and supportable information (under IFRS 4, claims reserves were generally not discounted and determining the correct locked-in discount yield curves was not possible without hindsight for periods before the adoption of Solvency II), the FVA was applied with the option taken to set the OCI to zero on transition (*i.e.* discounting the liabilities with the transition yield curve instead of an historical accident year yield curve). In the context of the application of this option, an estimate of OCI for financial assets related to these LIC is disclosed in Note 11.2.3.

(1) *Excluding paragraph 47 of IFRS 13 relating to demand features as required by IFRS 17.C20.*

Other information related to transition

- Yield curves

The yield curves (including a liquidity premium) used to discount the future cash flows at transition date, *i.e.* as at January 1, 2022, by main currencies were as follows:

	Yield curve at transition corresponding to spot *rate*					
Maturity	**EUR**	**USD**	**GBP**	**JPY**	**CHF**	**HKD**
1	-0.4%	0.9%	1.0%	-0.1%	-0.6%	0.6%
2	-0.2%	1.2%	1.2%	-0.1%	-0.4%	1.0%
3	-0.1%	1.5%	1.3%	-0.1%	-0.3%	1.2%
5	0.1%	1.7%	1.3%	-0.1%	-0.1%	1.4%
7	0.2%	1.8%	1.2%	-0.1%	0.1%	1.5%
10	0.4%	1.9%	1.2%	0.1%	0.2%	1.6%
15	0.6%	2.0%	1.1%	0.3%	0.3%	1.8%
20	0.6%	2.1%	1.1%	0.5%	0.6%	1.9%
25	0.8%	2.1%	1.1%	0.6%	0.8%	2.1%
30	1.0%	2.1%	1.1%	0.7%	1.0%	2.3%

Besides, when retrospective approaches were used to measure the CSM and the OCI on technical liabilities at transition, yield curves have been rebuilt for all years prior to 2022, including average yield curves (accident year) for LIC occurred after 2015. For LIC occurred before 2016 for which the Group applied the FVA, average yield curves were not applicable.

- CSM at transition date of groups of insurance contracts not applying the annual cohort requirement

Insurance contracts in force at transition eligible to the exemption provided by the European Union not to apply the IFRS 17 annual cohort requirement (refer to paragraph 1.14.3) were all measured at transition applying the MRA or FVA. After transition, the adoption of this exemption by AXA (which mostly concerns contracts applying the Variable Fee Approach), leads to mix contracts in force at transition with those generated by the new business underwritten from 2022, in a unique group of contracts.

For these contracts which were in force at transition date, the following table provides the expected timing of recognition in profit or loss of the CSM such as reported in the consolidated statement of financial position as of January 1, 2022, split by transition method. This pattern of recognition only reflects expected coverage units which do not consider the future expected accretion of the CSM arising from the expected return on assets for contracts measured applying the Variable Fee Approach. For this reason, the table below does not reflect the expected release of the CSM that will be reported in the statement of profit or loss in the coming years for these contracts.

(in Euro million)	1 year or less	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	5 - 10 years	More than 10 years	Total
Full retrospective approach	0	0	0	0	0	0	0	0
Modified retrospective approach	1,243	1,100	1,001	922	856	3,479	7,517	16,118
Fair value approach	427	382	356	334	313	1,277	3,279	6,367
TOTAL	**1,671**	**1,481**	**1,357**	**1,256**	**1,169**	**4,756**	**10,795**	**22,486**

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IFRS 9 - Financial Instruments

IFRS 9 - Financial Instruments provides accounting requirements related to the classification and measurement of financial instruments and replaces IAS 39 - Financial Instruments: Recognition and Measurement. Changes in accounting policies resulting from the adoption of IFRS 9 are applied retrospectively, excluding the changes in hedge accounting that are applied prospectively from January 1, 2023, with the exception of the "cost of hedging approach" (see below) applied retrospectively. The comparative period has been restated.

The main changes in the Group's accounting policies resulting from the adoption of IFRS 9, as well as their effects on the Group's consolidated financial statements, are disclosed below.

Classification and measurement of financial assets

On adoption of IFRS 9, the previous IAS 39 categories of financial assets are replaced by the IFRS 9 classification categories based on how financial assets are subsequently measured (at cost, at fair value through other comprehensive value ("FV OCI") or at fair value through profit or loss ("FV P&L")) and determined depending on both the business model in which those financial assets are managed and their contractual cash flow characteristics. The new IFRS 9 classification requirements notably led to reclassifying some debt instruments and non-consolidated investment funds from FV OCI to FV P&L (see the tables below).

Regarding the classification options for financial assets, IFRS 9:

- narrows the scope of the optional designation of financial assets at fair value through profit or loss by limiting it to the only situations when doing so eliminates or significantly reduces accounting mismatches that would otherwise arise from measuring those financial assets at amortized cost or at FV OCI;
- introduces the optional FV OCI designation for qualifying investments in equity instruments, referred to as "FV OCI without recycling"; and
- provides an option to designate a credit exposure as measured at FV P&L when an entity uses a credit derivative measured at FV P&L to manage the credit risk of this credit exposure.

Another change compared to IAS 39 lies in derivatives embedded in hybrid contracts that are not separated when the host is a financial asset in the scope of IFRS 9. Instead, the hybrid financial instrument as a whole is assessed for classification applying the general IFRS 9 approach for financial assets.

The approach applied by the Group to classify and measure its financial investments under IFRS 9 is detailed in paragraph 1.9.2.1.

Most of the Group's financial assets are measured at fair value both before and after transition to IFRS 9, and most of the debt instruments accounted for at FV OCI under IAS 39 (debt instruments available for sale) continue to be accounted for at FV OCI under IFRS 9. The new classification and measurement requirements however resulted in the changes detailed hereafter.

The following table sets out the reclassifications from the original categories under IAS 39 to the new categories under IFRS 9 for each class of financial assets included in investments from insurance activities and investments from banking and other activities in the Group's consolidated statement of financial position as at January 1, 2022.

RECLASSIFICATION OF FINANCIAL ASSETS (IAS 39 *VERSUS* IFRS 9) AS OF JANUARY 1, 2022

(in Euro million)	Original carrying amount under IAS 39 December 31, 2021 [(a)]	IFRS 9 remeasurement	New carrying amount under IFRS 9 January 1, 2022
Debt instruments	**398,929**	**(13)**	**398,917**
FV OCI (Available for Sale) IAS 39/FV OCI IFRS 9	365,482	-	365,482
FV OCI (Available for Sale) IAS 39/FV P&L – FV Option IFRS 9	3,010	-	3,010
FV OCI (Available for Sale) IAS 39/FV P&L – Mandatory IFRS 9	1,720	-	1,720
FV P&L IAS 39/FV OCI IFRS 9	1,312	-	1,312
FV P&L IAS 39/FV P&L – FV Option IFRS 9	49	-	49
FV P&L IAS 39/FV P&L – Mandatory IFRS 9	12,717	-	12,717
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	14,639	(13)	14,627
Equity instruments	**36,575**	**-**	**36,575**
FV OCI (Available for Sale) IAS 39/FV OCI without recycling to P&L IFRS 9	22,313	-	22,313
FV P&L IAS 39/FV OCI without recycling to P&L IFRS 9	117	-	117
FV P&L IAS 39/FV P&L – Mandatory IFRS 9	14,145	-	14,145
Non controlled investment funds	**17,845**	**-**	**17,845**
FV OCI (Available for Sale) IAS 39/FV P&L – Mandatory IFRS 9	10,258	-	10,258
FV P&L IAS 39/FV P&L – Mandatory IFRS 9	7,587	-	7,587
Other assets held by controlled investment funds	**19,355**	**-**	**19,355**
FV P&L IAS 39/FV P&L – FV Option IFRS 9	19,355	-	19,355
Loans	**30,984**	**366**	**31,350**
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	26,393	(21)	26,372
Amortized Cost (Loans & Receivables) IAS 39/FV P&L – FV Option IFRS 9	4,569	387	4,956
Amortized Cost (Loans & Receivables) IAS 39/FV P&L – Mandatory IFRS 9	21	1	22
Assets backing contracts where the financial risk is borne by policyholders	**81,587**	**-**	**81,587**
FV P&L IAS 39/FV P&L - Mandatory IFRS 9	81,587	-	81,587
TOTAL	**585,274**	**354**	**585,628**

(a) Adjusted for items transferred out of Financial Investments, mainly:
- *derivatives, presented alongside their underlying financial instruments as of December 31, 2021, reclassified in separate assets and liabilities lines in the statement of financial position as of January 1, 2022;*
- *loans granted to policyholders, accounted for as investments at amortized cost under IAS 39 as of December 31, 2021, reclassified as a part of fulfilment cash flows of insurance contracts within the scope of IFRS 17 as of January 1, 2022.*

On the basis of the opening consolidated statement of financial position as of January 1, 2022:

- some debt instruments and non-consolidated funds, for a total of €14,988 million, were reclassified from FV OCI to FV P&L with unrealized gains of €2,093 million transferred from OCI to retained earnings, either because those instruments do not meet the SPPI criteria or because the optional designation at FV P&L is applied;
- for equity securities, as the IAS 39 category FV OCI with recycling of realized gains and losses in profit or loss (equity instruments available for sale) is no longer permitted under IFRS 9, AXA applies the optional designation at FV OCI without recycling for most of equity securities held, in order to avoid a significant new volatility in profit or loss resulting from this asset class, compared to the previous IAS 39 accounting. The total carrying value of equity instruments designated at FV OCI without recycling represented €22,313 million (of which €4,207 million of net unrealized gains accumulated in OCI);
- some loans, accounted for at amortized cost under IAS 39, for a total of €4,569 million, were designated at FV P&L under IFRS 9 applying the fair value option in order to eliminate or significantly reduce accounting mismatches in profit or loss, leading to recognize unrealized capital gains for €387 million in retained earnings;
- some debt instruments, for a total of €1,312 million, were reclassified from FV P&L to FV OCI; cumulated changes in fair value of those debt instruments are no longer recognized in profit or loss but in OCI. A fair value gain of €111 million would have been recognized in profit or loss in 2022 if those debt instruments had not been reclassified; the interest revenue on these instruments recognized in profit or loss under IFRS 9 in the 2022 restated Consolidated Financial Statements, amounted to €13 million.

The following table sets out the reclassifications from the original categories under IAS 39 to the new categories under IFRS 9 for each class of the Group's financial assets as at January 1, 2023.

RECLASSIFICATION OF FINANCIAL ASSETS (IAS 39 *VERSUS* IFRS 9) AS OF JANUARY 1, 2023

(in Euro million)	Original carrying amount under IAS 39 December 31, 2022 [(a)]	IFRS 9 remeasurement	New carrying amount under IFRS 9 January 1, 2023
Debt instruments	**306,718**	**(16)**	**306,702**
FV OCI (Available for Sale) IAS 39/FV OCI IFRS 9	275,724	-	275,724
FV OCI (Available for Sale) IAS 39/FV P&L – FV Option IFRS 9	1,790	-	1,790
FV OCI (Available for Sale) IAS 39/FV P&L – Mandatory IFRS 9	545	-	545
FV P&L IAS 39/FV OCI IFRS 9	1,219	-	1,219
FV P&L IAS 39/FV P&L – FV Option IFRS 9	24	-	24
FV P&L IAS 39/FV P&L – Mandatory IFRS 9	11,386	-	11,386
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	16,030	(16)	16,014
Equity instruments	**29,674**	**-**	**29,674**
FV OCI (Available for Sale) IAS 39/FV OCI without recycling to P&L IFRS 9	14,336	-	14,336
FV P&L IAS 39/FV OCI without recycling to P&L IFRS 9	145	-	145
FV P&L IAS 39/FV P&L – Mandatory IFRS 9	15,193	-	15,193
Non controlled investment funds	**19,348**	**-**	**19,348**
FV OCI (Available for Sale) IAS 39/FV P&L – Mandatory IFRS 9	9,890	-	9,890
FV P&L IAS 39/FV P&L – Mandatory IFRS 9	9,458	-	9,458
Other assets held by controlled investment funds	**20,294**	**-**	**20,294**
FV P&L IAS 39/FV P&L – FV Option IFRS 9	20,294	-	20,294
Loans	**31,930**	**(445)**	**31,486**
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	27,591	(21)	27,570
Amortized Cost (Loans & Receivables) IAS 39/FV P&L – FV Option IFRS 9	4,322	(423)	3,899
Amortized Cost (Loans & Receivables) IAS 39/FV P&L – Mandatory IFRS 9	18	(1)	17
Assets backing contracts where the financial risk is borne by policyholders	**71,652**	**-**	**71,652**
FV P&L IAS 39/FV P&L - Mandatory IFRS 9	71,652	-	71,652
TOTAL	**479,616**	**(461)**	**479,155**

(a) Adjusted for items transferred out of Financial Investments, mainly:
- *derivatives, presented alongside their underlying financial instruments as of December 31, 2022, reclassified in separate assets and liabilities lines in the statement of financial position as of January 1, 2023;*
- *loans granted to policyholders, accounted for as investments at amortized cost under IAS 39 as of December 31, 2022, reclassified as a part of fulfilment cash flows of insurance contracts within the scope of IFRS 17 as of January 1, 2023.*

Impairment of financial assets

The impairment model under IFRS 9 reflects expected credit losses ("ECL"), as opposed to incurred credit losses under IAS 39. Under the IFRS 9 impairment approach, it is no longer necessary for a credit event to have occurred before credit losses are recognized. Instead, an entity always accounts for expected credit losses and changes in those expected credit losses.

The Group's IFRS 9 impairment approach is detailed in paragraph 1.9.2.2.

The following table presents the reconciliation between the balances of cumulated impairment allowances under IAS 39 and cumulated ECL allowances under IFRS 9 as of January 1, 2022.

RECONCILIATION OF IMPAIRMENT ALLOWANCES ON FINANCIAL ASSETS (IAS 39 *VERSUS* IFRS 9) AS OF JANUARY 1, 2022

(in Euro million)	Impairment allowance under IAS 39	IFRS 9 remeasurement	ECL allowance under IFRS 9
Debt instruments	**(32)**	**(64)**	**(96)**
FV OCI (Available for Sale) IAS 39/FV OCI IFRS 9	(31)	(52)	(83)
FV OCI (Available for Sale) IAS 39/FV P&L – Mandatory IFRS 9	(1)	1	(0)
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	(0)	(13)	(13)
Equity instruments	**(2,403)**	**2,403**	**-**
FV OCI (Available for Sale) IAS 39/FV OCI without recycling to P&L IFRS 9	(2,403)	2,403	-
Non controlled investment funds	**(928)**	**928**	**-**
FV OCI (Available for Sale) IAS 39/FV P&L – Mandatory IFRS 9	(928)	928	-
Loans	**(177)**	**(20)**	**(197)**
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	(176)	(21)	(197)
Amortized Cost (Loans & Receivables) IAS 39/FV P&L - Mandatory IFRS 9	(1)	1	-
TOTAL	**(3,541)**	**3,247**	**(293)**

The application of the new IFRS 9 impairment requirements generates the following impacts on the Group's opening consolidated statement of financial position as of January 1, 2022:

- for FV OCI equity instruments, unlike IAS 39, no impairment is required under IFRS 9. As mentioned above, AXA applies the optional designation at FV OCI without recycling for most of equity securities held. As a consequence of this designation, the cumulated amount of IAS 39 impairment allowances, €2,403 million, was transferred from retained earnings to OCI without recycling, with no impact on the Group's total consolidated shareholders' equity;
- for non-consolidated investment funds reclassified from FV OCI to FV P&L, the cumulated amount of IAS 39 impairment allowances, €928 million, was removed without any impact on the Group's retained earnings;
- for debt instruments and loans measured at FV OCI or at cost under both IAS 39 and IFRS 9, the application of new impairment requirements results in limited additional impairment allowances (€86 million).

The following table presents the reconciliation between the balances of cumulated impairment allowances under IAS 39 and cumulated ECL allowances under IFRS 9 as of January 1, 2023.

RECONCILIATION OF IMPAIRMENT ALLOWANCES ON FINANCIAL ASSETS (IAS 39 *VERSUS* IFRS 9) AS OF JANUARY 1, 2023

(in Euro million)	Impairment allowance under IAS 39	IFRS 9 remeasurement	ECL allowance under IFRS 9
Debt instruments	**(100)**	**(51)**	**(151)**
FV OCI (Available for Sale) IAS 39/FV OCI IFRS 9	(49)	(37)	(86)
FV OCI (Available for Sale) IAS 39/FV P&L - Mandatory IFRS 9	(2)	2	-
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	(49)	(16)	(65)
Equity instruments	**(2,670)**	**2,670**	**-**
FV OCI (Available for Sale) IAS 39/FV OCI without recycling to P&L IFRS 9	(2,670)	2,670	-
Non controlled investment funds	**(939)**	**939**	**-**
FV OCI (Available for Sale) IAS 39/FV P&L – Mandatory IFRS 9	(939)	939	-
Loans	**(184)**	**(20)**	**(205)**
Amortized Cost (Loans & Receivables) IAS 39/Amortized Cost IFRS 9	(184)	(21)	(205)
Amortized Cost (Loans & Receivables) IAS 39/FV P&L - Mandatory IFRS 9	(0)	0	(0)
TOTAL	**(3,894)**	**3,538**	**(356)**

Classification and measurement of financial liabilities

IFRS 9 requirements for financial liabilities remain largely unchanged compared to IAS 39, except for the changes in fair value of financial liabilities that are optionally designated at fair value through profit or loss.

Under IAS 39, the entire amount of those changes was recorded in profit or loss, whereas IFRS 9 requires an entity to recognize the portion thereof attributable to changes in the credit risk of that liability in other comprehensive income, unless this treatment would create or enlarge an accounting mismatch in profit or loss.

AXA applies this requirement since 2017, when the Group decided to early adopt the corresponding amendment to IFRS 9, mainly for certain financial liabilities arising from banking activities. This requirement is not applicable for the financial liabilities arising from investment contracts with no discretionary participation features (refer to paragraph 1.15).

Hedge accounting

When first applying IFRS 9, an entity may make an accounting policy choice to continue applying the hedge accounting requirements in IAS 39, instead of those in IFRS 9. AXA decided to apply IFRS 9 requirements for all hedges with the exception of portfolio fair value hedges of interest rate risk (commonly referred to as “fair value macro hedges”). For the latter, AXA continues applying the hedge accounting requirements currently in IAS 39 as allowed by the IASB that is addressing macro hedge accounting as a separate project.

IFRS 9 establishes a more principle-based approach for the general hedge accounting model and aligns hedge accounting more closely with Risk Management.

In particular, IFRS 9 introduces the possibility to apply prospectively from January 1, 2023 the hedge accounting for fair value hedges of equity instruments designated at fair value through OCI, that implies to record in OCI, without recycling into profit or loss, the changes in fair value of both the hedged equity instrument and the derivative.

In addition, IFRS 9 provides a new accounting mechanism, applicable retrospectively from January 1, 2023, designed to reduce the volatility in profit or loss and referred to as “cost of hedging approach”, for the situations where only a part of a derivative is designated as the hedging instrument (for example, changes in intrinsic value of a purchased option or changes in the spot element of a forward contract).

IFRS 9 accounting for derivative instruments and hedge relationships applied by AXA is detailed in paragraph 1.10.

Most Group’s hedge accounting relationships documented under IAS 39 are considered as continuing hedge relationships under IFRS 9 with the exception of those implying derivative instruments belonging to underlying items of direct participating contracts within the scope of IFRS 17, as no accounting mismatch exists any longer in this case.

The following table presents the reconciliation between IAS 39 and IFRS 9 for the carrying amounts of derivative instruments (including derivatives implied in natural hedges and risk mitigation relationships under IFRS 17) as of January 1, 2023.

RECONCILIATION OF THE CARRYING VALUE OF DERIVATIVE INSTRUMENTS (IAS 39 *VERSUS* IFRS 9) AS OF JANUARY 1, 2023

in Euro million	Original carrying amount under IAS 39 December 31, 2022	Reclassification	New carrying amount under IFRS 9 January 1, 2023
Derivative instruments used in fair value hedges	2,492	(1,112)	1,380
Derivative instruments used in cash flow hedges	(6,946)	4,361	(2,585)
Derivative instruments used in hedges of net investment in a foreign operation	(138)	(74)	(212)
Other derivative instruments [(a)]	1,804	(3,175)	(1,370)
TOTAL	**(2,787)**	**(0)**	**(2,787)**

(a) Derivative instruments used in IAS 39 macro-hedges, natural hedges or in IFRS 17 risk mitigation.

Change in the presentation of derivative instruments

In previous reporting periods, AXA disclosed derivative instruments, in its consolidated statement of financial position, alongside their underlying assets or liabilities. Thus, for each line of assets or liabilities concerned, a net economic position was presented.

Together with the first application of IFRS 9, AXA has decided to modify the presentation of its derivative instruments to display them in separate lines of its consolidated statement of financial position, as either an asset or a liability depending upon the fair value position at the reporting date, with no offsetting.

In the restated Group's consolidated statement of financial position as of January 1, 2022, the derivative assets and liabilities lines represented respectively €9,107 million and €11,112 million, the net balance of €2,005 million mostly resulting from derivatives previously classified within the investments.

1.2.1.2 OTHER IFRS AMENDMENTS ADOPTED ON JANUARY 1, 2023

Amendments to IAS 12 - Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

Amendments to IAS 12 - Income Taxes published on May 7, 2021 narrow the scope of the exemption from the recognition of deferred tax liabilities and assets. This exemption no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. These amendments mainly concern lease transactions of the Group. As a result, on initial recognition of a lease, AXA needs to assess the tax bases of the right-of-use and the lease liability by identifying the amounts attributable to them for tax purposes. Then, if the taxable and the deductible temporary differences are equal, a deferred tax liability related to the right-of-use and a deferred tax asset related to the lease liability are recognized. The cumulative effect of initially applying these amendments totaled €14 million and was recognized as a positive adjustment to the opening balance of retained earnings on January 1, 2023 in the consolidated statement of changes in equity.

Amendments to IAS 12: International tax reform Pillar Two model rules

The international tax reform released by Organization for Economic Cooperation and Development (OECD), known as Pillar Two, aims to ensure that an effective taxation of 15% is reached in each jurisdiction where multinational groups operate. This tax reform will be effective in France starting for the 2024 fiscal year. As a result, the Group will have to determine the effective tax rate based on Pillar Two rules in each jurisdiction where it operates, and, if it is lower than the minimum 15% rate, an additional tax will have to be paid.

Amendments to IAS 12 - Income Taxes issued by the IASB on May 23, 2023 and endorsed by the European Union on November 8, 2023, introduce a mandatory temporary exception in IAS 12, prohibiting both the recognition and disclosure of deferred tax assets and deferred tax liabilities that arise from the implementation of the OECD Pillar Two model rules. AXA has applied this exception in its 2023 consolidated financial statements.

These amendments also introduce some disclosure requirements for affected entities. Indeed, when the tax legislation is effective in a specific jurisdiction, the current tax expense (income) related to Pillar Two will have to be disclosed separately.

The Group has initiated a specific project in 2023 to implement Pillar Two model rules. Based on the analysis in progress, main jurisdictions where the Group may have an exposure are Ireland, Hong Kong and Bermuda. As for Bermuda, a local corporate income tax of 15% has been enacted on December 27, 2023. This tax will be effective for fiscal years beginning on or after January 1, 2025. In this context, the Group expects to pay a top-up tax in France on its 2024 expected profits in Bermuda but will be subject to local tax in this jurisdiction starting from 2025, which will limit the Group's exposure connected to this jurisdiction.

For 2024, the total impact of these taxes (payable at AXA SA level and at local level in case of local minimum tax being enacted) on the Group net consolidated income is currently estimated at €-0.1 billion. This amount corresponds to an estimation, subject to further refinement, as it is based on projections of results by jurisdictions for corporate entities and investment entities and there are still uncertainties on the way to determine the effective tax rate based on Pillar Two rules.

Other IFRS amendments

The application of the amendments below as of January 1, 2023 had no material impact on the Group's Consolidated Financial Statements:

Amendments	Publication date	Topic
IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	February 12, 2021	The amendments to IAS 1 require entities to disclose their "material accounting policy information" rather than their "significant accounting policies". IFRS Practice Statement 2 Making Materiality Judgments is modified accordingly to support these amendments.
IAS 8 - Accounting policies, Changes in Accounting Estimates and Errors Definition of Accounting Estimates	February 12, 2021	The amendments introduce a definition of "accounting estimates" and other changes to help entities distinguish changes in accounting policies from changes in accounting estimates.

Standards and amendments published but not yet effective

The following amendments are not expected to have a material impact on the Group's Consolidated Financial Statements:

Amendments	Publication date	Effective for annual periods beginning on or after	Topic
IAS 1 - Presentation of Financial Statements: ■ Classification of Liabilities as Current or Non-current; ■ Classification of Liabilities as Current or Non-current – Deferral of Effective Date; ■ Non-current Liabilities with Covenants	January 23, 2020, July 15, 2020, October 31, 2022	January 1, 2024 (a)	The amendments clarify requirements in IAS 1 for the presentation of liabilities in the statement of financial position and improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants.
IFRS 16 - Leases: Lease Liability in a Sale and Leaseback	September 22, 2022	January 1, 2024 (a)	The amendments introduce specific subsequent measurement requirements for sale and leaseback transactions.
IAS 7 - Statement of Cash Flows and IFRS 7 – Financial Instruments Disclosures: Supplier Finance Arrangements	May 25, 2023	January 1, 2024 (a) (b)	The amendments introduce specific disclosure requirements relating to the effects of supplier finance arrangements on the entity's liabilities, cash flows and its exposure to liquidity risk.
IAS 21 - The Effects of Changes in Foreign Exchange Rates: Determination of the exchange rate when there is a long-term lack of exchangeability	August 15, 2023	January 1, 2025 (a) (b)	The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

(a) With earlier application being permitted (subject to conditions in some cases) but not elected by the Group.
(b) Not yet endorsed by the European Union.

1.2.2 Preparation of financial statements

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions, as well as a degree of judgment in the application of the Group accounting principles described below. In this respect, goodwill (in particular impairment tests described in paragraph 1.8.1), other intangible assets acquired in a business combination, certain assets accounted for at fair value, deferred tax assets, assets and liabilities relating to insurance and reinsurance contracts, pension benefit obligations and balances related to share-based compensation, are the financial statements main items for which the measurement methods, along with key assumptions where required, are discussed in greater depth in the notes relating to the asset and liability items concerned where meaningful and useful.

As recommended by IAS 1, assets and liabilities are generally classified globally in the consolidated statement of financial position in increasing order of liquidity, which is more relevant for financial institutions than a classification between current and non-current items.

All amounts in the Consolidated Financial Statements are expressed in Euro million, unless otherwise specified.

1.3 PRINCIPLES AND METHODS OF CONSOLIDATION

1.3.1 Scope and basis of consolidation

Companies in which AXA exercises control are subsidiaries. They are fully consolidated from the date on which control is transferred to AXA. Under IFRS 10 - Consolidated Financial Statements, AXA controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Only substantive rights (*i.e.* the holder must have the practicability to exercise them) and rights that are not protective shall be considered. AXA can have power with less than a majority of the voting rights of an investee, in particular through:

- the proportion of ownership with regards to the other investors;
- potential voting rights ;
- a contractual arrangement between the investor and other vote holders;
- rights arising from other contractual arrangements; or
- a combination of these indicators.

Under IFRS 11 - Joint Arrangements, companies over which AXA exercises a joint controlling influence alongside one or more third parties are joint ventures and are accounted for using the equity method.

Companies in which AXA exercises significant influence are accounted for using the equity method. Under IAS 28 - Investments in Associates and Joint Ventures, significant influence is presumed when AXA directly or indirectly holds 20% or more of the voting rights. Significant influence can also be exercised through an agreement with other shareholders.

Under the equity method, AXA's share in equity investments' post-acquisition profit or loss is recognized in the statement of profit or loss, and its share in post-acquisition movements in reserves is stated under "Other reserves".

Investment funds and real estate companies are either fully consolidated or accounted for using the equity method, depending on which conditions of IFRS 10/IFRS 11/IAS 28 listed above they satisfy. Fees received by asset managers are also taken into account in the assessment of the exposure to variability of returns. For fully consolidated investment funds, minority interests are recognized at fair value and shown as liabilities in the consolidated statement of financial position, if the companies' instruments can be redeemed at any time by the holder at fair value. Investment funds accounted for using the equity method are shown under the caption "Financial investments".

Some companies in which AXA exercises control, a joint controlling influence or significant influence, are excluded from the scope of consolidation as they are not material with respect to the Group's Consolidated Financial Statements. These are mainly investment funds.

1.3.2 Business combinations and subsequent changes in the Group ownership interest

In accordance with the option made available by IFRS 1 - First-time adoption of IFRS, business combinations prior to 2004 were not restated with respect to French accounting principles in force at the time.

1.3.2.1 CONSIDERATION TRANSFERRED IN A BUSINESS COMBINATION

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, the liabilities incurred by the Group to former owners of the acquiree and the equity instruments issued by the Group.

Purchase consideration includes any contingent element (adjustment in the acquisition price conditional upon one or more events). In the estimate of the contingent element, attention is paid to use assumptions that are consistent with those used for the valuation of intangible assets. For business combinations that occurred before January 1, 2009, any contingent element was included in the cost of the combination to the extent the adjustment was probable and could be measured reliably. If the future events do not occur or the estimate needs to be revised, the cost of the business combination continues to be adjusted accordingly, taking account the impact in terms of additional goodwill and/or adjustments of the valuation of acquired assets and liabilities. For business combinations on or after January 1, 2009, any change to the estimate of the contingent element between the acquisition date and the amount actually subsequently paid is recognized in the statement of profit or loss.

Direct transaction costs related to a business combination are charged in the statement of profit or loss when incurred.

1.3.2.2 VALUATION OF ASSETS ACQUIRED, AND LIABILITIES ASSUMED IN A BUSINESS COMBINATION

Upon first consolidation, all assets, liabilities and contingent liabilities (unless they are not present obligations) of the acquired company are estimated at their fair value.

Insurance and investment contracts

Insurance and investment contracts within the scope of IFRS 17 are measured as follows (refer to paragraph 1.14 for the explanation of IFRS 17 concepts relating to the classification and measurement of insurance contracts):

- the groups of contracts acquired in a business combination are identified as if AXA had entered into the contracts at the date of the acquisition, following the general guidance for the level of aggregation described in paragraph 1.14.3;
- these groups of contracts are measured using the consideration received or paid for the contracts as a proxy for the premiums received or paid;
- if those groups of contracts are profitable, and unless the Premium Allocation Approach ("PAA") for the liability for remaining coverage ("LRC") applies, the Contractual Service Margin ("CSM") is initially recognized applying the general valuation principles described in paragraph 1.14.5. The excess of the consideration paid or received over the fulfilment cash flows adjusts goodwill for the contracts measured using the PAA and the CSM for other contracts;
- in case of onerous groups of contracts, the loss component of the liability for remaining coverage is determined on initial recognition applying the approach described in paragraph 1.14.5, and the excess of the fulfilment cash flows over the consideration paid or received is recognized as a part of the goodwill;
- an asset for insurance acquisition cash flows is recognized as at the acquisition date following the guidance in paragraph 1.14.5.

Groups of insurance contracts acquired in their settlement period are, if material, valuated as if they were new insurance contracts issued by the acquirer as at the acquisition date: the LRC are recognized for such insurance contracts using the General Measurement Model described in paragraph 1.14.5, with the consideration received used as a proxy for the premiums received. Subsequently, the whole amount of the LRC recognized for the acquired claim settlement liabilities is recycled in the insurance revenue over the coverage period applying the mechanism described in paragraph 1.19.1.

Contrary to direct participating insurance contracts and investment contracts with discretionary participation features, investment contracts with no discretionary participation features are financial liabilities within the scope of IFRS 9. These liabilities are measured at their fair value which cannot be lower than surrender value when those contracts contain a surrender option.

Identifiable intangible assets

Identifiable intangible assets are recognized separately from goodwill and may include:

- marketing-related intangible assets (trademarks, tradenames, internet domain names, non-competition agreements);
- the value of customer relationships relating to future insurance contracts, including **(i)** expected renewals of existing contracts (excluding any related asset for insurance acquisition cash flows to be separately recognized), considering cancellations by policyholders and a definite life due to the regular decline in renewals over the passage of time, **(ii)** expected cross-selling with current policyholders, and **(iii)** expected other new contracts on customer lists (identified possible customers who have not yet a contract with the entity). These projections include assumptions regarding claims, expenses and financial revenues, or they can be estimated on the basis of the New Business Value.

The nature of the intangible assets recognized in a business combination is consistent with the valuation methods used when purchasing the acquired entity.

To the extent that the intangible assets above can be estimated separately, they can also be measured by looking at the purchased marketing resources that will allow to generate these future cash flows.

Restructuring costs

In the context of a business combination, only restructuring costs that can be measured reliably and which correspond to a liability of the acquired company existing prior to the acquisition date are included in restructuring provisions recognized in the statement of financial position of the acquired company at acquisition date.

1.3.2.3 NON-CONTROLLING INTERESTS IN THE ACQUIREE

According to a decision taken for each acquisition, minority interests may be measured at fair value or at its proportionate interest in the acquiree's identifiable net assets.

In step acquisitions, previous minority interests held by the Group are measured at fair value and the resulting adjustment is recognized through profit or loss. Similarly, when an additional purchase changes the control from significant influence or joint control to control, any investment pre-existing in a former associate/joint venture is re-measured to its fair value with the gain or loss through profit or loss (consequently also resulting in a new goodwill).

1.3.2.4 GOODWILL

Goodwill is measured as the excess of **(i)** the aggregate of the consideration transferred, the amount of any minority interest in the acquiree and, in a business combination achieved in stages, the fair value of the Group's previously held equity interest in the acquiree over **(ii)** the net amounts of the identifiable assets acquired and the liabilities assumed, as of the acquisition date.

Goodwill arising from the acquisition of a foreign entity is recorded in the local currency of the acquired entity and is translated into Euro at the closing date.

If the cost of acquisition is lower than the net amounts of the identifiable assets acquired and the liabilities assumed as of the acquisition date, the difference is directly recorded in the consolidated statement of profit or loss.

Adjustments can be made to goodwill within twelve months of the acquisition date if new information becomes available to complete the initial accounting. In this case, comparative information is presented as if the initial accounting had been completed from the acquisition date.

If, after the period of twelve months, a deferred tax asset, initially considered as not recoverable, finally meets the recognition criteria, the corresponding tax benefit is recorded in the consolidated statement of profit or loss without a corresponding adjustment in goodwill.

Goodwill is allocated to cash generating units corresponding to **(i)** the companies acquired or portfolios of business acquired according to their expected profitability, and **(ii)** the entities already within the AXA Group that will benefit from the synergies of the combination with the activities acquired. This allocation of goodwill is used for both segment reporting and impairment testing (refer to paragraph 1.8.1).

1.3.2.5 PURCHASE AND SALE OF INTERESTS IN A CONTROLLED SUBSIDIARY

Purchase and sale transactions of minority interests in a controlled subsidiary that do not change the conclusion of control are recorded through shareholders' equity (including direct acquisition costs).

If control in a subsidiary is lost, any gain or loss is recognized in profit or loss. Furthermore, if an investment in the entity is retained by the Group, it is re-measured to its fair value and any gain or loss is also recognized in profit or loss.

1.3.2.6 PUT OVER MINORITY INTERESTS

When control over a subsidiary is acquired, a put option may be granted to minority shareholders. However, the recognition of the puttable instruments as a liability depends on the contractual obligations.

When the contract involves an unconditional commitment exercisable by the option holder, it is recognized as a liability. Since the balancing entry to this liability is not specified by current IFRS, the Group's method is to **(i)** reclassify minority interests from equity to liability, **(ii)** re-measure this liability at the present value of the option price, and **(iii)** recognize the difference either as an increase in goodwill for puts existing before January 1, 2009, or as a decrease in equity (Group share) for a put granted after January 1, 2009, to the extent there is no immediate transfer of risks and rewards. Similarly, subsequent changes in the liability are recorded against goodwill for puts existing before January 1, 2009, and against equity (Group share) for puts granted after that date.

1.3.2.7 INTRA-GROUP TRANSACTIONS

Intra-group transactions, including internal dividends, payables/receivables and gains/losses on intra-group transactions are eliminated:

- in full for controlled subsidiaries; and
- to the extent of AXA's interest for entities accounted for using the equity method.

The effect on profit or loss of transactions between consolidated entities is always eliminated. However, in case of a loss, an impairment test is performed, in order to assess whether an impairment of the underlying item has to be booked.

In the event of an internal sale of an asset that is not intended to be held on the long term by the Group, deferred tax is recognized as the current tax calculated on the realized gain or loss is eliminated.

In addition, the transfer of consolidated shares, between two consolidated subsidiaries but held with different ownership percentages, should not impact the profit or loss. The only exception would be any related tax recorded in connection to the transaction, which is maintained in the Consolidated Financial Statements. These transfers also have an impact on Group shareholders' equity (with a balancing entry recorded in minority interests). This impact is identified in the "other" changes of the consolidated statement of shareholders' equity.

1.4 FOREIGN CURRENCY TRANSLATION OF FINANCIAL STATEMENTS AND TRANSACTIONS

The Consolidated Financial Statements are presented in Euro million, the Euro being the Group's presentational currency.

The results and financial position of all Group entities that have a functional currency (*i.e.* the currency of the primary economic environment in which the entity operates) different from the Group presentational currency are translated as follows:

- assets and liabilities of entities in a functional currency different from Euro are translated at the closing exchange rate;
- revenues and expenses are translated at the average exchange rate over the period, except for revenues and expenses of the entities operating in hyperinflationary economies which are translated at the closing exchange rate as explained in paragraph 1.5;

- all resulting foreign exchange differences are recognized as a separate component of equity (translation differences).

At the local entity level, foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at closing rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss. When currency risk relating to such monetary items is hedged using derivative instruments as described in paragraph 1.10, changes in fair value of those derivative instruments are recognized in profit or loss and therefore offset most of the translation difference relating to monetary items.

Foreign exchange differences arising from monetary financial assets at fair value through other comprehensive income ("OCI") are recognized as income or expense for the period in respect of the portion corresponding to amortized cost. The residual translation differences relating to fair value changes are recorded in OCI, like for non-monetary items such as equity securities designated at fair value through OCI without recycling.

The groups of insurance contracts that generate cash flows in one or several foreign currencies are treated as monetary items, which requires translating their carrying amounts at the end of the reporting period into the functional currency using the closing rate.

When measuring a multi-currency group of contracts (including the Contractual Service Margin – refer to paragraph 1.14.5), the entities determine on initial recognition whether the group is denominated in a single currency or in the multiple currencies of the cash flows within the group, the methodology having to be applied consistently for similar transactions:

- under a single-currency denomination policy, the changes in exchange rates between the currencies of the cash flows and the currency of the group of contracts correspond to a financial risk accounted for applying IFRS 17 whereas the changes in exchange rates between the currency of the group of contracts and the functional currency are accounted for applying IAS 21 - The Effects of Changes in Foreign Exchange Rates;
- under a multi-currency denomination policy, all changes in exchange rates are exchange differences that are accounted for applying IAS 21.

As mentioned in paragraph 1.3.2.4, goodwill arising on the acquisition of a foreign entity is recorded in the local currency of the acquired entity and is translated into Euro at the closing date.

Foreign exchange differences arising from the translation of a net investment in a foreign subsidiary, borrowings and other currency instruments qualifying for hedge accounting of such investment are recorded in shareholders' equity under translation differences and are recycled in the statement of profit or loss as part of the realized gain or loss on disposal of the hedged net investment.

Regarding the cumulative amount of the exchange differences related to disposed business, the Group applies the step-by-step consolidation method (IFRIC 16).

1.5 HYPERINFLATION ACCOUNTING

In accordance with IAS 29 - Financial Reporting in Hyperinflationary Economy, financial statements of the entities operating in hyperinflationary economies are adjusted to reflect the changes in the general purchasing power of their functional currency. Thus, non-monetary assets and liabilities of these entities which are not already expressed in terms of the measuring unit current at the end of the reporting period are restated to reflect the change in the Consumer Price Index ("CPI").

The effect of inflation on monetary assets and liabilities over the reporting period is included in the consolidated statement of profit or loss of the reporting period as a gain or loss on net monetary position. The cumulated gains and losses on net monetary position for previous periods are included within the retained earnings.

All items in the consolidated statement of comprehensive income need to be restated by applying the change in the CPI between the dates when those items were initially recorded in the financial statements and the end of the reporting period.

To be included in the Group's consolidated financial statements, financial statements of hyperinflationary entities, restated for hyperinflation as described above, are translated in Euros at the closing exchange rate.

In the consolidated statement of financial position as at the reporting date, the restatement effects on equity items are included in other comprehensive income, altogether with the translation differences, to the extent that the change in the CPI is correlated with movements in the exchange rate between the functional currency of the entity and Euros.

The Turkish economy is considered to be hyperinflationary in accordance with the criteria in IAS 29. By consequence, the financial statements of the Turkish consolidated entities are incorporated in the Group's Consolidated Financial Statements applying the hyperinflation accounting. However, the presentation of the consolidated statement of profit or loss is not restated as the effect of the restatement is not material.

1.6 FAIR VALUE MEASUREMENT

The Group applies the fair value hierarchy of IFRS 13 - Fair Value Measurement as described below for all assets and liabilities where another IFRS requires or permits fair value measurement or disclosures about fair value measurement in the Notes to the Consolidated Financial Statements. Principles below address mostly assets given the nature of the activities of the Group.

1.6.1 Assets and liabilities quoted in an active market

An asset or a liability is considered as being quoted in an active market when quoted prices are readily and regularly available from a stock exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis between a willing seller and a willing buyer.

The assets need to be liquid, meaning that AXA can dispose of them in the ordinary course of business within a certain limited time period at approximately the price at which the asset is valued. Liquidity for debt instruments is assessed using a multi-criteria approach including the number of quotes available, the place of issuance and the evolution of the widening of bid ask spreads.

The fair value of assets and liabilities traded on active markets is determined using quoted market prices when available. For financial instruments traded in active markets, quotes received from external pricing services represent consensus prices, *i.e.* using similar models and inputs resulting in a very limited dispersion.

The fair value of assets and liabilities for which fair value is determined in whole directly by reference to an active market is disclosed as level 1 in the Notes to the Consolidated Financial Statements.

1.6.2 Assets and liabilities not quoted in an active market

An asset or liability is regarded as not quoted in an active market:

- if there is little observation of transaction prices as an inherent characteristic of the asset or the liability;
- when there is a significant decline in the volume and level of trading activity;
- in case of significant illiquidity;
- if observable prices cannot be considered as representing fair value because of dislocated market conditions.

Characteristics of inactive markets can therefore be very different in nature, inherent to the asset or the liability, or indicative of a change in the conditions prevailing in certain markets.

The fair value of assets and liabilities that are not traded in an active market is estimated using:

- external and independent pricing services; or
- valuation techniques.

The fair value of assets and liabilities that are not traded in an active market mainly based on observable market data are disclosed as level 2 in the Notes to the Consolidated Financial Statements. Those which are mainly not based on observable market data are disclosed as level 3.

1.6.2.1 NO ACTIVE MARKET: USE OF EXTERNAL PRICING SERVICES

External pricing services may be fund asset managers in the case of non-consolidated investments in funds or brokers. To the extent possible, the Group collects quotes from external pricing providers as inputs to measure fair value. Prices received may form tight clusters or dispersed quotes which may then lead to the use of valuation techniques. The dispersion of quotes received may be an indication of the large range of assumptions used by external pricing providers given the limited number of transactions to be observed or reflect the existence of distress transactions.

1.6.2.2 NO ACTIVE MARKET: USE OF VALUATION TECHNIQUES

The objective of valuation techniques is to arrive at the price at which an orderly transaction would take place between market participants (a willing buyer and a willing seller) at the measurement date. Valuation techniques include:

- market approach: the consideration of recent prices and other relevant information generated by market transactions involving substantially similar assets or liabilities;
- income approach: use of discounted cash flow analysis, option pricing models, and other present value techniques to convert future amounts to a single current (*i.e.* discounted) amount;
- cost approach: the consideration of amounts that would currently be required to construct or replace the service capacity of an asset.

Valuation techniques are subjective in nature and significant judgment is involved in establishing fair values. They include recent arm's length transactions between knowledgeable willing parties on similar assets if available and representative of fair value and involve various assumptions regarding the underlying price, yield curve, correlations, volatility, default rates and other factors. Unlisted equity instruments valuation is based on cross checks using different methodologies such as discounted cash flows techniques, price-earnings ratio multiples, adjusted net asset values, taking into account recent transactions on instruments which are substantially the same if concluded at arm's length between knowledgeable willing parties, if any. The use of valuation techniques and assumptions could produce different estimates of fair value. However, valuations are determined using generally accepted models (discounted cash flows, Black & Scholes models, etc.) based on quoted market prices for similar instruments or underlyings (index, credit spread, etc.) whenever such directly observable data are available and valuations are adjusted for liquidity and credit risk.

Valuation techniques may be used when there is little observation of transaction prices as an inherent characteristic of the market, when quotes made available by external pricing providers are too dispersed or when market conditions are so dislocated that observed data cannot be used or need significant adjustments. Internal mark to model valuations are, therefore, either normal market practices for certain assets and liabilities inherently scarcely traded or exceptional processes implemented due to specific market conditions.

When valuation technics are used, the classification between levels 2 and 3 depends on the proportion of assumptions supported by observable market data used by external pricing services or, in very limited cases, by the Group.

1.6.2.3 USE OF VALUATION TECHNIQUES IN DISLOCATED MARKETS

The dislocation of certain markets may be evidenced by various factors. For example, a very large widening of bid ask spreads may be a helpful indicator in understanding whether market participants are willing to transact. The dislocation of markets may also be suspected in case of wide dispersion in the prices (over time or among market participants), small number of transactions, closing down of primary and/or secondary markets, forced transactions motivated by needs of liquidity or other difficult financial conditions with insufficient time to market the assets to be sold, and large bulk sales to exit such markets at all costs that may involve side arrangements (such as sellers providing finance for a sale to a buyer).

In such cases, the Group uses valuation techniques including observable data whenever possible and relevant, adjusted if needed to develop the best estimate of fair value, including adequate risk premiums, or develops a valuation model based on unobservable data representing estimates of assumptions that willing market participants would use when prices are not current, relevant or available without undue costs and efforts: in inactive markets, transactions may be inputs when measuring fair value, but would likely not be determinative and unobservable data may be more appropriate than observable inputs.

1.7 SEGMENT REPORTING

The segmental analysis provided in AXA's Consolidated Financial Statements reflects six operating business segments. These segments are determined on the basis of geographies or transversally for entities operating in various jurisdictions, and include "France", "Europe", "AXA XL", "Asia, Africa & EME-LATAM [1]", "AXA Investment Managers" and "Transversal & Other" segments.

(1) *Europe – Middle East – Latin America.v*

1.8 INTANGIBLE ASSETS

1.8.1 Goodwill and impairment of goodwill

Goodwill is considered to have an indefinite useful life and is therefore not amortized but subject to a regular test for impairment. Impairment tests are performed at least annually. Impairment of goodwill is not reversible.

AXA performs an impairment test of goodwill by cash generating unit, using valuation approaches that rely on parameters such as market indicators, market value of assets, market value of liabilities and future operating profits, derived on the basis of operational and economic assumptions in order to determine any significant adverse changes that might lead to the non-recoverability of goodwill. Compliant with IAS 36 - Impairment of Assets, within each cash generating unit, a comparison is made between the net book value and the recoverable value (equal to the higher of fair value less costs to sell and value in use).

An impairment loss is recognized for a cash generating unit if, and only if, the recoverable amount of the unit or group of units is lower than the carrying amount of the unit or group of units.

Value in use consists of the net assets and the value placed on expected future earnings from existing and new business. Fair value less costs to sell is determined in compliance with IFRS 13 as described in paragraph 1.6.

For Life business, the fair value approach is based on risk neutral valuation techniques applied to future cashflows. The fair value is made of:

- the current shareholders' net IFRS asset value (excluding intangible assets net of taxes and subordinated debt);
- the profitability of the business in force, represented by the Contractual Service Margin ("CSM"), determined by projecting the expected margins from the in force portfolio of insurance contracts until the end of their coverage period; and
- the profitability of future new business, computed on the basis of multiples of the New Business Value ("IFRS17 NBV") which corresponds to a standardized year of new business contribution (present value of projected future distributable profits generated from the business written in the current year). The determination of the future earnings arising from the new business relies upon the use of operational, technical and economic assumptions, all of which are compliant with the requirements of the different regulatory frameworks and regularly reviewed by independent parties.

The recoverable value of the Life business is first assessed on a risk free basis (consistent with fair value) and then on the basis of market assumptions aligned with a Real World valuation (value in use) if the recoverable value determined on a risk free basis is lower than the carrying amount.

For the Property & Casualty business, the recoverable value is built upon cash flow projections based on the business plans (using IFRS principles) which are approved by AXA management, and discounted using a risk adjusted rate (value in use). Cash flows beyond that period are extrapolated using a steady growth rate and a terminal value.

1.8.2 Other intangible assets

Other intangible assets include the following categories:

- software developed for internal use for which direct costs are capitalized and amortized on a straight-line basis over the assets' estimated useful lives;
- customer relationships intangibles relating to future insurance contracts as well as distribution agreements recognized as a result of business combinations in accordance with the guidance described in paragraph 1.3.2.2. If these assets have a finite useful life, they are amortized on a straight-line basis over their estimated life. In all cases, they are subject to impairment tests, at each closing date for assets with a finite useful life and at least annually for other assets. In the event of a significant decline in value, an impairment is booked corresponding to the difference between the carrying value and the higher of value in use and fair value less costs to sell;
- Deferred Origination Costs ("DOC") correspond to the deferred contract costs (such as incremental costs of obtaining a contract or costs directly related to fulfilling a contract) of investment contracts with no discretionary participation features (refer to paragraph 1.15) but with an investment management service. They are amortized by taking into account projections of fees collected over the life of the contracts. The amortization of DOC is reviewed at each closing date to reflect changes in assumptions and experience. These assets are also tested for recoverability. As DOC are reported gross of unearned fees reserves, these unearned fees reserves are separately recognized as liabilities and are amortized over the contract term using the same amortization approach as the one used for DOC.

1.9 INVESTMENTS FROM INSURANCE, BANKING AND OTHER ACTIVITIES

Investments from insurance activities (including assets backing contracts where the financial risk is borne by policyholders) and investments from banking and other activities cover investments in real estate properties and financial investments.

Investments backing contracts where the financial risk is borne by policyholders are presented in a separate aggregate of the statement of financial position as a part of investments from insurance activities. This presentation is considered more relevant for the users and consistent with the liquidity order recommended by IAS 1 for financial institutions, since the risks are borne by policyholders, whatever the type of assets backing liabilities (investments in real estate properties, debt instruments or equity instruments, etc.).

1.9.1 Investments in real estate properties

Investments in real estate properties include buildings and assimilated assets (such as infrastructures) owned directly or through consolidated real estate entities.

All investments in real estate properties (including those totally or partially backing liabilities arising from insurance or investment contracts measured using the Variable Fee Approach described in paragraph 1.14.7) are recognized at cost. The properties components are depreciated over their estimated useful lives, also considering their residual value if it may be reliably estimated.

In case of unrealized loss over 15%, an impairment is recognized for the difference between the net book value of the investment property and the fair value of the asset (determined as described below) based on an independent valuation. Furthermore, at the level of each reporting entity, if the cumulated amount of unrealized losses under 15% (without offsetting with unrealized gains) represents more than 10% of the cumulated net cost of real estate assets, additional impairment is booked on a line-by-line approach until the 10% threshold is reached.

If, in subsequent periods, the appraisal value rises to at least 15% more than the net carrying value, previously recorded impairment is reversed to the extent of the difference between **(i)** the net carrying value and **(ii)** the lower of the appraisal value and the depreciated cost (before impairment).

The fair value of investments in real estate properties generally cannot be determined via reference to quotes of an active market from an exchange market or service provider. Instead, AXA real estate properties are valued by qualified independent appraisers with relevant professional qualification and experience in the locations and segments of the properties to be valued. These external real estate valuation experts are members of one of the professional organizations composing the Internal Valuation Standard Council (IVSC).

External valuations are performed at least annually except for Switzerland, where they are conducted every five years (internal valuations being however performed annually).

External real estate valuation experts generally use a primary valuation method to value real estate properties held by AXA, and additionally provide a value derived from a second method for verification. When relevant, an average value between the two valuation methods is retained. As the primary valuation method has to be applied consistently from one period to another, any change need to be justified.

Five main valuation methods may apply to determine the fair value of AXA real estate assets (the first two ones being the most used):

- the discounted cash flow method determines the value of the real estate property from its potential to generate future income. Thus, the value is estimated by compiling the net present value of the future cash flows. Main inputs for the valuation are: projected rental income, projected operating expenses, capital expenditures requirements, discount rate and exit yield which corresponds to the rate used to capitalize the exit rent to determine the exit value of an asset. The Group provides external appraisers with all relevant information (notably detailed rent rolls, budget, etc.) to enable them to determine future cash flows, to which they also apply their own assumptions. The discount rate and exit yield applied vary from one property to another since they are combination of the risk-free rate and the risk premium attached to each property due to its location, quality, size, and technical specificities;

- the income capitalization method determines the value of the real estate property by applying a capitalization rate at the net operating income at perpetuity. The income capitalization method can notably be used when cash flows are stable and relatively certain, mainly where the real estate asset is fully leased (with limited number of tenants) and/or no occupancy changes are expected. In that case, it may not be necessary to consider an explicit forecast period such as used under the discounted cash flow methodology and a terminal value may form the only basis for value;
- the Hardcore method is a variation of the income capitalization method and determines the value of the real estate property by applying a different capitalization rate at the net operating income depending on the type of income;
- the comparable transactions method uses information on recent transactions, involving real estate properties that are identical or substantially similar, to derive a price;
- the residual method can be used for properties or land with development potential when the fair value can be considered as reliably determinable. It consists in determining the residual value of the development property which represents the anticipated value of the project when completed after deducting all known or anticipated costs required to complete the development.

Specific risks (such as climate, regulatory, legal risks,..) on real estate property are reflected in the exit yield or discount rate used in the modelling by the external appraiser.

1.9.2 Financial investments

1.9.2.1 CLASSIFICATION OF FINANCIAL ASSETS

Financial assets held by AXA include notably debt instruments, equity instruments, loans, receivables and investments in non-consolidated investments funds. These instruments are held directly or through controlled investment funds.

The classification of financial assets reflects the basis on which those assets are subsequently measured in the statement of financial position and how gains and losses generated by those assets are reported. The classification of financial assets (including the application of classification options) is assessed at initial recognition applying the guidance below and cannot be modified afterwards, unless if, in extremely rare cases, the business model in which those financial assets are held changes.

Financial assets held directly

Financial assets are classified in the three following measurement categories, based on the business model in which those financial assets are held and on the characteristics of their contractual cash flows:

- a financial asset is measured at amortized cost if both **(i)** the asset is held within a business model whose objective is achieved by collecting contractual cash flows from the assets held, and **(ii)** the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (“SPPI”);
- if both **(i)** the asset is held within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets (which is the major business model for AXA’s investments in debt instruments), and **(ii)** the contractual terms of cash flows are SPPI, the financial asset is measured at fair value through other comprehensive income (“FV OCI”) and realized gains or losses are recycled through profit or loss upon sale;
- assets not fitting either of these categories are measured at fair value through profit or loss (“FV P&L”).

In addition to the general classification guidance above, the Group uses the following classification options:

- optional FV OCI designation for investments in equity instruments (other than those held for trading), also referred to as “FV OCI without recycling”. When applying this option, all subsequent changes in fair value on concerned equity instruments are presented in OCI and never recycled to profit or loss; however, the corresponding cumulative gains or losses are transferred to retained earnings on derecognition. Dividends received on those instruments are recognized in profit or loss. AXA applies this optional designation for most of equity securities held except those backing contracts where the financial risk is borne by policyholders, measured at a FV P&L basis;
- optional FV P&L designation (Fair Value Option for financial assets). AXA applies this option for some financial assets that otherwise meet the requirements to be measured at amortized cost or at FV OCI, if doing so eliminates or significantly reduces an accounting mismatch in profit or loss, for example, for some loans backing insurance contracts measured using the Variable Fee Approach described in paragraph 1.14.7.

Financial assets held through consolidated investment funds

Assets held through consolidated investment funds are classified:

- either as assets of the "Core Investment Portfolios" which include assets backing liabilities arising from insurance and investment contracts, managed in accordance with the AXA's Assets and Liabilities Management ("ALM") strategy;
- or as assets of the "Satellite Investment Portfolios", reflecting the strategic asset allocation based on a dynamic asset management aiming at maximizing returns. Those portfolios are managed, and their performance is evaluated on a fair value basis.

Underlying financial instruments held in the "Core Investment Portfolios" are classified on a line-by-line basis as if they were held directly. Debt instruments held in those funds are managed within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets and, by consequence, are measured at FV OCI to the extent that their contractual cash flows are SPPI on the principal amount outstanding.

Underlying financial instruments held in the "Satellite Investment Portfolios" are held within a business model whose objective is achieved neither by collecting contractual cash flows nor collecting contractual cash flows and selling financial assets and are, therefore, accounted for at FV P&L.

1.9.2.2 IMPAIRMENT OF FINANCIAL INVESTMENTS

The impairment applies to debt instruments, loans and receivables measured at amortized cost or at FV OCI and reflects Expected Credit Losses ("ECL") on those financial assets.

The Group measures ECL allowances at an amount equal to:

- 12-month ECL resulting from default events that are possible within the 12 months after the reporting date and recognized for financial instruments for which the credit risk has not increased significantly since initial recognition (it is also assumed that the credit risk has not increased significantly since initial recognition if the financial instrument has low credit risk at the reporting date); or
- lifetime ECL resulting from all possible default events over the expected life of the financial instrument and calculated for financial instruments for which there have been significant increases in credit risk since initial recognition, as well as for financial instruments for which a credit event has occurred since their initial recognition.

ECL for receivables that are within the scope of IFRS 9, typically outstanding for a relatively short period of time, are always measured at an amount equal to lifetime ECL.

Financial instruments for which 12-month ECL are recognized referred to as "Stage 1" financial instruments. Financial instruments for which lifetime ECL are recognized but for which no credit event has occurred are referred to as "Stage 2" financial instruments. Finally, financial instruments for which a credit event has occurred since their initial recognition are referred to as credit-impaired, or "Stage 3" financial instruments.

To perform the impairment stage allocation, at each reporting date, the Group assesses, for each financial instrument within the scope of the ECL calculation:

- whether the financial instrument has low credit risk;
- whether the credit risk on the financial instrument has increased significantly since initial recognition;
- whether the credit risk on the financial instrument previously classified in Stage 2 has improved since the previous reporting date; and
- whether a credit event (default) has occurred.

The approach used by AXA to perform the impairment stage allocation includes the following components:

- the quantitative assessment designed to detect, for all financial assets within the scope of the ECL calculation, significant increases and decreases in credit risk. This quantitative assessment is based on the AXA's IFRS 9 rating which captures all relevant information, including forward-looking information, required to identify significant changes in credit risk since initial recognition based on fact and circumstances specific to the financial asset; and
- the qualitative assessment, based on expert judgment, performed to confirm transfers between "Stage 1" and "Stages 2 or 3" for material exposures within the scope derived from the quantitative assessment.

ECL is defined at each financial reporting date based on the key inputs which are the probability of the default, the magnitude of the potential credit loss after any potential recovery and the exposure to the risk of default determined as the financial instrument's gross carrying amount plus the accrued interests at the closing date.

The amount of ECL is updated at each reporting date to reflect changes in credit risk on the concerned financial instruments. Any increase in credit risk gives rise to an additional ECL allowance. Previously recognized ECL allowances are reversed when the corresponding credit risk improves. ECL allowances and reversals are recognized in profit or loss and, as a counterpart, affect:

- for the financial instruments measured at amortized cost, their carrying value in the statement of financial position;

- for the financial instruments measured at FV OCI, the amount of unrealized gains or losses on those instruments accumulated in the OCI.

1.9.3 Repurchase agreements and securities lending

The Group is party to repurchase agreements and securities lending transactions under which financial assets are sold to a counterparty, subject to a simultaneous agreement to repurchase these financial assets at a certain later date, at an agreed price. Since substantially all of the risks and rewards of the financial assets remain with the Group over the entire lifetime of the transaction, the Group does not derecognize the financial assets. The liability in balance of the cash received is reported separately in the statement of financial position. Interest expense from repurchase and security lending transactions is accrued over the duration of the agreements.

Additionally, the Group is party to total return swaps under which financial assets are sold to a counterparty with a corresponding agreement. Cash flows equal to those of the underlying assets will be remitted to the Group in exchange for specified payments taking into account any increase or decline in the fair value of the assets. This results in substantially all of the risks and rewards of the financial assets remaining with the Group. As such, the Group does not derecognize the financial assets.

The Group is also party to reverse repurchase agreements under which financial assets are purchased from a counterparty, subject to a simultaneous agreement to return these financial assets at a certain later date, at an agreed price. If substantially all of the risks and rewards of the securities remain with the counterparty over the entire lifetime of the agreement of the transaction, the securities concerned are not recognized as financial assets of the Group. The asset in face of the cash disbursed is recorded under financial investments, except for transactions arising from banking activities, for which it is recorded as a separate asset. Interest income on reverse repurchase agreements is accrued over the duration of the agreements.

1.10 DERIVATIVE INSTRUMENTS

Derivatives are initially recognized at fair value at purchase date and are subsequently re-measured at their fair value at the reporting date. Unrealized gains and losses are recognized in the statement of profit or loss unless they relate to a qualifying hedge relationship as described below.

In the statement of financial position, derivatives are presented in separate line items, as an asset or a liability depending upon the fair value position at the reporting date, with no offsetting, regardless of whether these derivatives meet the criteria for hedge accounting.

The Group designates certain derivatives as either: **(i)** hedging the exposure to variability in cash flows attributable to a recognized asset or liability or a highly probable future transaction (cash flow hedge), or **(ii)** hedging the exposure to changes in fair value of a recognized asset or liability or of an unrecognized firm commitment (fair value hedge), or **(iii)** hedging net investments in a foreign operation (net investment hedges).

The Group formally documents, at inception of a designated hedging relationship, its Risk Management objectives and strategy for undertaking the hedge. This documentation includes **(i)** the identification of the hedged item and of the hedging instrument, **(ii)** the nature of the risk being hedged, **(iii)** the economic relationship between the hedged item and the hedging instrument, including whether the changes in the value of the hedged item and the hedging instrument are expected to offset each other, **(iv)** and how the assessment of whether the hedging relationship meets the hedge effectiveness requirements will be performed, including its analysis of the sources of hedge ineffectiveness.

The hedging relationship documentation is updated on an ongoing basis.

The purposes and conditions of the use of derivatives within the Group are detailed in Note 18.

1.10.1 Cash flow hedge

A separate component of equity, referred to as cash flow hedge reserve, is adjusted through other comprehensive income ("OCI") for the lower of the following amounts:

- gain or loss on the hedging instrument cumulated since inception of the hedge; and
- change in fair value of the hedged item cumulated since inception of the hedge (*i.e.* the present value of the cumulative change in the hedged expected future cash flows).

If the cumulative gain or loss on the hedging instrument exceeds the change in fair value of the hedged item (sometimes referred to as an 'over-hedge'), the related ineffectiveness is recognized in profit or loss. If the cumulative gain or loss on the hedging instrument is lower than the change in fair value of the hedged item (sometimes referred to as an 'under-hedge'), no ineffectiveness appears.

Cumulative gain or loss in shareholders' equity is recycled in the statement of profit or loss when the hedged underlying item impacts the profit or loss for the period (for example when the hedged future transaction is recognized). When a hedging instrument reaches its maturity date or is sold, or when a hedge no longer qualifies for hedge accounting, the cumulative gains or losses in shareholders' equity are released in profit or loss when the initially hedged future transaction ultimately impacts the statement of profit or loss. If the hedged future cash flows are no longer expected to occur, the cumulative gains or losses are immediately reclassified from shareholders' equity to profit or loss.

1.10.2 Fair value hedge

Changes in the fair value of derivatives designated and qualifying as fair value hedges of equity instruments designated at FV OCI are recorded in OCI, without recycling into profit or loss, together with changes in fair value of the hedged equity instrument.

Changes in the fair value of derivatives designated and qualifying as fair value hedges of other financial instruments are recorded in the statement of profit or loss, together with any changes in the fair value of the hedged asset or liability. Therefore, the gain or loss relating to any ineffective portion is directly recognized in the statement of profit or loss.

1.10.3 Net investment hedge

The accounting of net investments in foreign operations hedge is similar to the accounting of cash flow hedge. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in shareholders' equity; the gain or loss relating to the ineffective portion is recognized in the statement of profit or loss. Cumulative gains and losses in shareholders' equity impact the statement of profit or loss only on disposal of the foreign operations.

1.10.4 Cost of hedging approach

When only a part of a derivative is designated as the hedging instrument (for example, changes in intrinsic value of a purchased option or changes in the spot element of a forward contract), the Group applies a specific accounting mechanism in IFRS 9 referred to as "cost of hedging approach" and resulting in less volatility in profit or loss. Conversely, the cost of hedging approach is not applied when hedging equity instruments are measured at FV OCI without recycling.

Consistent with the cost of hedging approach, if only changes in intrinsic value of an option are designated as the hedging instrument, the changes in fair value of the time value of the option are deferred in OCI. This cumulated amount is removed from OCI and recognized in profit or loss following the timing that depends on the nature of the hedged item:

- if the hedged item is transaction related (*e.g*. a forecast purchase denominated in a foreign currency) – when the hedged transaction affects profit or loss;
- if the hedged item is time-period related (*e.g*. the fair value of an item for a period of time) – over the period of the hedge.

The identical approach applies to:

- the changes in forward points of a forward contract when only the change in the spot element of such a contract is designated as the hedging instrument; and
- the changes in the foreign currency basis spread when separated from a financial instrument and excluded from the designation of that financial instrument as the hedging instrument.

1.10.5 Derivatives not qualifying for hedge accounting

Most derivatives used by the Group are purchased with a view to hedge or as an alternative to gain exposure to certain asset classes through "synthetic positions". However, given IFRS 9 constraints, only qualifying hedges are eligible to hedge accounting provisions described above. Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognized in the statement of profit or loss.

The Group holds financial instruments that also include embedded derivatives. A derivative embedded in a contract where the host is a financial asset in the scope of IFRS 9 is not separated. Instead, the hybrid financial instrument as a whole is assessed for classification applying the guidance described in paragraph 1.9.2.1. Conversely, if the host contract is a financial liability within the scope of IFRS 9 and is not measured at FV P&L, the embedded derivative is separated from the host contract to the extent that the impact is deemed material, unless the economic characteristics and risks of both the embedded derivative and the host contract are closely related. In this case, the host contract is accounted for as a financial liability within the scope of IFRS 9, and the separated derivative is accounted for at FV P&L and might be eligible as a hedging instrument.

1.11 ASSETS/LIABILITIES HELD FOR SALE AND ASSETS/LIABILITIES INCLUDING DISCONTINUED OPERATIONS

These comprise assets, particularly buildings or operations, intended to be sold or discontinued within twelve months. Subsidiaries held for sale remain within the scope of consolidation until the date on which the Group loses effective control. The assets and activities (assets and liabilities) concerned are measured at the lower of net carrying value and fair value net of selling costs. They are presented in separate asset and liability items on the statement of financial position. The liabilities of subsidiaries (excluding shareholders' equity) held for sale are entered separately on the liability side of the statement of financial position, with no netting against assets.

In the event of a discontinuation of operations representing either a business line, a main and distinct geographical region or a subsidiary acquired solely with a view to reselling, their after-tax contribution is stated on a separate line of the statement of profit or loss. For comparison purposes, the same applies to the presentation of income statements relating to previous periods that are included in the financial statements. This separate line also includes the post-tax gain/loss recognized on the disposal of the discontinued operation at the date of loss of control.

1.12 CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits while cash equivalents are short-term, liquid investments that are readily convertible to cash and subject to low volatility.

1.13 SHAREHOLDERS' EQUITY

1.13.1 Share capital

Ordinary shares are classified in shareholders' equity when there is no obligation to transfer cash or other assets to the holders.

Additional costs (net of tax) directly attributable to the issue of equity instruments are shown in shareholders' equity as a deduction to the proceeds.

1.13.2 Undated subordinated debt

Undated subordinated debt and any related accrued interests are classified either in shareholders' equity or as liabilities depending on contract clauses without taking into consideration the prospect of redemption under economic constraints (*e.g.* step up clauses or shareholders' expectations).

1.13.3 Compound financial instruments

Any financial instrument issued by the Group with an equity component (for example certain options granted to convert the debt instrument into an equity instrument of the Company) and a liability component (a contractual obligation to deliver cash) is classified separately on the liability side of the consolidated statement of financial position with the equity component reported in Group shareholders' equity and the liability component reported in financing debt. Gains and losses relating to redemptions or refinancing of the equity component are recognized as changes to shareholders' equity.

1.13.4 Treasury shares

Treasury shares and any directly related costs are generally recorded as a deduction to consolidated shareholders' equity. Where those treasury shares are subsequently sold or reissued, any consideration received is included in consolidated shareholders' equity, net of any directly related costs and tax effects.

As an exception to the foregoing, when treasury shares are reacquired to be used as a part of an investment fund that provides investors with benefits determined by units in the fund, or as an underlying item for insurance contracts with direct participation features (or investment contracts with discretionary participation features), those treasury shares are recognized as financial assets measured at fair value through profit or loss in accordance with the option provided by IFRS 9 and therefore are not deducted from shareholders' equity.

1.13.5 Preferred shares

Preferred shares issued by the Group are recorded as equity when there is no contractual obligation to redeem and there is no contractual obligation to deliver cash or other financial asset.

1.14 INSURANCE CONTRACTS, INVESTMENT CONTRACTS WITH DISCRETIONARY PARTICIPATION FEATURES AND REINSURANCE CONTRACTS HELD

In the consolidated statement of financial position, **(i)** insurance contracts and investment contracts with discretionary participation features issued and **(ii)** reinsurance contracts held are aggregated by portfolios and presented separately, depending on their balances at the end of the reporting period, leading to the four following categories:

- the carrying amount of portfolios of insurance contracts and investment contracts with discretionary participation features that are assets;
- the carrying amount of portfolios of insurance contracts and investment contracts with discretionary participation features that are liabilities;
- the carrying amount of portfolios of reinsurance contracts held that are assets; and
- the carrying amount of portfolios of reinsurance contracts held that are liabilities.

IFRS 17 - Insurance Contracts applies to these contracts, such as detailed in paragraphs 1.14.1 to 1.14.9 of this Note.

Significant judgments and estimates are made by the Group in applying IFRS 17. The judgments that have the most significant effects on the amounts recognized in the consolidated financial statements relate to the classification of contracts, their level of aggregation and their measurement.

In particular, the Group makes significant judgments regarding inputs, assumptions concerning the future and other sources of uncertainty at the reporting date, and uses estimation techniques to measure the insurance contracts. These assumptions and estimates are reviewed on an ongoing basis, based on changes in facts and circumstances (including market changes), which leads to adjustments in the measurement of contracts.

The Group uses notably assumptions to project future cash flows and ensures to design them to adequately reflect any uncertainty underlying the cash flows. Non-market assumptions, based on latest best estimate assumptions (historical data and expert judgment), include the following information: loss ratios, best estimate schedule of lapses, policyholder behavior (*e.g.* dynamic lapses, election to guaranteed annuity), and management actions (*e.g.* discretionary benefits distribution policy).

In respect of estimation techniques used to measure the non-Life insurance contracts, different actuarial projection models are applied, based on **(i)** the portfolios' main features (in terms of risk drivers, underwriting and claims policies), **(ii)** quality, relevance and consistency over time of available statistical data, **(iii)** selection of relevant actuarial assumptions and models, and **(iv)** ability to economically interpret and justify the projected range of results, both quantitatively and qualitatively.

In respect of estimation techniques used to measure the Life & Savings contracts, they are based on projections of the key components of statutory financial statements, namely income or expenses that relate to policyholders, beneficiary obligations, and assets backing those liabilities.

The main assumptions that may generate material changes in the estimate of the future cash flows relate to **(i)** mortality, morbidity, and longevity rates, **(ii)** policyholder behavior (due to lapse and surrender), **(iii)** participation percentages and crediting rates, and **(i)** overhead expenses.

More specifically, assumptions made about the discount rates, the confidence level for risk adjustment for non-financial risk, the pattern of the Contractual Service Margin (CSM) release for direct participating contracts are explained in paragraph 1.14.5 and quantitative information about these assumptions is disclosed in Note 12.1.6.

1.14.1 Definition and classification

An insurance contract is a contract under which an issuer accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event (an "insured event") adversely affects this policyholder. The assessment whether a contract transfers a significant insurance risk considers all substantive rights and obligations (including those arising from law or regulation) and is based on the use of judgment. In substance, insurance contract services provided to a policyholder include the insurance coverage and may also include an investment-return service, corresponding to the generation of an investment return for the policyholder having underwritten an insurance contract without direct participation features, and an investment-related service corresponding to the management of underlying items on behalf of the policyholder having underwritten an insurance contracts with direct participation features.

1.14.1.1 INSURANCE CONTRACTS WITH DIRECT PARTICIPATION FEATURES

The Group classifies as insurance contract with direct participation features (*i.e.* direct participating contract) a contract for which **(i)** the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items, **(ii)** the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and **(iii)** the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items. In addition to the transfer of significant insurance risk to the issuer, a direct participating contract is therefore based on a substantially investment-related service under which an entity promises an investment return on underlying items (the link must be enforceable), as well as on a contractually specified participation. The underlying items determine some of the amounts payable to a policyholder and can comprise any items (*e.g.* a reference portfolio of assets, technical items, the net assets of the entity, or a specified subset of the net assets of the entity). The nature of underlying items mainly depends on local regulation and products' features. The Group assesses whether the conditions above are met using its expectations at inception of the contract and needs not reassess the conditions afterwards, unless the contract is modified.

1.14.1.2 INSURANCE CONTRACTS WITHOUT DIRECT PARTICIPATION FEATURES

The Group classifies as insurance contract without direct participation features an insurance contract that is not an insurance contract with direct participation features, namely:

- an insurance contract with indirect participation features (*i.e.* indirect participating contract) because the payment to policyholders depends upon the return on underlying items, without meeting the criteria defined for insurance contracts with direct participation features; or
- an insurance contract without any participation features (*i.e.* non-participating contract) as the payment to policyholders does not depend upon the return on underlying items.

1.14.1.3 INVESTMENT CONTRACTS WITH DISCRETIONARY PARTICIPATION FEATURES

The Group classifies as investment contract with discretionary participation features a financial instrument that provides a particular investor with the contractual right to receive both an amount not subject to the discretion of the issuer (usually the account value or the value of the Unit-Linked) and an additional amount subject to the discretion of the issuer, which is expected to be a significant portion of the total contractual benefits. Even though these contracts do not meet the definition of an insurance contract (as they do not include a transfer of significant insurance risk), IFRS 17 applies to those contracts as the Group also issues insurance contracts. Following IFRS 17 guidance, the investment contracts with discretionary participation features issued by AXA have been assessed as meeting the criteria of insurance contracts with direct participation features.

Furthermore, as described in paragraph 1.15 of this Note, the Group holds investments contracts with no discretionary participation features for which IFRS 9 - Financial Instruments applies.

1.14.2 Separating components from insurance contracts

The following components are separated from insurance contracts: **(i)** distinct embedded derivatives, if they meet certain specified criteria, **(ii)** distinct investment components, and **(iii)** distinct performance obligations to provide non-insurance goods and services. These components are accounted for separately by the Group in accordance with the related standards.

After having performed this separation, the Group applies IFRS 17 to all remaining components of the host insurance contract. All these remaining components, including embedded derivatives and investment components that have not been separated from the host contract, are considered a single insurance contract.

1.14.3 Level of aggregation of insurance contracts

The insurance contracts are aggregated at inception to form a group, which is the basis for recognition, measurement and presentation. Each entity is responsible for defining the level of aggregation of insurance contracts into different groups by applying the process hereafter:

- first, portfolios of insurance contracts are identified, each of them only comprising contracts that are managed together and subject to similar risks:
  - since the way insurance contracts are managed is based on the nature of service provided to the policyholder (*e.g*. Savings, Protection, Health, Motor, Household…), contracts for which the service provided to the policyholder is substantially similar are managed together. In assessing the nature of the service provided, the entity considers different factors such as the granularity at which the internal strategy is designed, the business units organisation or the granularity of financial reporting,
  - contracts are bearing similar risks when the nature of the risk drivers (death, longevity, disability, invalidity, liability, motor, property damage …) at inception of contracts is similar;
- then, these portfolios are broken down by annual cohort (IFRS 17 as issued by the IASB preventing contracts issued more than one year apart from being included in the same group). However, as an exception, AXA has chosen to use the option allowed by the European Union not to apply this requirement to:
  - groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features, having cash flows that affect or are affected by cash flows to policyholders of other contracts, and
  - groups of insurance contracts that are managed across generations of contracts and that meet certain conditions and have been approved by supervisory authorities for the application of the matching adjustment;
- finally, a further split is performed depending on the level of profitability, with notably a separate group for contracts that are onerous at initial recognition.

A group of insurance contracts should not be reconsidered after initial recognition.

1.14.4 Initial recognition

The groups of insurance contracts issued are recognized from the earliest of **(i)** the beginning of the coverage period of the group of contracts, which is the general case, **(ii)** the date when the first payment from a policyholder in the group becomes due, and **(iii)** for a group of onerous contracts, the date when this group becomes onerous.

For investment contracts with discretionary participation features, the date of initial recognition is the date when AXA becomes party to the contract.

1.14.5The General Measurement Model or "BBA"

IFRS 17 requires applying by default the General Measurement Model of insurance contracts, called the "Building Block Approach" ("BBA") as it is based on the following building blocks:

- the Fulfilment Cash Flows ("FCF"), which comprise:
  - the present value of future cash flows (PVFCF) corresponding to a probability-weighted estimates of future cash inflows and outflows (forward looking) with an adjustment to reflect the time value of money (*i.e.* discounting) and the financial risks associated with those future cash flows (market consistent), and
  - a risk adjustment ("RA") for non-financial risk;
- the Contractual Service Margin ("CSM"), which is calculated at inception as the difference between the premium paid by the policyholder and the expected FCF, and corresponds to the present value of future expected profits.

The Group has adopted a "year-to-date" approach, which consists, for the annual reporting period, in changing the treatment of accounting estimates made in its previous interim financial statements (*i.e.* as at end June).

The BBA mainly applies to AXA long term Protection and Health business (notably in Japan), as well as to few General Account savings contracts with no direct participation features (almost exclusively in Belgium and, to a lesser extent, in Spain) and assumed long term reinsurance treaties (including reinsurance of savings contracts with direct participation features such as Prefon in France).

1.14.5.1. INSURANCE ACQUISITION CASH FLOWS ("IACF")

The insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts. When these IACF are incurred prior to the date of initial recognition of the group of insurance contracts, such IACF are recognized as an asset, which is deducted from the carrying amounts of insurance contracts. The recoverability of assets for IACF is assessed at the end of each reporting period, if facts and circumstances indicate that the asset may be impaired. If an impairment loss is identified, the carrying amount of the asset for IACF is adjusted and the impairment loss is recognized in the statement of profit or loss. When the group of insurance contract is recognized, the corresponding asset for IACF is derecognized and included in the measurement of that group.

1.14.5.2 ESTIMATES OF FUTURE CASH FLOWS

The FCF notably include all the probability-weighted estimates of future cash flows within the boundary of each contract already recognized. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which AXA can compel the policyholder to pay the premiums or in which the entity has a substantive obligation to provide the policyholder with services.

A substantive obligation to provide services ends notably when AXA has the practical ability to reassess the risks of the policyholder and, as a result, can set a price or level of benefits that fully reflects those risks.

The unbiased estimate of the expected future cash flows within the boundary of insurance contracts, including the cost of options and guarantees, are based on a probability-weighted mean of the full range of possible outcomes to factor the uncertainty about the timing and amounts of the cash flows, determined from the perspective of the Group, provided that the estimates are consistent with observable market prices for market variables reflecting conditions existing at the measurement date.

The cash flows attributable to the group of insurance contracts include premiums from the policyholders, claim payments (including reported, incurred and all the future claims for which AXA has a substantive obligation net of recoveries from claims), profit sharing to policyholders, as well as payments arising from the policyholders exercising options, expenses and commissions, costs related to investment activities performed for the benefit of policyholders (*i.e.* including investment-return services and investment-related services).

The following cash flows are not included in the contracts boundary: investment returns as they are recognized, measured and presented separately under other applicable IFRSs, costs of investment activities performed for the benefit of shareholders, payments or receipts that arise under reinsurance contracts held (as they are accounted for separately), those that may arise from future insurance contracts, overheads that do not provide any economic benefits to fulfilling insurance contracts, income tax payments and receipts AXA does not pay or receive in a fiduciary capacity, flows arising from components separated from the insurance contracts and accounted for using other applicable IFRSs.

If insurance premiums are first collected by an intermediary and then transferred to AXA at a later date, the premium receivables from the intermediary are accounted for as future cash flows within the boundary of insurance contracts included in the measurement of the corresponding group of insurance contracts applying IFRS 17.

1.14.5.3 DISCOUNT RATE

AXA has defined a Group methodology for the calibration and the generation of "IFRS 17 yield curves" used to discount the estimate of future cash flows within the boundary of contracts, consistent with the IFRS 17 requirements and applied homogeneously across all AXA entities.

If the standard does not impose a particular estimation technique to determine the yield curves, AXA has chosen to adopt a bottom-up approach as it has been widely used for many years in the EEV and Solvency II frameworks.

This approach consists in using a basic Risk-Free Rate ("RFR"), based on swaps for most currencies and government bonds for others, adjusted by adding on a Liquidity Premium ("LP") allowance to reflect the remuneration of illiquidity observed on traded assets until the Last Liquid Point ("LLP"), meaning the longest maturity for which there are enough traded bonds. An Ultimate Forward Rate ("UFR") macro-economically defined as the sum of the average of past real interest rates and central bank's target inflation is also considered. Discount rates between the LLP and the UFR maturities are obtained by extrapolation.

The yield curves used by AXA for main currencies are summarized in Note 12.1.6.

The Group has chosen to apply the "OCI option" (refer to paragraph 1.21.2) to all portfolio of insurance contracts, allowing to recognize the impact of changes in discount rates through Other Comprehensive Income.

1.14.5.4 RISK ADJUSTMENT FOR NON-FINANCIAL RISK ("RA")

The measurement of the risk adjustment reflects the compensation required by AXA for bearing the uncertainty around the amount and timing of the future cash flows that arises from non-financial risk as AXA fulfils insurance contracts. In this respect, the Group considers the 62.5th-67.5th percentile range as the adequate level of prudence on underlying insurance liabilities.

The determination of the risk adjustment follows a value-at-risk type approach, reflecting a retained confidence level with reference to the risk drivers of insurance liabilities. The value-at-risk is the maximum loss within a certain confidence level. The implementation is slightly different between Life & Health and Property & Casualty businesses. For Life & Savings, groups of contracts are first shocked, risk factor by risk factor, up to the retained confidence level to assess the change in the present value of future cash flows. Then, diversification benefits between risks implicit to the entity's portfolio are considered by applying correlation factors between risks. For Property & Casualty liabilities for incurred claims, a direct value-at-risk calculation, reflecting the retained confidence level, is applied to the full probability distribution of the related liabilities. Finally, a diversification effect between AXA entities is considered to reflect the fact that a same risk is unlikely to impact all the Group's entities at the same time.

The changes in the risk adjustment for non-financial risk are presented in the insurance service result (*i.e.* they are not disaggregated into an insurance service component and an insurance finance component).

1.14.5.5 CONTRACTUAL SERVICE MARGIN ("CSM")

For a group of insurance contracts, the CSM represents the unearned profit attributable to the shareholders. At inception, the CSM is the amount that offsets the FCF, less the derecognition of any IACF (see above), or the value of the AXA's rights in excess of the value of its obligations under the insurance contracts. On the other hand, the CSM cannot be negative. Consequently, if the expected cash outflows exceed the expected cash inflows , the group of contracts is onerous and the loss, which corresponds to the expected net cash outflow, is expensed immediately in the consolidated statement of profit or loss.

At the end of each subsequent reporting period, AXA remeasures the liability for remaining coverage ("LRC"), which comprises the FCF related to future services and the CSM of the group of contracts at that date. Hence, the CSM is adjusted at each subsequent reporting period for changes in expected future cash flows driven by changes in technical assumptions (death, morbidity, longevity, surrenders, expenses, future premiums…). Interest is also accreted on the CSM at rates locked in at initial recognition of a contract (*i.e*. discount rate used at inception to determine the present value of future cash flows).

Moreover, the CSM is progressively recognized and included in insurance revenue in the consolidated statement of profit or loss over the coverage period of insurance contracts (refer to paragraph 1.19.1). The portion of the CSM to be released as part of insurance revenue for a reporting period, which reflects the provision of insurance contract services, is based on coverage units. In practice, AXA:

- identifies the total number of coverage units for each group of contracts, which is the quantity of services provided for the insurance contracts belonging to the group over the expected coverage period;
- allocates the CSM at the end of the reporting period (before having recognized any amounts in the statement of profit or loss to reflect the services provided in the period) equally to each coverage unit provided in the current reporting period and expected to be provided in the future; and
- recognizes the amount of CSM allocated to the coverage units provided in the current reporting period in the statement of profit or loss.

Given the variety of insurance contracts, AXA exercises its judgment to define coverage units, considering both the level of coverage defined within the contract (*e.g*. a death benefit over a fixed term, the policyholders' account value, or a combination of guarantees) and the expected coverage duration of the contract.

However, this release of CSM is not applicable if there are adverse changes in future cash flows greater than the remaining CSM. In this case, the group of contracts becomes onerous and the loss is immediately recognized in the statement of profit or loss.

When a group of insurance contracts is onerous, on initial recognition or subsequently, the LRC includes a loss component reflecting the loss recognized in the statement of profit or loss. As long as the group of contracts remains onerous, subsequent changes in the amount of loss component are immediately allocated to the statement of profit or loss.

1.14.5.6 LIABILITY FOR INCURRED CLAIMS ("LIC")

After initial recognition of a group of insurance contracts, the carrying amount of the group at each reporting date is the sum of two different components: the LRC, that relates to the remaining coverage (see above) and the LIC, which corresponds to the FCF related to past services allocated to the group.

The LIC reflects the AXA's obligation to investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses, as well as to pay amounts relating to other insurance contract services already provided or any investment components or other amounts that are not related to the provision of insurance contract services and that are not in the LRC.

1.14.6 Measurement with the Premium Allocation Approach ("PAA")

The Premium Allocation Approach is used for most of the AXA Property & Casualty business and, to a lesser extent, for some short-term Protection and Health businesses.

This is a simplified model permitted for the measurement of the liability for remaining coverage ("LRC") provided that the measurement of the LRC does not differ materially from the General Measurement Model ("BBA") or the coverage period is one year or less. With the PAA, the LRC corresponds to premiums received at initial recognition less acquisition costs and amounts already recognized on a *pro rata* basis as insurance revenue at the closing date. However, the BBA remains applicable for the measurement of incurred claims.

Insurance acquisition cash flows ("IACF") incurred before the recognition of a group of contracts measured with the PAA are recognized as an asset allocated to that group and future groups of insurance contracts that will include contracts arising from expected renewals. In practice, the recognition of a portion relating to the expected renewals is limited to the groups of insurance contracts with up front or extra-commissions paid for acquiring new business.

1.14.7 Measurement with the Variable Fee Approach ("VFA")

The VFA applies to a large part of the AXA Life & Savings businesses (both General Account and Unit-Linked contracts), as well as for long term Protection & Health businesses which include participating features. This measurement model is mandatory for AXA insurance contracts with direct participation features and investment contracts with discretionary participation features and aims at adjusting the Contractual Service Margin ("CSM") to reflect the variable nature of the fee. The adjustment equals to the entity's share of the change in fair value of the underlying items as explained below.

The VFA is derived from the General Measurement Model (BBA) to the extent that it is also based on a building block approach. As such, the principles described here above in paragraph 1.14.5 are the same, meaning that the liabilities are also made of FCF and a CSM. At initial recognition, there are no differences between the BBA and the VFA (with the exception related to the groups of insurance contracts not applying the annual cohort requirement). However, the methodology is different for subsequent measurement since the CSM under the VFA absorbs:

- the experience variance of the period generated by underlying items, including the variance on commissions based on these underlying items;
- the consequences of changes in both technical and financial assumptions;
- the effect of changes in financial risks not arising from underlying items (such as options and guarantees).

In order to allow an appropriate pattern of the CSM Release in the statement of profit or loss over the coverage period, consistently with the IFRS 17 definition of the investment-related service, the number of coverage units is determined on the basis of policyholders' mathematical reserves, which are adjusted by considering the expected return of underlying items resulting from Real World ("RW") deterministic assumptions. The main Real World assumptions used by AXA are summarized in Note 12.1.7.

RW assumptions are based on AXA Group's Chief Economist studies that rely on AXA IM's Research and Investment Strategy team for the short term and on academic literature, international organizations (e.g. IMF, World Bank) studies and dedicated structural models for the long term. Then, RW assumptions are reviewed and validated by the Group Economic Assumptions Committee, in charge of determining economic assumptions to be used for a variety of local and Group processes. This Committee is co-chaired by the Group Chief Financial Officer and the Group Chief Risk Officer.

The "risk mitigation" accounting option is applied to some group of contracts and allows to reduce or remove any accounting mismatch arising from the mitigation of financial risks impacting the CSM by using **(i)** derivatives, **(ii)** financial assets measured at fair value through profit and loss, held within shareholders' fund or **(iii)** reinsurance contracts. Under this option, it is allowed (on a prospective basis from the transition date to IFRS 17 as of January 1, 2022) not to adjust the CSM but instead affect the statement of profit or loss for the changes in the FCF and the entity's share in the fair value return on the underlying items that the hedged items are intended to mitigate. This option is allowed only when AXA has previously documented a risk-management objective and strategy for mitigating financial risk. In particular, an economic offset should exist between the insurance contracts and the hedging instruments, and credit risk should not dominate the economic offset. If, and only if, these conditions cease to be subsequently met, the risk mitigation option is stopped (with no restatement of previous adjustments).

1.14.8 Derecognition of insurance contracts

An insurance contract is derecognized from the group of contracts to which it belongs in case of extinguishment, transfer, or a modification of its terms in a such a way that a new contract is recognized in a new group. The derecognition of insurance contracts leads to eliminate their Fulfilment Cash Flows ("FCF") and adjust the Contractual Service Margin ("CSM") of the group of contracts instead of generating a direct and immediate effect in the statement of profit or loss, unless the group of contracts becomes onerous or empty. Depending on the cause of derecognition, the CSM of the group of contracts is adjusted:

- in case of extinguishment of an insurance contract, by the same amount eliminated from the FCF;
- in case of a portfolio transfer to a third party, by the difference between the amount eliminated from the FCF and the premium charged by the third party;
- in case of a modification of insurance contracts (requiring a derecognition followed by a recognition in a new group of contracts), by the difference between the amount eliminated from the FCF and any additional premium charged to the policyholder as a result of the modification. This means that the global adjustments of CSM generated by the modification is split between the initial group of contracts and the new one, depending on the hypothetical premium that the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification.

Finally, if an insurance contract is derecognized because of its transfer to a third party or a modification, the remaining amount previously recognized in Other Comprehensive Income ("OCI") is reclassified in the statement of profit or loss when the Building Block Approach applies but maintained in OCI when the Variable Fee Approach applies.

1.14.9 Reinsurance contracts

The Group assumes and cedes reinsurance in the normal course of business. Assumed reinsurance refers to the Group's acceptance of certain insurance risks that other companies have underwritten leading to the recognition of groups of reinsurance contracts issued. Ceded reinsurance refers to the transfer of insurance risks, along with the related premiums, to other reinsurers who will assume the risks as the Group seeks to reduce the potential amount of loss arising from claims events by reinsuring certain levels of risk underwritten, leading to the recognition of groups of reinsurance contracts held.

Both groups of reinsurance contracts issued and groups of reinsurance contracts held are subject to the Building Block Approach ("BBA") or the Premium Allocation Approach ("PAA") described in the previous paragraphs provided that there is a transfer of significant insurance risk; in any case, they are not eligible for the Variable Fee Approach as they are not insurance contracts with direct participation features. As the specificities of the treaties can affect their classification, each reinsurance contract is subject to a detailed analysis by AXA in order to determine the appropriate accounting treatment.

Whereas the recognition and measurement of reinsurance contracts issued are similar to insurance contracts issued, the reinsurance contracts held have some specificities which are described hereafter.

DATE OF INITIAL RECOGNITION

The recognition of groups of reinsurance contracts held depends on the type of coverage. When the reinsurance contract held provides proportionate coverage, the date of recognition of the group corresponds to the date when any underlying insurance contract is recognized by AXA. When the reinsurance contract held does not provide proportionate coverage, the group of reinsurance contracts is recognized at the earliest of the beginning of the coverage period of the group of underlying insurance contracts and the date when the entity recognizes an onerous group of underlying insurance contracts.

BOUNDARY OF CONTRACT

For reinsurance contracts held, the cash flows are within the boundary of the reinsurance contract if AXA has a substantive right to receive services from the reinsurer or a substantive obligation to pay premiums to the reinsurer. Depending on the relationship between the contract boundary of the direct insurance contracts and that of the reinsurance contracts held, in some cases, the reinsurance treaty might offer protection for underlying insurance contracts that AXA has not issued yet. However, the carrying amount of a reinsurance contract held is nil before any cash flows occur or any service is received.

MEASUREMENT

Similarly to underlying insurance contracts, PAA is used for short term reinsurance coverages, while long term coverages are measured with the BBA.

The measurement of reinsurance contracts held follows a mirroring principle of the underlying insurance contracts leading to estimate the present value of the future cash flows of the reinsurance contract held using assumptions consistent with those used for the underlying insurance contracts. Thus, the reinsurance asset is derived using the same assumptions as those used by AXA for the underlying insurance contracts as these are the ones used to determine the expected reinsurance recoveries. In practice, some reinsurance contracts held by AXA provide cover for underlying contracts that are included in different groups.

However, using consistent assumptions does not imply the use of the same assumptions as those used for measuring the underlying contracts if those assumptions are not valid for the reinsurance contract held. In practice, the use of the same discount rate might not be appropriate, especially if the reinsurance contract is entered into during the coverage period of the underlying contracts. In addition, the cash flows from the reinsurance contract held include an adjustment for the effect of any risk of non-performance by the issuer of the reinsurance contract, including the effects of collateral and losses from disputes.

At inception, the reinsurance coverage, in exchange of a reinsurance premium, is measured as:

- the reinsurer's share of the expected present value of the cash flows generated by the underlying insurance contracts, including an adjustment to reflect the fact that the reinsurer might dispute coverage or fail to satisfy its obligations under the contract (risk of non-performance/counterparty risk); and
- typically a "net cost" (a "net gain" can however occur in some cases), which is in substance a negative Contractual Service Margin ("CSM") corresponding to the cost paid to the reinsurer, depending on the pricing of the reinsurance contract held and assessed independently of the CSM arising from the underlying insurance contracts.

The mechanics of the measurement model are the same for the underlying insurance contracts with the difference that the concept of CSM is replaced by the concept of net cost/ net gain. This net loss or net gain is deferred and released in profit or loss throughout the coverage period, in line with the provision of reinsurance services. However, if the net cost of purchasing reinsurance relates to past events, *i.e.* retrospective reinsurance contracts covering such as adverse development covers for incurred claims, any net cost occurring at inception is immediately recognized in the statement of profit or loss.

Subsequently, at the end of each reporting period, the carrying amount of the net deferred cost or gain for reinsurance contracts held is adjusted to reflect changes in estimates. However, if AXA recognizes losses in the statement of profit or loss on underlying contracts because of adverse changes in estimates of fulfilment cash flows, the corresponding changes in cash inflows for reinsurance contracts held are also recognized in profit or loss and therefore do not adjust the net deferred loss or gain of the group of reinsurance contracts held. As a result, there is no net effect in the profit or loss for the period to the extent that the change in the fulfilment cash flows of the underlying contracts is matched with a change in the fulfilment cash flows on the reinsurance contracts held.

1.15 INVESTMENT CONTRACTS WITH NO DISCRETIONARY PARTICIPATION FEATURES

Liabilities arising from these contracts are financial liabilities within the scope of IFRS 9. They mainly include Unit-Linked contracts that do not meet the definition of insurance contracts or investment contracts with discretionary participation features. For these Unit-Linked contracts, the liabilities are measured at current unit value, *i.e.* on the basis of the fair value of the financial investments backing those contracts at the end of the reporting period together with rights to future management fees, also known as Deferred Origination Costs ("DOC") (refer to paragraph 1.8.2).

In accordance with IFRS 9, these contracts are accounted for using "deposit accounting" (refer to paragraph 1.19.2).

Fees received at inception to cover future services are recognized as liabilities and accounted for in the statement of profit or loss based on the same amortization pattern as the one used for DOC.

1.16 FINANCING DEBT

Financing debt issued to finance the solvency requirements of operational entities or to acquire a portfolio of contracts is isolated in a specific aggregate of the statement of financial position and is accounted for at amortized cost.

1.17 OTHER LIABILITIES

1.17.1 Income taxes

The current income tax expense (benefit) is recorded in the statement of profit or loss on the basis of local tax regulations.

Deferred tax assets and liabilities emerge from temporary differences between the accounting and fiscal values of assets and liabilities, and when applicable from tax loss carry forwards. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to offset the temporary differences taking into account the existence of tax groups and any legal or regulatory requirements on the limits (in terms of amounts or timing) relating to the carry forwards of unused tax credits. The recoverability of deferred tax assets recognized in previous periods is re-assessed at each closing.

In particular, a deferred tax liability is recognized for any taxable temporary difference relating to the value of shares in a consolidated company held, unless the Group controls the date when the temporary difference is reversed and it is probable that the temporary difference will not be reversed in the foreseeable future. If a Group company decides to sell its stake in another consolidated entity, the difference between the carrying value and the tax value of these shares for the company that holds them leads to the recognition of deferred tax (including as part of a business combination when the Group as the buyer intends to sell or carry out internal restructuring of the shares following the acquisition). The same approach applies to dividend payments that have been voted or deemed likely, to the extent that a tax on dividends will be due.

Deferred taxes for taxable temporary differences relating to tax deductible goodwill are recognized to the extent they do not arise from the initial recognition of goodwill. These deferred taxes are only released if the goodwill is impaired or if the corresponding consolidated shares are sold.

The measurement of deferred tax liabilities and deferred tax assets reflects the expected tax impact at the end of the reporting period. That would follow the way the Group expects to recover or settle the carrying amount of its assets and liabilities. When income taxes are calculated at a different rate if dividends are paid, deferred taxes are measured at the tax rate applicable to undistributed profits. The income tax consequences of dividends are only accounted when a liability to pay the dividend is recognized. Deferred tax assets related to the Contractual Service Margin (refer to paragraph 1.14.5.5) are measured at usual local tax rate.

1.17.2 Pensions and other post-retirement benefits

Pensions and other post-retirement benefits: they include the benefits payable to AXA Group employees after they retire (retirement compensation, additional pension benefit, health insurance). In order to meet those obligations, some regulatory frameworks have allowed or enforced the set up of dedicated funds (plan assets).

Defined contribution plans: payments are made by the employer to a third party (*e.g.* pension trusts). These payments free the employer of any further commitment, and the obligation to pay acquired benefits to the employees is transferred. The contributions paid by the employer are recorded as an expense in the statement of profit or loss and no liability needs to be recorded once contributions are made.

Defined benefit plans: an actuarial assessment of the commitments based on each plan's internal rules is performed. The present value of the future benefits paid by the employer, known as the Defined Benefit Obligation ("DBO"), is calculated annually on the basis of long-term projections of rate of salary increase, inflation rate, mortality, staff turnover, pension indexation and remaining service lifetime. The amount recorded in the statement of financial position for defined benefit plans is the difference between the DBO and the fair value of plan assets after the cumulative impact of asset ceiling. If the net result is positive, a provision is recorded under the provision for risks and charges heading. If the net result is negative, a prepaid pension asset is recorded in the statement of financial position but not more than its recoverable amount (asset ceiling principle according to IAS 19). Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in shareholders' equity (via Other Comprehensive Income) in full in the period in which they occur. Similarly, the actual return on assets and any change in asset ceiling, excluding the net interest income on assets, is recognized in shareholders' equity. The regular impact in the statement of profit or loss mainly relates to the current service cost (annually accruing employee benefit) and the net interest on the amount recorded in the opening statement of financial position (unwinding of discount applied to the net liability/asset at start of the annual period, taking into account contributions and benefits payments during the period). Past service cost represents the change in the present value of the DBO resulting from a plan amendment or curtailment to a defined benefit plan. It is recognized totally and immediately in the statement of profit or loss when incurred. Gains and losses on the settlement of a defined benefit plan also have an impact in the statement of profit or loss when the settlement occurs.

It should be noted that, all cumulative past actuarial gains and losses on all employee benefit plans were recognized in retained earnings as of January 1, 2004, the date of the AXA Group's transition to IFRS.

1.17.3 Share-based compensation plans

The Group's share-based compensation plans are predominantly settled in equities.

All equity-settled share-based compensation plans are accounted for at fair value at the date they were granted and the fair value is expensed over the vesting period.

Cash-settled share-based compensation plans are recognized at fair value, which is remeasured at the end of each reporting period with any change in fair value recognized in the statement of profit or loss.

The AXA *Shareplan* issued under a specific French regulatory framework includes a traditional and a leveraged formula (with an application subject to specific local regulations within the Group).

1.18 PROVISIONS FOR RISKS, CHARGES AND CONTINGENT LIABILITIES

1.18.1 Restructuring costs

Restructuring provisions, other than those that may be recognized in the statement of financial position of an acquired company on the acquisition date, are recorded when the Group has a present obligation evidenced by a binding sale agreement or a detailed formal plan whose main features are announced to those affected or their representatives.

1.18.2 Other provisions and contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when the provision can be reliably estimated. Provisions are not recognized for future operating losses. The same applies to contingent liabilities, except if identified at the time of a business combination (refer to paragraph 1.3.2).

Provisions are measured at management's best estimate, at the end of the reporting period, of the expenditure required to settle the obligation, discounted at the market risk-free rate of return for long term provisions.

1.19 REVENUES FROM ALL ACTIVITIES

1.19.1 Insurance revenue

The insurance revenue reflects the insurance contract services provided by AXA over the period, which is derived from the reduction in the liability for remaining coverage ("LRC") during the reporting period, subject to corrections (adjustment of premiums, loss components) and excluding investment components (*i.e.* amounts to be paid to a policyholder even if an insured event does not occur).

However, the way these changes are reflected in the insurance revenue differs by measurement model.

For the contracts measured under the Premium Allocation Approach ("PAA"), the insurance revenue corresponds to the amount of expected insurance coverage during the period (or passage of time if not significantly different), excluding any investment components.

For the contracts measured under the Building Block Approach ("BBA") and the Variable Fee Approach ("VFA"), the insurance revenue corresponds to the release of the LRC, depending on the quantity of provided services, and an allocation of insurance acquisition cash flows (refer to paragraph 1.14.5.5).

In substance, the amounts related to the provision of insurance contract services include:

- the expected claims, including expenses other than insurance acquisition cash flows, but excluding those not contributing to the fulfilment of insurance contracts (*i.e.* non-attributable expenses);
- the release of the risk adjustment for non-financial risk;
- the allocation of the Contractual Service Margin ("CSM") to the period.

The allocation of insurance acquisition cash flows represents the portion of premiums that corresponds to the recovering of those cash flows to each reporting period in a systematic way based on the passage of time, the same amount being recognized as insurance service expenses. This mechanism enables to add back the part of the premium corresponding to the coverage of insurance acquisition cash flows. This means that insurance acquisition cash flows are not recognized in the statement of profit or loss when the acquisition cash flows occur but when the CSM is released.

1.19.2 Fees and loadings from investment contracts with no discretionary participation features

Deposit accounting applies to investment contracts with no discretionary participation features (refer to paragraph 1.15). As a result, amounts collected as premiums are reported as deposits net of any loadings and policy fees. Revenues from these contracts consist of loadings and policy fees relating to underwriting, investment management, administration and surrender of the contracts during the period. Front-end fees collected corresponding to future services are recognized over the estimated life of the contract.

1.19.3 Revenues from other activities

Revenues from other activities mainly include:

- commissions and fees received for services relating to Asset Management activities. As the asset management entities of the Group deliver investment management services to their clients, revenue arising from these services may theoretically occur over-time, with a time-based measure of progress, the

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service being provided continuously over the contract period. However, IFRS 15 - Revenue from Contracts with Customers states that revenue is recognized only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. As a result, as management fees and performance fees received by the Group are generally calculated based on a percentage of assets under management, they are regarded as variable considerations subject to market volatility, and therefore recognized only when uncertainty is removed;

- assistance services revenues from AXA Assistance;
- net revenues from banking activities. They comprise all revenues and expenses from banking operations, including interest expenses not related to financing, banking fees, capital gains and losses on sales of financial assets, changes in the fair value of assets under the fair value option and related derivatives. On the other hand, they exclude bank operating expenses and change in bad debt provisions, doubtful receivables or loans, which are recorded in "Bank operating expenses"; and
- insurance companies revenues from non-insurance activities, notably commissions received on the sales or distribution of financial products.

1.20 EXPENSES FROM ALL ACTIVITIES

1.20.1 Insurance service expenses

Insurance service expenses arising from groups of contracts issued by AXA are recognized in the statement of profit or loss as they are incurred, excluding amounts allocated to refunds of premiums and payment of policy loans. Symmetrically to insurance revenue, the payments relating to investment components are excluded from insurance service expenses.

All insurance service expenses correspond to actual cash outflows within the boundary of contracts identified when projecting and calculating the present value of future cash flows (refer to paragraph 1.14.5). These cash flows are:

- those that relate directly to the fulfilment of insurance contract; and
- those over which AXA has discretion over the amount or timing. In this respect, the change in discretionary cash flows is determined at inception of the contract (*e.g.* by identifying the minimum guarantees and defining its profit-sharing policy).

1.20.2 Net expenses from reinsurance contracts held

In the consolidated statement of profit or loss, net expenses from reinsurance contracts held (net income in some cases) are presented separately from the insurance service expenses and included in a single aggregate, corresponding to the net between reinsurance service expenses and amounts recovered from the reinsurers.

1.20.3 Expenses from other activities

The expenses from other activities include the acquisition costs of investment contracts with no discretionary participation features, as well as the expenses that are the twin of revenues from other activities, namely acquisition costs and administrative expenses relating to other non-insurance activities (*i.e.* those incurred by insurance entities, assistance services, asset management entities and holding entities), and bank operating expenses.

1.21 FINANCIAL RESULT (EXCLUDING FINANCING DEBT EXPENSES)

1.21.1 Investment return

The investment return recognized through profit or loss consists of:

- net investment income from investments other than from banking activities, including the cost of investment activities not included in the fulfilment cash flows (*i.e.* those not performed for the benefit of policyholders), net of interest expenses, depreciation expense and impairment related to real estate investments; this item includes interest received calculated using the effective interest method for debt instruments and dividends received on equity instruments;
- realized gains and losses relating to investments at amortized cost and at fair value through other comprehensive income (with recycling), net of releases of impairment following sales;
- net realized gains and losses and change in fair value of investments at fair value through profit or loss; and
- change in impairment on investments.

In respect of banking activities, interest income and expenses are included in the "Revenues from other activities".

1.21.2 Net finance income or expenses from insurance and reinsurance contracts held

Net finance income or expenses from insurance and reinsurance contracts is presented in the AXA consolidated statement of profit or loss with a split between insurance contracts issued and reinsurance contracts held.

This aggregate comprises the changes in the carrying amount of the groups of contracts that relate to financial risk arising from both **(i)** the effect of the time value of money and changes in the time value of money, **(ii)** the effect of financial risk and changes in financial risk (*i.e*. effect of changes in discount rates, exchange rate, the time value of options and guarantees).

However, the option to disaggregate insurance (and reinsurance) financial income or expense between the consolidated statement of profit or loss and the Other Comprehensive Income ("OCI") is applied by AXA in order to limit the volatility in profit or loss (considering that many of the supporting financial assets are measured at fair value through OCI under IFRS 9).

Under this option, for contracts without direct participation features, the difference between the valuation of the liabilities at locked-in rates (used for the unwind in the finance income or expenses) and their valuation at current rates is recognized by AXA in OCI. In the same way, when changes in liabilities arise from a contractual link (indexation) between inflation and the payments to policyholders, the changes due to inflation that relate to future services shall also be considered as resulting from a financial risk and therefore are recognized by AXA through OCI with a release over the duration of the payments to the policyholders. The amount included in the consolidated statement of profit or loss is determined by a systematic allocation of the expected total insurance (and reinsurance) finance income or expenses over the duration of the group of contracts. This systematic allocation is based on the characteristics of the contracts, depending on whether the changes in assumptions relating to financial risk have a substantial effect on the amount paid to the policyholder or not:

- when the changes in financial risk assumptions do not have a substantial effect on amounts paid to the policyholders, the systematic allocation is determined using the discount rates at the date of initial recognition of the groups of contracts measured with the Building Block Approach and at the date of the incurred claims for groups of contracts applying the Premium Allocation Approach;
- when the changes in financial risk assumptions do have a substantial effect on amounts paid to the policyholder, the systematic allocation is determined by using a rate that allocates the remaining revised expected finance income or expenses over the remaining duration of the group of contracts at a constant rate (*i.e*. the effective yield approach) or a crediting rate based on the amounts credited to the policyholders in the period and expected to be credited in future periods (*i.e*. the projected crediting approach).

AXA also applies the OCI option for direct participating contracts. It consists in recognizing in finance income or expenses (with OCI as a balance) an amount that exactly matches the income or expenses included in profit or loss on the underlying items held, resulting in the net of the separately presented items being nil. However, a negative accounting mismatch in OCI structurally occurs as some underlying items, notably investments in real estate properties, are accounted for at amortized cost by AXA, with therefore no recognition of unrealized gains and losses in shareholders' equity while these unrealized gains and losses are included in the value of the contracts with a corresponding opposite effect in OCI.

1.22 OTHER INCOME AND EXPENSES

Other income and expenses notably include other insurance expenses, which correspond to overheads assessed as being not attributable to the fulfilment of insurance contracts (refer to paragraph 1.14.5), but exclude expenses from other activities (refer to paragraph 1.20.3).

1.23 SUBSEQUENT EVENTS

Subsequent events relate to events that occur between the end of the reporting period date and the date when the financial statements are authorized for issue:

- such events lead to an adjustment of the Consolidated Financial Statements if they provide evidence of conditions that existed at the end of the reporting period;
- such events result in additional disclosures if indicative of conditions that arose after the end of the reporting period, and if relevant and material.

Note 2 Scope of consolidation

2.1 CONSOLIDATED COMPANIES

2.1.1 Main fully consolidated companies

	Change in scope	December 31, 2023 Voting rights percentage	December 31, 2023 Group share of interests	December 31, 2022 Voting rights percentage	December 31, 2022 Group share of interests
AXA SA and Other Holdings					
AXA SA		Parent company		Parent company	
CFP Management		100.00	100.00	100.00	100.00
AXA Group Operations SAS		100.00	100.00	100.00	100.00
Société Beaujon		100.00	100.00	100.00	100.00
AXA China		100.00	100.00	100.00	100.00
AXA Asia		100.00	100.00	100.00	100.00
France					
AXA France IARD		100.00	100.00	99.92	99.92
AXA France Vie		100.00	100.00	99.77	99.77
AXA Protection Juridique		98.52	98.51	98.52	98.44
Avanssur		100.00	99.81	100.00	99.81
AXA France Participations		100.00	100.00	100.00	100.00
AXA Banque		100.00	100.00	100.00	99.89
AXA Banque Financement		65.00	65.00	65.00	64.93
Europe					
Germany					
AXA Versicherung AG		100.00	100.00	100.00	100.00
AXA Lebensversicherung AG		100.00	100.00	100.00	100.00
Deutsche Ärzteversicherung		100.00	100.00	100.00	100.00
AXA Krankenversicherung AG		100.00	100.00	100.00	100.00
Kölnische Verwaltungs AG für Versicherungswerte		100.00	100.00	100.00	100.00
AXA Konzern AG		100.00	100.00	100.00	100.00
Roland Rechtsschutz-Versicherungs-AG		60.00	60.00	60.00	60.00
United Kingdom & Ireland					
Guardian Royal Exchange Plc		100.00	100.00	100.00	100.00
AXA UK Plc		100.00	100.00	100.00	100.00
AXA Insurance UK Plc		100.00	100.00	100.00	100.00
AXA PPP Healthcare Limited		100.00	100.00	100.00	100.00
AXA Insurance Limited		100.00	100.00	100.00	100.00
AXA Life Europe DAC		100.00	100.00	100.00	100.00
Laya Healthcare Limited		100.00	100.00	0.00	0.00
Spain					
AXA Seguros Generales, S.A.		99.93	99.93	99.93	99.93
AXA Aurora Vida, S.A. de Seguros		99.86	99.86	99.86	99.86
GACM España, S.A.U.		100.00	99.93	0.00	0.00

	Change in scope	December 31, 2023		December 31, 2022	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
Switzerland					
AXA Leben AG		100.00	100.00	100.00	100.00
AXA-ARAG Rechtsschutz AG		66.67	66.67	66.67	66.67
AXA Versicherungen AG		100.00	100.00	100.00	100.00
Italy					
AXA Assicurazioni e Investimenti		100.00	100.00	100.00	100.00
AXA MPS Vita		50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
AXA MPS Danni		50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
AXA MPS Financial		100.00	50.00	100.00	50.00
Belgium and Luxembourg					
AXA Belgium SA		100.00	100.00	100.00	100.00
AXA Holdings Belgium		100.00	100.00	100.00	100.00
Yuzzu SA		100.00	100.00	100.00	100.00
AXA Assurances Luxembourg		100.00	100.00	100.00	100.00
AXA Assurances Vie Luxembourg		100.00	100.00	100.00	100.00
AXA Luxembourg SA		100.00	100.00	100.00	100.00
AXA XL					
AXA XL (sub group) [(a)]		100.00	100.00	100.00	100.00
Asia, Africa & EME-LATAM					
National Mutual International Pty Ltd.		100.00	100.00	100.00	100.00
AXA Mediterranean Holdings SA		100.00	100.00	100.00	100.00
Japan					
AXA Holdings Japan		98.70	98.70	98.70	98.70
AXA Life Insurance		100.00	98.70	100.00	98.70
AXA General Insurance Co. Ltd.		100.00	98.70	100.00	98.70
AXA Direct Life Insurance Co. Ltd.		100.00	98.70	100.00	98.70
Hong Kong					
AXA China Region Limited		100.00	100.00	100.00	100.00
AXA General Insurance Hong Kong Ltd.		100.00	100.00	100.00	100.00
China					
AXA Tianping		100.00	100.00	100.00	100.00
Indonesia					
MLC Indonesia		100.00	100.00	100.00	100.00
Thailand					
AXA Insurance Public Company Limited		99.47	86.35	99.47	86.35
South Korea					
AXA General Insurance Co. Ltd.		99.73	99.73	99.71	99.71
Colombia					
AXA Colpatria Seguros		51.00	51.00	51.00	51.00
AXA Colpatria Seguros de vida		51.00	51.00	51.00	51.00

(a) AXA XL mainly operates in the United States, the United Kingdom, France, Germany, Australia, Switzerland, Netherlands, Italy, Spain, Bermuda and Canada.

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	Change in scope	December 31, 2023		December 31, 2022	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
Morocco					
AXA Assurance Maroc		100.00	100.00	100.00	100.00
AXA Al Amane Assurance		100.00	100.00	100.00	100.00
AXA Holding Maroc S.A.		100.00	100.00	100.00	100.00
Türkiye					
AXA Hayat ve Emeklilik A.S.		100.00	100.00	100.00	100.00
AXA Sigorta AS		93.03	93.03	92.61	92.61
AXA Turkey Holding W.L.L		100.00	100.00	100.00	100.00
Mexico					
AXA Seguros S.A. de C.V.		100.00	100.00	100.00	100.00
AXA Salud S.A. de C.V.		80.00	80.00	80.00	80.00
Singapore					
AXA Financial Services Singapore pte Ltd.		100.00	100.00	100.00	100.00
India					
AXA India Holding		100.00	100.00	100.00	100.00
Nigeria					
AXA Mansard Insurance Plc (Nigeria)		76.48	76.48	76.48	76.48
Brazil					
AXA Seguros S.A.		100.00	100.00	100.00	100.00
Other					
AXA Investment Managers (sub group)		97.50	97.50	97.52	97.51
AXA Assistance SA (sub group)		100.00	100.00	100.00	100.00
Colisée Ré		100.00	100.00	100.00	100.00
Architas, Ltd.		100.00	100.00	100.00	100.00

CONSOLIDATED INVESTMENT FUNDS AND REAL ESTATE COMPANIES

As of December 31, 2023, investment funds represented a total of €132,208 million invested assets (€129,182 million at the end of 2022), corresponding to 337 investment funds mainly in Switzerland, France, Japan and Belgium.

In most investment funds (particularly open-ended investment funds), minority interests are presented as liabilities under "Minority interests of consolidated investment funds". As of December 31, 2023, minority interests in consolidated investment funds amounted to €7,593 million, (€6,400 million as of December 31, 2022). Minority interests related to consolidated investment funds and real estate companies that are classified in shareholder's equity amounted to €1,543 million as of December 31, 2023 (€1,842 million as of December 31, 2022).

As of December 31, 2023, 29 consolidated real estate companies corresponded to a total of €17,490 million invested assets (€17,968 million as of December 31, 2022) mainly in Germany, France and Japan.

MAIN SUBSIDIARY WITH MINORITY INTERESTS

As of December 31, 2023, AXA MPS is the main subsidiary (other than investment funds and real estate companies) with minority interests. Summarized financial information of AXA MPS was as follows (including AXA and external share but excluding goodwill related to AXA's holdings and before intercompany eliminations with other companies of the Group):

(in Euro million)	December 31, 2023 AXA MPS	December 31, 2022, restated AXA MPS
Net consolidated income – Minority interests	79	84
Minority interests	952	959
Dividends paid to minority interests	(115)	(105)
Cash & Cash equivalents	748	339
Total investments	25,245	26,689
Other assets	1,528	1,850
Total assets	**27,521**	**28,878**
Liabilities arising from insurance & investment contracts	24,857	26,036
Other Liabilities	25,616	26,960
Total liabilities (excluding shareholder's equity)	**25,616**	**26,960**
Revenues	537	599
Net income – 100%	**158**	**168**
Other Comprehensive Income – 100%	53	(86)
Total Comprehensive Income – 100%	**211**	**82**

Excluding minority interests related to consolidated investment funds and real estate companies that are classified in shareholders' equity, these minority interests represent 57% (€987 million) of minority interests of the Group as of December 31, 2023 (59% or €993 million as of December 31, 2022).

2.1.2 Main investments in companies accounted for using the equity method

Companies accounted for using the equity method listed below exclude investment funds and real estate entities:

		December 31, 2023		December 31, 2022	
	Change in scope	Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Neuflize Vie		39.98	39.98	39.98	39.98
Asia, Africa & EME-LATAM					
Philippines AXA Life Insurance Corporation		45.00	45.00	45.00	45.00
Krungthai AXA Life Insurance Company Ltd. (Thailand)		50.00	50.00	50.00	50.00
ICBC-AXA Life Insurance Co., Ltd. (China)		27.50	27.50	27.50	27.50
PT AXA Mandiri Financial Services (Indonesia)		49.00	49.00	49.00	49.00
Reso Garantia (Russia)		38.61	38.61	38.61	38.61
Bharti AXA Life (India)		49.00	49.00	49.00	49.00
Other					
Capza (Asset Management - France)		65.74	64.10	66.09	65.45
Kyobo AXA Investment Managers Company Limited (South Korea)		50.00	48.75	50.00	48.75
AXA SPDB Investment Managers Company Ltd. (China)		39.00	38.02	39.00	38.03

INVESTMENT FUNDS AND REAL ESTATE ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD

As of December 31, 2023, real estate companies accounted for using the equity method amounted to €1,597 million invested assets (€1,424 million as of December 31, 2022) and investment funds accounted for using the equity method amounted to €9,345 million invested assets (€8,936 million as of December 31, 2022), mainly in France, AXA XL and United Kingdom.

2.2 UNCONSOLIDATED STRUCTURED ENTITIES

Structured entities are entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when relevant activities are directed by means of contractual arrangements. Structured entities often have a narrow and well-defined objective or restricted activities.

The Group does not hold significant interests in unconsolidated insurance/reinsurance structured entities.

Furthermore, given its insurance business, the Group holds direct investments in corporates of various sectors, such as debt instruments, equity securities and loans. These investments are not designed to be done in structured entities and the whole Group's exposure is reflected on the consolidated balance sheet.

In addition, the Group holds interests in investment funds including real estate companies. Some of these funds are fully consolidated or accounted for using the equity method (see Note 2.1.). Other funds are not consolidated because they are not controlled or under significant influence. By nature, and notably because of the power of decision usually given to the asset managers (internal or external to AXA), most of these funds are structured entities.

As investor, AXA's interests in unconsolidated funds are limited to the investments held. These ones are fully recognized in the consolidated balance sheet. Depending on the nature of its investment, AXA receives interests or dividends and can realize capital gains or losses in case of sale. These investments are subject to impairment testing as any financial asset.

The Group's asset manager companies also receive fees for the services they provide when they manage investment funds. Some unconsolidated funds managed by the Group are partially or fully held by external investors.

Information on these unconsolidated investment funds are provided in different sections of this Annual Report:

- Section 1.1 "Key figures": AXA's total assets under management including assets managed on behalf of third parties;
- Section 2.3 "Activity Report";
- Section 6.6 "Notes to the Consolidated Financial Statements":
  - Note 7 "Investments" with the breakdown of investments and detail on non-consolidated investment funds in Note 7.8,
  - Note 20 "Net investment result excluding financing expenses".

Note 3 Consolidated statement of profit or loss by segment

AXA's Chief Executive Officer (CEO), acting as chief operating decision maker, is a member of the Board of Directors. He is assisted by a Management Committee in the operational management of the Group and by a group of senior executives, the Partners Group, in developing and implementing any strategic initiatives. The financial information related to AXA's business segments and holding companies reported to the Board of Directors twice a year is consistent with the presentation provided in the Consolidated Financial Statements.

The results of operating activities and non-operating activities are presented on the basis of six segments: France, Europe, AXA XL, Asia, Africa & EME LATAM, AXA Investment Managers, and Transversal & Other.

As of December 31, 2023, the CEOs supervising the main hubs (respectively CEO of AXA France, CEO of AXA in Europe, CEO of AXA XL, CEO of AXA International Markets, and CEO of AXA Investment Managers) are members of the Management Committee.

Key transversal entities and Central Holdings are managed alongside these hubs.

France: the French market consists of Life & Health and Property & Casualty activities, AXA Banque France and French holdings.

Europe: the European market consists of Life & Health and Property & Casualty activities in Switzerland, Germany, Belgium & Luxembourg, Spain, Italy, United Kingdom & Ireland as well as Life activities in AXA Life Europe. The holding companies in these countries are also included.

AXA XL: the AXA XL market mainly consists of Property & Casualty activities in XL Group, operating mainly in the United States, the United Kingdom, France, Germany, Australia, Switzerland, Netherlands, Italy, Spain, Bermuda and Canada. The holding companies are also included.

Asia, Africa & EME-LATAM:

The Asian market consists of Life & Health and Property & Casualty activities in Japan, Hong Kong , the Philippines, Thailand and China, Life & Health activities in Indonesia and India as well as Property & Casualty and Health activities in South Korea. The holding company in Japan and the other Asia holdings are also included.

The African market consists of Life & Health and Property & Casualty activities in Morocco and Nigeria. The holding companies in these countries are also included.

The EME – LATAM market consists of Life & Health and Property & Casualty activities in Colombia, Mexico and Türkiye, Property & Casualty activities in Brazil and Russia. The holding company in Brazil, Türkiye and other holding companies are also included.

AXA Investment Managers: the AXA Investment Managers market includes the asset management activity.

Transversal & Other: it includes transversal entities namely AXA Assistance, AXA Liabilities Managers, AXA SA (including Group's internal reinsurance activities, which was merged with AXA SA at June 30, 2022), and other Central Holdings.

The intersegment eliminations include only operations between entities from different countries and operating activities. They mainly relate to reinsurance treaties, assistance guarantees recharging, asset management fees and interests on loans within the Group.

In this document, "Insurance" covers the two insurance activities: Life & Health and Property & Casualty.

	December 31, 2023							
(in Euro million)	France	Europe	AXA XL	Asia, Africa & EME-LATAM	AXA IM	Trans-versal & Other	Inter-segment Elimi-nations	Total
Insurance revenue	21,140	30,206	18,171	10,888	-	1,489	(1,004)	80,889
Fees and charges relating to investment contracts with no discretionary participation features	1	168	-	66	-	-	-	234
Revenues from other activities	114	173	88	37	1,876	999	(784)	2,503
Revenues from all activities	**21,254**	**30,546**	**18,260**	**10,991**	**1,876**	**2,488**	**(1,788)**	**83,627**
Insurance service expenses	(18,532)	(27,928)	(14,278)	(10,305)	-	(1,534)	896	(71,681)
Net expenses from reinsurance contracts held	(446)	(256)	(2,084)	373	-	111	25	(2,276)
Expenses from other activities	(182)	(246)	(45)	(47)	(1,441)	(2,273)	907	(3,327)
Expenses from all activities	**(19,160)**	**(28,429)**	**(16,407)**	**(9,979)**	**(1,441)**	**(3,696)**	**1,828**	**(77,284)**
Result from all activities	**2,094**	**2,117**	**1,852**	**1,012**	**434**	**(1,207)**	**40**	**6,343**
Investment return	**5,793**	**6,693**	**1,022**	**4,192**	**74**	**415**	**(434)**	**17,755**
Net finance income or expenses from insurance contracts issued	(5,531)	(5,267)	(565)	(3,139)	-	2	0	(14,500)
Net finance income or expenses from reinsurance contracts held	161	(14)	152	(24)	-	(5)	0	270
Net finance income or expenses from insurance and reinsurance contracts	**(5,370)**	**(5,280)**	**(413)**	**(3,164)**	**-**	**(3)**	**1**	**(14,230)**
Financial result excluding financing debt expenses	**423**	**1,412**	**609**	**1,028**	**74**	**412**	**(433)**	**3,525**
Other income and expenses [(a)]	(287)	(391)	(322)	(111)	(68)	548	(18)	(649)
Change in impairment on goodwill and other intangible assets	-	-	(1)	-	-	-	-	(1)
Other operating income and expenses	**(287)**	**(391)**	**(324)**	**(111)**	**(68)**	**548**	**(18)**	**(650)**
Operating profit before tax	**2,230**	**3,138**	**2,138**	**1,930**	**440**	**(247)**	**(411)**	**9,218**
Income (net of impairment) from investments accounted for using the equity method	10	(5)	-	244	28	-	-	277
Financing debts expenses	(11)	(18)	(51)	(21)	(17)	(902)	412	(609)
Profit before tax	**2,229**	**3,115**	**2,087**	**2,152**	**451**	**(1,150)**	**1**	**8,886**
Income tax	(367)	(511)	(358)	(379)	(114)	217	(1)	(1,513)
Net income	**1,862**	**2,604**	**1,729**	**1,773**	**337**	**(933)**	**-**	**7,373**
Split between:								
Net income – Group share	**1,862**	**2,493**	**1,729**	**1,712**	**326**	**(933)**	**-**	**7,189**
Net income – Minority interests	0	111	0	62	11	0	-	184

(a) Included the impact of IAS29 standard application related to hyperinflation in Türkiye for €-39 million (€-37 million Group share).

	December 31, 2022, restated							
(in Euro million)	France	Europe	AXA XL	Asia, Africa & EME-LATAM	AXA IM	Trans-versal & Other	Inter-segment Elimi-nations	Total
Insurance revenue	22,018	28,306	19,120	10,339	-	1,349	(683)	80,449
Fees and charges relating to investment contracts with no discretionary participation features	1	187	-	87	-	-	-	275
Revenues from other activities	237	186	78	30	1,911	973	(754)	2,660
Revenues from all activities	**22,256**	**28,679**	**19,197**	**10,455**	**1,911**	**2,322**	**(1,437)**	**83,384**
Insurance service expenses	(20,683)	(26,430)	(17,202)	(9,170)	-	(1,749)	766	(74,469)
Net expenses from reinsurance contracts held	(212)	(271)	(715)	(315)	-	385	60	(1,068)
Expenses from other activities	(183)	(241)	(45)	(81)	(1,338)	(2,190)	792	(3,288)
Expenses from all activities	**(21,078)**	**(26,942)**	**(17,962)**	**(9,567)**	**(1,338)**	**(3,554)**	**1,617**	**(78,824)**
Result from all activities	**1,178**	**1,737**	**1,235**	**889**	**573**	**(1,233)**	**181**	**4,559**
Investment return	**(2,372)**	**200**	**911**	**532**	**(17)**	**229**	**(338)**	**(855)**
Net finance income or expenses from insurance contracts issued	2,918	1,508	(670)	184	-	(70)	0	3,870
Net finance income or expenses from reinsurance contracts held	56	(8)	256	34	-	53	1	394
Net finance income or expenses from insurance and reinsurance contracts	**2,974**	**1,501**	**(414)**	**218**	**-**	**(17)**	**1**	**4,264**
Financial result excluding financing debt expenses	**602**	**1,700**	**497**	**751**	**(17)**	**213**	**(337)**	**3,409**
Other income and expenses [(a)] [(b)]	(175)	(265)	(344)	(109)	(63)	432	(60)	(584)
Change in impairment on goodwill and other intangible assets	-	-	-	-	-	-	-	-
Other operating income and expenses	**(175)**	**(265)**	**(344)**	**(109)**	**(63)**	**432**	**(60)**	**(584)**
Operating profit before tax	**1,604**	**3,173**	**1,388**	**1,531**	**493**	**(588)**	**(216)**	**7,384**
Income (net of impairment) from investments accounted for using the equity method	13	(0)	-	(192)	30	-	-	(149)
Financing debts expenses	(4)	(10)	(84)	(19)	18	(769)	217	(652)
Profit before tax	**1,614**	**3,162**	**1,305**	**1,320**	**540**	**(1,357)**	**1**	**6,583**
Income tax	(405)	(653)	(289)	(287)	(128)	385	(1)	(1,376)
Net income	**1,209**	**2,509**	**1,016**	**1,033**	**412**	**(972)**	**-**	**5,207**
Split between:								
Net income – Group share	**1,206**	**2,407**	**1,016**	**1,005**	**399**	**(972)**	**-**	**5,061**
Net income – Minority interests	3	102	(0)	28	14	(0)	-	146

(a) Includes the impact related to the disposal process of a General Account portfolio in Belgium.
(b) Includes the effect of applying IAS29 standard related to hyperinflation in Türkiye for €-34 million (€-32 million Group share)

Note 4 Financial and insurance Risk Management

All of the following paragraphs form an integral part of the Group financial statements. They appear in Section 5 "Risk Factors and Risk Management" and Section 2.4 "Liquidity and capital Resources" of this Annual Report.

4.1 RISK MANAGEMENT ORGANIZATION

Please refer to pages 258 to 263 of Section 5.2 "Internal control and Risk Management" subsections "Lines of defense organization", "Financial reporting, disclosure, controls and procedures" and "Conclusion".

4.2 MARKET RISKS (INCLUDING SENSITIVITY ANALYSIS)

As a complement to information below, please refer to pages 272 to 277 of Section 5.3 "Market risks", subsection "Interest rates, equity and real estate risks related to the operating activities of Group subsidiaries", as well as the subsection "Exchange-rate risk related to the operating activities of Group subsidiaries", providing sensitivity analyses based on shareholders' equity and underlying earnings Group share.

Sensitivity analyses presented below highlight how the Eligible Own Funds (EOF) net of tax and the Contractual Service Margin (CSM) pre-tax are affected by changes in the following risk variables that are used to manage risks arising from contracts within the scope of IFRS 17 and Solvency II. These sensitivity analyses were calculated as follows:

- **upward/downward shift of 50 basis points in reference rates** simulates an instantaneous shock to the initial risk free rate conditions. This means changes to **(i)** the current market values of fixed-interest assets, with possible changes related to projected capital gains/losses and/or fee revenues, **(ii)** future reinvestment rates for all asset classes, and **(iii)** discount rates. The change is applied to the reference interest rates, including the volatility adjuster (for EOF) or the liquidity premium (for CSM). Inflation rates, the volatility on interest rates and the Ultimate Forward Rates are not changed;
- **upward/downward shift of 50 basis points in corporate spread** is an instantaneous change in credit spreads at year-end conditions applicable to all corporate bonds asset classes and associated derivatives;
- **25% higher/lower value of equity markets** simulates an instantaneous shock to the initial conditions for listed equities (including equity hedges) and private equity. This means changes to current market values of all these equities excluding hedge funds, with related possible changes to projected capital gains/losses and/or fee revenues;
- **10% higher/lower value of real estate** simulates an instantaneous shock to the initial conditions for real estate with possible changes related to projected capital gains/losses and/or fee revenues.

The impacts of these shocks are assessed independently, without factoring any cross effect or correlation between them.

Life & Health EOF sensitivities	2023 EOF (in Euro billion)	2023 EOF (in percentage)	2022 EOF (in Euro billion)	2022 EOF (in percentage)
Closing amount	**43.5**	**100%**	**43.7**	**100%**
Interest rates +50 bps	0.4	1%	1.0	2%
Interest rates -50 bps	(1.0)	(2%)	(1.4)	(3%)
Equity markets +25%	2.7	6%	2.6	6%
Equity markets -25%	(2.7)	(6%)	(2.6)	(6%)
Real estate +10%	1.0	2%	1.1	3%
Real estate -10%	(1.1)	(2%)	(1.2)	(3%)

Property & Casualty EOF sensitivities	2023 EOF (in Euro billion)	2023 EOF (in percentage)	2022 EOF (in Euro billion)	2022 EOF (in percentage)
Closing amount	**30.8**	**100%**	**30.0**	**100%**
Interest rates +50 bps	(0.2)	(1%)	0.1	0%
Interest rates -50 bps	(0.2)	(1%)	(0.2)	(1%)
Equity markets +25%	1.5	5%	1.2	4%
Equity markets -25%	(1.5)	(5%)	(1.1)	(4%)
Real estate +10%	0.9	3%	0.9	3%
Real estate -10%	(0.9)	(3%)	(0.9)	(3%)

CSM sensitivities	2023 CSM (in Euro billion)	2023 CSM (in percentage)	2022 CSM, restated (in Euro billion)	2022 CSM, restated (in percentage)
Closing amount	**34.0**	**100%**	**33.5**	**100%**
Interest rates +50 bps	0.0	0%	0.1	0%
Interest rates -50 bps	(0.3)	(1%)	(0.3)	(1%)
Corporate spread +50 bps	(0.8)	(2%)	(0.9)	(3%)
Corporate spread -50 bps	0.7	2%	0.8	2%
Equity markets +25%	1.8	5%	N/A	N/A
Equity markets -25%	(1.9)	(6%)	N/A	N/A
Real estate +10%	0.5	1%	N/A	N/A
Real estate -10%	(0.5)	(1%)	N/A	N/A

4.3 CREDIT RISK

Please refer to pages 278 to 281 of Section 5.4 “Credit risk” subsections “Invested assets: A central monitoring of counterparty exposure”, “Credit derivatives”, “Counterparty risk arising from over-the-counter (OTC) derivatives”, “Receivables from reinsurers: rating processes and factors”, “Credit exposure stemming from insurance and assumed reinsurance businesses” and “Bank credit activities”.

4.4 INSURANCE RISK

As a complement to information below, please refer to pages 283 to 286 of Section 5.6 "Insurance risks", subsections "Product approval", "Exposure Analysis and risk assessment", "Ceded Reinsurance" and "Insurance liabilities".

For Life & Health business, the sensitivities of the EOF to policyholders lapses, expenses, annuity business mortality, and life business mortality were calculated as follows:

- **Policyholder lapses decreasing by 10%** means that policyholders are retained longer;
- **Expenses decreasing by 10%** applies to all future expenses other than commission and commission-related expenses (for example, agency manager payments that are a percentage of agent commissions) and investment expenses;
- **Mortality decreasing by 5%** reflects the impact of a 5% lower mortality rate.

Life & Health EOF insurance risk sensitivities	2023 EOF *(in Euro billion)*	2023 EOF *(in percentage)*	2022 EOF *(in Euro billion)*	2022 EOF *(in percentage)*
Closing amount	**43.5**	**100%**	**43.7**	**100%**
Policyholders lapses -10%	0.9	2%	0.9	2%
Expenses -10%	1.3	3%	1.2	3%
Annuity business mortality -5%	(0.2)	(0%)	(0.2)	(0%)
Life business mortality -5%	0.4	1%	0.4	1%

For Property & Casualty business, the sensitivity of IFRS Profit before tax to a change in combined ratio by 1 point was €523 million for 2023 and €508 million for 2022.

4.5 LIQUIDITY AND CAPITAL RESOURCES

Please refer to pages 60 to 66 of Section 2.4 "Liquidity and capital resources" subsections "Liquidity, sources and needs for Group operating entities", "Liquidity position", "Uses of funds", "Impact of regulatory requirements" and "Subsequent event after December 31, 2023 impacting AXA's liquidity".

Note 5 Goodwill

5.1 GOODWILL

An analysis of goodwill by cash generating unit is presented in the table below:

	December 31, 2023			December 31, 2022		
	Gross value	Accumulated impairment	Net value	Gross value	Accumulated impairment	Net value
France	**225**	**-**	**225**	**225**	**-**	**225**
France Life & Savings	57	-	57	57	-	57
France Property & Casualty	168	-	168	168	-	168
Europe	**5,945**	**-**	**5,945**	**5,372**	**-**	**5,372**
Switzerland Life & Savings	196	-	196	185	-	185
Switzerland Property & Casualty	263	-	263	247	-	247
Germany Life & Savings	170	-	170	190	-	190
Germany Property & Casualty	1,001	-	1,001	992	-	992
Belgium & Luxembourg Life & Savings	299	-	299	299	-	299
Belgium & Luxembourg Property & Casualty	585	-	585	585	-	585
UK & Ireland Property & Casualty	1,592	-	1,592	1,087	-	1,087
Spain Life & Savings	403	-	403	393	-	393
Spain Property & Casualty	655	-	655	613	-	613
Italy Life & Savings	424	-	424	424	-	424
Italy Property & Casualty	357	-	357	356	-	356
AXA XL	**7,711**	**-**	**7,711**	**7,981**	**-**	**7,981**
Asia, Africa & EME-LATAM	**3,610**	**(62)**	**3,548**	**3,803**	**(68)**	**3,735**
Asia	**3,112**	**(62)**	**3,050**	**3,352**	**(68)**	**3,284**
Japan Life & Savings	1,556	(62)	1,494	1,721	(68)	1,652
Japan Property & Casualty	80	-	80	88	-	88
Hong Kong Life & Savings	579	-	579	600	-	600
Hong Kong Property & Casualty	201	-	201	208	-	208
China Property & Casualty	660	-	660	697	-	697
South Korea Property & Casualty	36	-	36	38	-	38
International	**498**	**(0)**	**498**	**451**	**0**	**451**
International Life & Savings	30	(0)	30	30	0	30
International Property & Casualty	468	-	468	421	-	421
AXA Investment Managers	**418**	**-**	**418**	**421**	**-**	**421**
Transversal & central holdings	**15**	**(7)**	**8**	**28**	**(7)**	**21**
AXA Assistance	15	(7)	8	28	(7)	21
TOTAL GROUP	**17,924**	**(69)**	**17,855**	**17,829**	**(75)**	**17,754**

Note: Goodwill related to entities accounted for using the equity method is not presented in this table (see Note 8).

The total Goodwill Group share amounted to €17,796 million as of December 31, 2023, and €17,694 million as of December 31, 2022.

Consistent with IAS 36, each unit or group of units to which the goodwill is allocated represents the lowest level at which the goodwill is monitored for internal management purposes within the Group and is never larger than an operating segment as defined by IFRS 8 such as presented in Note 3.

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5.2 CHANGE IN GOODWILL

5.2.1 Goodwill – change in gross value

(in Euro million)	Gross value January 1, 2023	Acquisitions during the period	Disposals during the period	Currency translation adjustment	Other changes	Gross value December 31, 2023
France	225	-	-	-	-	225
Europe [(a)]	5,372	540	-	47	(15)	5,945
AXA XL	7,981	-	-	(270)	-	7,711
Asia, Africa & EME-LATAM [(b)]	3,803	45	-	(318)	81	3,610
AXA Investment Managers	421	-	-	(3)	-	418
Transversal & central holdings	28	-	(13)	(0)	-	15
TOTAL	**17,829**	**585**	**(13)**	**(544)**	**66**	**17,924**

(a) Related to the acquisitions of Laya in UK & Ireland for €+488 million and Crédit Mutuel España (GACM) in Spain for €+52 million.
(b) Related to the acquisition of Groupama Türkiye for €+45 million and the hyperinflation for €+81 million.

(in Euro million)	Gross value January 1, 2022	Acquisitions during the period	Disposals during the period	Currency translation adjustment	Other changes	Gross value December 31, 2022
France	225	-	-	-	-	225
Europe [(a)]	5,362	38	-	(28)	-	5,372
AXA XL [(b)]	7,512	-	-	491	(22)	7,981
Asia, Africa & EME-LATAM [(c)]	3,703	-	-	(133)	233	3,803
AXA Investment Managers	399	-	-	3	-	402
Transversal & central holdings	47	-	-	-	0	47
TOTAL	**17,247**	**38**	**-**	**333**	**211**	**17,829**

(a) Related to the acquisition of Commercial lines renewal rights in UK & Ireland.
(b) Related to the transfer of AXA XL activities in Brazil to Asia, Africa & EME-LATAM.
(c) Related to Türkiye hyperinflation for €+180 million, full consolidation in Nigeria for €+30 million and transfer from AXA XL activities in Brazil to Asia, EME-LATAM & Africa for €+22 million.

5.2.2 Goodwill – change in impairment

(in Euro million)	Cumulative impairment January 1, 2023	Increase in Impairment during the period	Write back of impairment of goodwill sold during the period	Currency translation adjustment	Other Changes	Cumulative impairment December 31, 2023
France	-	-	-	-	-	-
Europe	-	-	-	-	-	-
AXA XL	-	-	-	-	-	-
Asia, Africa & EME-LATAM	68	-	-	(7)	-	62
AXA Investment Managers	-	-	-	-	-	-
Transversal & central holdings	7	-	(0)	(0)	-	7
TOTAL	**75**	**-**	**(0)**	**(7)**	**-**	**69**

(in Euro million)	Cumulative impairment January 1, 2022	Increase in Impairment during the period	Write back of impairment of goodwill sold during the period	Currency translation adjustment	Other Changes	Cumulative impairment December 31, 2022
France	-	-	-	-	-	-
Europe	-	-	-	-	-	-
AXA XL	-	-	-	-	-	-
Asia, Africa & EME-LATAM	73	-	0	(5)	-	68
AXA Investment Managers	-	-	-	-	-	-
Transversal & central holdings	7	-	-	-	-	7
TOTAL	**80**	**-**	**0**	**(5)**	**-**	**75**

METHODOLOGY BY UNIT

For Life Cash Generating Units ("CGUs"), recoverability of goodwill is currently assessed using a fair value approach. For Property & Casualty CGUs, recoverability of goodwill is assessed using the value in use approach. These approaches as described in Note 1.8.1.

For AXA Investment Managers, the recoverability of the goodwill follows a market approach with recoverable value derived from market information, such as the price to earnings ratio of peers, and the earnings expected for the year. This methodology represents the fair value of the Company to be compared with the carrying value.

MAIN ASSUMPTIONS

For Property & Casualty CGUs, the value in use approach uses cash flow projections based on business plans approved by management covering up to three years and discounted using a risk adjusted rate. Cash flows beyond that period are extrapolated using sustainable perpetual growth rates assumed to be achievable over the long term to derive a terminal value. The earnings included in the business plan of each CGU are agreed with the AXA Management and defined locally considering best estimate operating assumptions, including expenses and loss ratios, investment income, economic capital, premium rates and taxes, all compliant with the various standards and the requirements of supervisory authorities, when applicable. The discount rates used for the valuation are derived using the Capital Asset Pricing Model (CAPM) which includes assumptions for risk-free interest rates, equity risk premiums, insurance activity beta and leverage ratio that are consistent with the view of the management for the specific market(s) in which the CGU operates. For the main CGUs discount rates ranged from 4.2% to 12.3% in 2023, compared to a range of 3.6% to 10.1% in 2022, and growth rates, applied beyond the strategic plan horizon, where applicable, varied from 1.2% to 7.2% in 2023, compared to a range of 0.6% to 7.1% in 2022.

For Life CGUs, recoverable amounts are calculated with reference to the expected profitability of insurance contracts. The profitability of insurance contracts is determined by discounting future margins, over the best estimate liabilities, calculated in compliance with IFRS 17 - Insurance Contracts (refer to Note 1.14), based on the current expectations over the evolution of the different economic and technical parameters. These future margins are discounted using discount rates that are detailed in Note 12.1.6.

ALL CASH-GENERATING UNITS (CGU)

The results of cash flow projections exceed the carrying amount of each related CGU or group of units.

The test of the recoverability of goodwill for AXA XL CGU as of December 31, 2023, evidenced a significant margin. The value in use basis reflects management projections of the cash flows, which are based on the business plan of AXA XL, reflecting strong earnings delivery in recent years driven by significant tariff increases and disciplined growth, combined with further reductions in Nat Cat exposure to reduce earnings volatility. Sensitivities were performed with regards to the main assumptions and under the plausible scenarios, the value in use still exceeded the carrying amount.

The test of the recoverability of the Goodwill for AXA Germany P&C and AXA UK & Ireland P&C CGUs as of December 31, 2023 evidenced material margins. Cash flows projections based on the 2024 business plan approved by the AXA Group management, demonstrate that AXA Germany and AXA UK & Ireland will continue to deliver resilient earnings leading to conclude that their goodwill is recoverable.

The recoverability of the goodwill of Japan Life & Health CGU relies on the existing Contractual Service Margin and New Business Value (NBV) projections using a reasonable new business multiple, derived from market consistent assumptions. The level of profitability of products sold by AXA Japan in 2023 reached a high margin over the premiums received.

For all CGUs, in a context where the valuation of securities and interest rate levels would remain low for prolonged periods of time, or volatility and other market conditions stagnate or worsen, new business volumes and profitability together with the value of the inforce portfolio are likely be negatively affected. In addition, the future cash flow expectations from both the inforce and new business and other assumptions underlying management's current business plans could be negatively impacted by other risks to which the Group is exposed. For each CGU, sensitivity analyses were performed with regards to the main assumptions, noting that if the assumptions were to change as tested this would not lead to an impairment loss for any of the CGUs as the recoverable amount for each CGU would still exceed its carrying value.

However, subsequent impairment tests may be based upon different assumptions and future cash flow projections, which may result in an impairment of these assets in the foreseeable future.

5.3 OTHER INFORMATION RELATING TO GOODWILL, ACQUISITIONS AND DISPOSALS OF OPERATIONS

5.3.1 Disposal of a closed life and pensions portfolio in Germany

On July 14, 2022, AXA entered into an agreement with Athora Deutschland GmbH ("Athora Germany"), a licensed insurer in Germany, to sell a closed life and pensions reserves portfolio. Under the terms of this agreement, the selling price was €690 million.

The completion of the transaction is expected to take place during 2024 and is subject to customary closing conditions, including the receipt of regulatory approvals. Given these circumstances, the held for sale classification was therefore extended beyond one year.

The major classes of assets and liabilities (net of intercompany balances with other AXA entities) which have been restated in held for sale are presented in the table below:

ASSETS

(in Euro million)	December 31, 2023
Investments from insurance activities	12,455
Assets arising from insurance contracts, investment contracts, and reinsurance contracts held	7
Other assets	186
Cash and cash equivalents	412
TOTAL ASSETS HELD FOR SALE	**13,060**

LIABILITIES

(in Euro million)	December 31, 2023
Liabilities arising from insurance contracts, investment contracts, and reinsurance contracts held	12,155
Other liabilities	640
TOTAL LIABILITIES HELD FOR SALE	**12,795**

As of December 31, 2023, the other comprehensive income of invested assets and insurance contracts in the scope of the transaction amounted to €-190 million.

As of December 31, 2023, there was no impact recognized in the consolidated statement of income for this transaction.

5.3.2 India Life disposal

On October 11, 2023, Bharti Group's Holding entered into an agreement with AXA to acquire its stake in Bharti AXA Life Insurance, including Bharti AXA Life Insurance and Bharti Management Services Ltd.

Under the terms of this agreement, AXA is expected to sell its ownership for total cash proceeds of €72 million, €66 million related to Bharti AXA Life Insurance, and €6 million for Bharti Management Services Ltd.

The completion of the transaction is expected to take place during the first half of 2024 and is subject to customary closing conditions, including the receipt of regulatory approvals. Bharti AXA Life Insurance, which is consolidated using the equity method, was classified as held for sale (See Note 8).

As of December 31, 2023, the transaction is expected to result in a loss of €-78 million before recycling of the other comprehensive income (€-40 million).

5.3.3 Groupama Türkiye acquisition

On May 3, 2023, AXA completed the acquisition of 100% Groupama's insurance activities in Türkiye including Groupama Sigorta, A.Ş. and Groupama Hayat, A.Ş. ("Groupama Türkiye"), following the announcement on January 18, 2023, that AXA had entered into an agreement to acquire Groupama Türkiye. The completion of the transaction followed the fulfilment of customary closing conditions, including the obtention of all necessary regulatory approvals.

Under the terms of the agreement, the total consideration for the acquisition amounted to €50 million, fully paid in cash.

Groupama Türkiye IFRS revenues and net income included in the consolidated statement of income for the reporting period were respectively €127 million and €3 million.

Acquired assets and liabilities were adjusted to fair value in the opening balance sheet and integrated within Consolidated Financial Statements at year-end based on Group IFRS accounting policies. At the date of the acquisition, intangible assets excluding goodwill totalled €22 million representing the value of the commercial relationships built by Groupama Türkiye through its distribution channel. This intangible asset is amortized over a useful life expected to be 15 years.

In accordance with IFRS 3 - Business Combinations, adjustments can be made within twelve months of the acquisition date if new information becomes available to complete the initial accounting.

(in Euro million)	**At the acquisition date**
Other intangible assets	22
Investments	15
Reinsurance assets	70
Other assets	95
Cash and cash equivalents	142
TOTAL ASSETS (EXCLUDING GOODWILL)	**345**
Liabilities arising from insurance and investment contracts	309
Provisions for risks and charges	3
Other liabilities	26
TOTAL LIABILITIES	**337**
Net asset value before goodwill	**8**
Goodwill	**42**

5.3.4 Groupe Assurances du Crédit Mutuel España acquisition

On July 12, 2023, AXA completed the acquisition of Groupe Assurances du Crédit Mutuel España ("GACM España"), following the announcement on October 18, 2022, that AXA had entered into an agreement to acquire GACM España. The completion of the transaction followed the fulfilment of customary closing conditions, including approval by GACM España shareholders and obtention of all necessary regulatory approvals.

Under the terms of the agreement, the total consideration for the acquisition amounted to €314 million, fully paid in cash.

GACM España IFRS revenues and net income included in the consolidated statement of income for the reporting period were respectively €173 million and €-23 million.

Acquired assets and liabilities were adjusted to fair value in the opening balance sheet and integrated within Consolidated Financial Statements at year-end based on Group IFRS accounting policies. In accordance with IFRS 3 - Business Combinations, adjustments can be made within twelve months of the acquisition date if new information becomes available to complete the initial accounting.

(in Euro million)	**At the acquisition date**
Intangible assets	-
Investments	825
Other assets	224
TOTAL ASSETS (EXCLUDING GOODWILL)	**1,049**
Liabilities arising from insurance and investment contracts	508
Provisions for risks and charges	27
Other liabilities	244
Minority interests	8
TOTAL LIABILITIES	**787**
Net asset value	**262**
Goodwill	**52**

5.3.5 Laya Healthcare Limited acquisition

On October 31, 2023, AXA completed the acquisition of Laya Healthcare Limited ("Laya") following the announcement on August 3, 2023, that AXA had entered into an agreement to acquire Laya. The completion of the transaction followed the fulfilment of customary closing conditions, including approval by Laya shareholders and obtention of all necessary regulatory approvals.

Under the terms of the agreement, the total consideration for the acquisition amounted to €704 million, fully paid in cash.

Laya IFRS revenues and net income included in the consolidated statement of income for the reporting period were respectively €17 million and €1 million.

Acquired assets and liabilities were adjusted to fair value in the opening balance sheet and integrated within Consolidated Financial Statements at year-end based on Group IFRS accounting policies. At the date of the acquisition, intangible assets excluding goodwill totalled €162 million representing the future economic benefits related to the underwriting activity to be re-captured through AXA Insurance DAC starting from 2025. This intangible asset is amortized over a useful life expected to be 10 years.

In accordance with IFRS 3 - Business Combinations, adjustments can be made within twelve months of the acquisition date if new information becomes available to complete the initial accounting.

(in Euro million)	**At the acquisition date**
Other intangible assets	162
Other assets	41
Cash and cash equivalents	82
TOTAL ASSETS (EXCLUDING GOODWILL)	**285**
Other liabilities	69
TOTAL LIABILITIES	**69**
Net asset value before goodwill	**216**
Goodwill	**488**

Note 6 Other intangible assets

6.1 BREAKDOWN OF OTHER INTANGIBLE ASSETS

Other intangible assets represented €4,630 million net value as of December 31, 2023, and mainly included:

	December 31, 2023				**December 31, 2022, restated**
(in Euro million)	**Gross value**	**Accumulated amortization**	**Accumulated impairment**	**Net Value**	**Net Value**
Deferred Origination Costs (IFRS 9 contracts)	948	(541)	-	408	453
Software capitalized	2,892	(1,939)	-	954	1,046
Intangible assets recognized in business combinations and other business operations	5,140	(1,812)	(136)	3,192	3,152
Other intangible assets	561	(484)	(1)	77	68
TOTAL	**9,542**	**(4,775)**	**(137)**	**4,630**	**4,720**

6.2 BREAKDOWN OF INTANGIBLE ASSETS RECOGNIZED IN BUSINESS COMBINATIONS AND OTHER BUSINESS OPERATIONS

		December 31, 2023				December 31, 2022, restated			
(in Euro million)	Transaction Year	Gross value	Accumulated amortization	Accumulated impairment	Net carrying value	Gross value	Accumulated amortization	Accumulated impairment	Net carrying value
United Kingdom & Ireland Property and Casualty	2023	162	-	-	162	-	-	-	-
AXA Tianping	2019	81	(65)	-	16	86	(52)	-	34
AXA XL Group	2018	1,706	(255)	(136)	1,315	1,761	(211)	(144)	1,406
Asia Property & Casualty	2012	168	(168)	-	-	174	(174)	-	-
AXA MPS (Italy) Life & Health	2007 & 2008	592	-	-	592	592	-	-	592
AXA MPS (Italy) Property & Casualty	2007 & 2008	347	-	-	347	347	-	-	347
Switzerland Life & Health	2006	219	(187)	-	33	207	(165)	-	41
Switzerland Property & Casualty	2006	731	(617)	-	114	688	(565)	-	123
Belgium Property & Casualty	2006	67	(46)	-	21	67	(44)	-	23
Spain Property & Casualty	2006	247	(242)	-	5	247	(241)	-	6
AXA Investment Managers	2005	210	(14)	-	196	206	(13)	-	193
Others		610	(218)	-	391	581	(195)	-	387
TOTAL		**5,140**	**(1,812)**	**(136)**	**3,192**	**4,956**	**(1,660)**	**(144)**	**3,152**

Intangible assets recognized in business combinations mainly included value of distribution agreements and customer related intangibles, including €1,803 million (net carrying value) assets with indefinite useful life.

The amortization period for intangible assets recognized in business combinations with a finite useful life ranges from 5 to 25 years.

6.3 CHANGE IN INTANGIBLE ASSETS RECOGNIZED IN BUSINESS COMBINATIONS AND OTHER BUSINESS OPERATIONS

(in Euro million)	2023	2022, restated
Net value as of January 1	**3,152**	**3,178**
Acquisition during the period [(a)]	186	67
Amortization allowance	(112)	(131)
Disposal during the period	(7)	(6)
Currency impact	(29)	44
Other changes	2	0
Closing Net value as of December 31	**3,192**	**3,152**

(a) In 2023, mainly related to the acquisition of Laya in United Kingdom & Ireland for €+162 million and Groupama Türkiye for €+22 million.

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Note 7 Investments

It should be noted that the amounts disclosed in the present Note as impacting the Group's consolidated comprehensive income do not consider the induced effects relating to insurance liabilities, notably those arising from contracts with direct participating features (see Notes 12 and 20) and, therefore, do not represent net ultimate gains or losses recognized in the consolidated statement of comprehensive income.

7.1 BREAKDOWN OF INVESTMENTS

The tables below present the fair value and the carrying value of the Group's investments, broken down by **(i)** class of investments, **(ii)** classification category according to IFRS 9 - Financial Instruments (namely, investments measured at amortized cost, at fair value through other comprehensive income ("FV OCI") or at fair value through profit or loss ("FV P&L")) and **(iii)** activity to which those investments are allocated:

	December 31, 2023								
	Insurance			Other activities			Total		
(in Euro million, except percentages)	Fair value	Carrying value	% of total investments	Fair value	Carrying value	% of total investments	Fair value	Carrying value	% of total investments
Investments in real estate properties at amortized cost (A)	**38,360**	**29,542**	**5.8%**	**3,030**	**3,001**	**14.4%**	**41,391**	**32,543**	**6.2%**
Debt instruments at amortized cost	14,626	15,959	3.1%	9	9	0.0%	14,635	15,968	3.0%
Debt instruments at FV OCI	276,893	276,893	54.6%	5,014	5,014	24.1%	281,907	281,907	53.4%
Debt instruments at FV P&L – FV Option	1,356	1,356	0.3%	-	-	0.0%	1,356	1,356	0.3%
Debt instruments at FV P&L – Mandatory	12,989	12,989	2.6%	46	46	0.2%	13,035	13,035	2.5%
Debt instruments (B)	**305,864**	**307,197**	**60.6%**	**5,069**	**5,069**	**24.4%**	**310,933**	**312,266**	**59.2%**
Equity instruments at FV OCI without recycling to P&L	11,623	11,623	2.3%	1,617	1,617	7.8%	13,240	13,240	2.5%
Equity instruments at FV P&L	15,626	15,626	3.1%	486	486	2.3%	16,112	16,112	3.1%
Equity instruments (C)	**27,249**	**27,249**	**5.4%**	**2,103**	**2,103**	**10.1%**	**29,352**	**29,352**	**5.6%**
Non consolidated investment funds at FV P&L (D)	**18,595**	**18,595**	**3.7%**	**142**	**142**	**0.7%**	**18,737**	**18,737**	**3.6%**
Other assets at FV P&L, held by consolidated investment funds (E)	**21,332**	**21,332**	**4.2%**	**756**	**756**	**3.6%**	**22,088**	**22,088**	**4.2%**
Financial investments excluding loans (F = B + C + D + E)	**373,040**	**374,373**	**73.9%**	**8,070**	**8,070**	**38.8%**	**381,110**	**382,443**	**72.5%**
Loans at amortized cost	16,110	16,387	3.2%	9,741	9,741	46.8%	25,851	26,129	5.0%
Loans at FV P&L – FV Option	3,698	3,698	0.7%	-	-	0.0%	3,698	3,698	0.7%
Loans at FV P&L – Mandatory	17	17	0.0%	-	-	0.0%	17	17	0.0%
Loans (G)	**19,825**	**20,103**	**4.0%**	**9,741**	**9,741**	**46.8%**	**29,566**	**29,844**	**5.7%**
Total financial investments (H = F + G)	**392,866**	**394,476**	**77.8%**	**17,811**	**17,811**	**85.6%**	**410,677**	**412,288**	**78.1%**
Assets backing contracts where the financial risk is borne by policyholders (I)	**82,449**	**82,753**	**16.3%**	**-**	**-**	**0.0%**	**82,449**	**82,753**	**15.7%**
INVESTMENTS (J = A + H + I)	**513,675**	**506,772**	**100.0%**	**20,841**	**20,812**	**100.0%**	**534,517**	**527,584**	**100.0%**
Investments (excluding those backing contracts where the financial risk is borne by policyholders) (K = J - I)	**431,226**	**424,019**	**83.7%**	**20,841**	**20,812**	**100.0%**	**452,067**	**444,831**	**84.3%**

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CONSOLIDATED FINANCIAL STATEMENTS
6.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	December 31, 2022, restated								
	Insurance			Other activities			Total		
(in Euro million, except percentages)	Fair value	Carrying value	% of total investments	Fair value	Carrying value	% of total investments	Fair value	Carrying value	% of total investments
Investments in real estate properties at amortized cost (A)	**40,740**	**28,684**	**5.8%**	**2,946**	**2,896**	**13.9%**	**43,686**	**31,580**	**6.1%**
Debt instruments at amortized cost	14,248	15,997	3.2%	12	12	0.1%	14,259	16,009	3.1%
Debt instruments at FV OCI	273,045	273,045	55.2%	3,907	3,907	18.8%	276,953	276,953	53.7%
Debt instruments at FV P&L – FV Option	1,814	1,814	0.4%	0	0	0.0%	1,814	1,814	0.4%
Debt instruments at FV P&L – Mandatory	11,872	11,872	2.4%	66	66	0.3%	11,938	11,938	2.3%
Debt instruments (B)	**300,978**	**302,728**	**61.2%**	**3,985**	**3,985**	**19.1%**	**304,964**	**306,714**	**59.5%**
Equity instruments at FV OCI without recycling to P&L	12,704	12,704	2.6%	1,768	1,768	8.5%	14,472	14,472	2.8%
Equity instruments at FV P&L	15,174	15,174	3.1%	680	680	3.3%	15,853	15,853	3.1%
Equity instruments (C)	**27,878**	**27,878**	**5.6%**	**2,447**	**2,447**	**11.8%**	**30,326**	**30,326**	**5.9%**
Non consolidated investment funds at FV P&L (D)	**18,604**	**18,604**	**3.8%**	**100**	**100**	**0.5%**	**18,705**	**18,705**	**3.6%**
Other assets at FV P&L, held by consolidated investment funds (E)	**19,558**	**19,558**	**4.0%**	**736**	**736**	**3.5%**	**20,293**	**20,293**	**3.9%**
Financial investments excluding loans (F = B + C + D + E)	**367,019**	**368,769**	**74.5%**	**7,269**	**7,269**	**34.9%**	**374,287**	**376,037**	**72.9%**
Loans at amortized cost	16,215	16,901	3.4%	10,650	10,650	51.2%	26,864	27,551	5.3%
Loans at FV P&L – FV Option	3,899	3,899	0.8%	0	0	0.0%	3,899	3,899	0.8%
Loans at FV P&L – Mandatory	17	17	0.0%	0	0	0.0%	17	17	0.0%
Loans (G)	**20,131**	**20,817**	**4.2%**	**10,650**	**10,650**	**51.2%**	**30,781**	**31,467**	**6.1%**
Total financial investments (H = F + G)	**387,149**	**389,586**	**78.7%**	**17,918**	**17,919**	**86.1%**	**405,068**	**407,504**	**79.0%**
Assets backing contracts where the financial risk is borne by policyholders (I)	**76,392**	**76,491**	**15.5%**	**0**	**0**	**0.0%**	**76,392**	**76,491**	**14.8%**
INVESTMENTS (J = A + H + I)	**504,281**	**494,760**	**100.0%**	**20,864**	**20,815**	**100.0%**	**525,146**	**515,575**	**100.0%**
Investments (excluding those backing contracts where the financial risk is borne by policyholders) (K = J - I)	**427,890**	**418,269**	**84.5%**	**20,864**	**20,815**	**100.0%**	**448,754**	**439,084**	**85.2%**

Unless otherwise specified, the information disclosed in the following paragraphs of Note 7 does not include the amounts related to the Group's investments backing contracts where the financial risk is borne by policyholders.

7.2 INVESTMENTS IN REAL ESTATE PROPERTIES

Investments in real estate properties include buildings owned directly and through consolidated real estate entities.

Real estate properties held by AXA are measured at amortized cost. The table below presents the carrying value (disclosing separately cumulated amortization and impairment) and the fair value of those investments, broken down by activity to which they are allocated:

	December 31, 2023					December 31, 2022, restated				
(in Euro million)	Gross value	Amortization	Impairment	Carrying value	Fair value	Gross value	Amortization	Impairment	Carrying value	Fair value
Insurance	32,593	(1,575)	(1,476)	29,542	38,360	31,453	(1,449)	(1,320)	28,684	40,740
Other activities	3,001	-	-	3,001	3,030	2,896	-	-	2,896	2,946
TOTAL INVESTMENTS IN REAL ESTATE PROPERTIES	**35,594**	**(1,575)**	**(1,476)**	**32,543**	**41,391**	**34,349**	**(1,449)**	**(1,320)**	**31,580**	**43,686**

The following table provides a reconciliation from the opening balances to the closing balances for the cumulated amounts of impairment and amortization on investment in real estate properties:

	Impairment		Amortization	
(in Euro million)	December 31, 2023	December 31, 2022, restated	December 31, 2023	December 31, 2022, restated
Balance as of January 1	**1,320**	**1,216**	**1,449**	**1,621**
Increase	299	206	118	115
Write back following sale or reimbursement	(37)	(25)	(31)	(236)
Write back following recovery in value	(130)	(78)	-	-
Other impacts [(a)]	24	2	38	(51)
Balance as of December 31	**1,476**	**1,320**	**1,575**	**1,449**

(a) Includes impacts of changes in scope of consolidation and movements in exchange rates.

7.3 UNREALIZED GAINS AND LOSSES ON FINANCIAL INVESTMENTS MEASURED AT AMORTIZED COST OR AT FAIR VALUE THROUGH OCI

The tables below disclose unrealized capital gains and losses not reflected in the consolidated statement of profit or loss ("P&L"), that are related to financial investments measured at amortized cost or at fair value through OCI ("FV OCI"). These unrealized capital gains and losses are broken down by class of financial instruments and IFRS 9 classification category and presented separately for investments allocated to the insurance activity and to other activities:

INSURANCE

	December 31, 2023					December 31, 2022, restated				
(in Euro million)	Amortized cost	Fair value	Carrying value	Unrealized gains	Unrealized losses	Amortized cost	Fair value	Carrying value	Unrealized Gains	Unrealized losses
Debti nstruments at FV OCI	286,488	276,893	276,893	12,794	22,389	294,285	273,045	273,045	10,874	32,115
Debt instruments at amortized cost	15,959	14,626	15,959	47	1,380	15,997	14,248	15,997	26	1,776
Equity instruments at FV OCI without recycling to P&L	9,865	11,623	11,623	2,533	775	12,760	12,704	12,704	1,781	1,837
Loans at amortized cost	16,387	16,110	16,387	40	317	16,901	16,215	16,901	38	724

OTHER ACTIVITIES

(in Euro million)	December 31, 2023					December 31, 2022, restated				
	Amortized cost	Fair value	Carrying value	Unrealized gains	Unrealized losses	Amortized cost	Fair value	Carrying value	Unrealized gains	Unrealized losses
Debt instruments at FV OCI	5,359	5,014	5,014	43	389	4,438	3,907	3,907	6	537
Debt instruments at amortized cost	9	9	9	0	0	12	12	12	0	0
Equity instruments at FV OCI without recycling to P&L	1,507	1,617	1,617	180	70	1,739	1,768	1,768	255	226
Loans at amortized cost	9,741	9,741	9,741	0	0	10,650	10,650	10,650	0	0

TOTAL

(in Euro million)	December 31, 2023					December 31, 2022, restated				
	Amortized cost	Fair value	Carrying value	Unrealized gains	Unrealized losses	Amortized cost	Fair value	Carrying value	Unrealized gains	Unrealized losses
Debt instruments at FV OCI	291,847	281,907	281,907	12,837	22,778	298,723	276,953	276,953	10,880	32,651
Debt instruments at amortized cost	15,968	14,635	15,968	47	1,380	16,009	14,259	16,009	26	1,776
Equity instruments at FV OCI without recycling to P&L	11,372	13,240	13,240	2,713	844	14,499	14,472	14,472	2,036	2,063
Loans at amortized cost	26,129	25,851	26,129	40	317	27,551	26,864	27,551	38	724

7.4 DEBT INSTRUMENTS AND LOANS

7.4.1 Debt instruments by type of issuer

The table below presents the composition of the Group's debt instruments portfolio by type of issuer:

(in Euro million)	December 31, 2023		December 31, 2022, restated	
	Fair value	Carrying value	Fair value	Carrying value
Government and government like debt instruments	158,145	158,146	158,383	158,388
Other debt instruments issued by government related issuers	18,502	18,594	15,593	15,828
Corporate debt instruments [(a)]	134,111	135,352	130,755	132,265
Debt instruments guaranteed by a mortgage	137	137	187	187
Debt instruments from other issuers [(b)]	37	37	46	46
TOTAL	**310,933**	**312,266**	**304,964**	**306,714**

(a) Includes debt instruments issued by companies in which a State holds interests.
(b) Mainly includes unquoted fixed maturities held by consolidated investment funds of the Satellite Investment Portfolios (see Note 1.9.2.1).

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7.4.2 Loans by type and activity

The table below presents the composition of the Group's loans portfolio by type of loan and by activity to which those loans are allocated:

	December 31, 2023		December 31, 2022, restated	
(in Euro million)	Fair value	Carrying value	Fair value	Carrying value
Mortgage loans	16,020	16,325	15,787	16,508
Other loans	3,806	3,778	4,344	4,309
Loans allocated to insurance activities	**19,825**	**20,103**	**20,131**	**20,817**
Mortgage loans	8,133	8,133	8,826	8,826
Other loans	1,505	1,505	1,713	1,713
Loans allocated to banking activities	**9,638**	**9,638**	**10,539**	**10,539**
Loans allocated to other activities	**103**	**103**	**110**	**110**
TOTAL	**29,566**	**29,844**	**30,781**	**31,467**

Loans granted to the holders of insurance or investment contracts within the scope of IFRS 17 - Insurance Contracts are not financial investments and, therefore, are not displayed in the table above. Instead, they are disclosed as part of carrying amounts of corresponding insurance or investment contracts (see Note 12).

7.4.3 Debt instruments and loans by contractual maturity and exposure to interest rate risk

The table below sets out the carrying value of debt instruments and loans held by the Group broken down by their contractual maturity. Effective maturities may differ from those presented, mainly because some debt instruments and loans include early redemption clauses, with or without penalty, or duration extension features. Furthermore, the effect of derivative instruments (see Note 18.3) may modify the maturity profile of assets presented below.

Debt instruments and loans whose fair value is exposed to interest rate risk, *i.e.* fixed-rate instruments, are disclosed separately. Most of debt instruments and loans held by the Group fall within this category.

	December 31, 2023				December 31, 2022, restated			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
Debt instruments	14,531	79,103	218,631	312,266	16,977	75,011	214,726	306,714
Loans [(a)]	4,217	14,806	16,484	35,507	5,495	16,727	14,743	36,965
Total financial investments exposed to interest rate risk	**18,748**	**93,909**	**235,115**	**347,773**	**22,472**	**91,738**	**229,469**	**343,679**
of which financial investments whose fair value is exposed to interest rate risk	*17,262*	*83,850*	*214,605*	*315,718*	*20,469*	*82,396*	*209,668*	*312,533*

(a) Includes loans held by consolidated investment funds of the Satellite Investment Portfolios (see Note 1.9.2.1).

7.5 EQUITY INSTRUMENTS

7.5.1 Equity instruments by issuer industry and exposure to price risk

The table below sets out the portfolio of equity instruments held by the Group at the closing date and exposed to equity prices fluctuations, broken down by issuer's industry, presenting separately equity instruments mandatorily measured at fair value through profit or loss ("FV P&L") and those designated at fair value through OCI ("FV OCI") without recycling to P&L applying the IFRS 9 classification option. The carrying value of those investments is equal to their fair value.

The table also discloses the amount of dividends recognized in profit or loss over the period on FV OCI equity instruments still in the portfolio at the closing date:

	December 31, 2023								
(in Euro million)	Finan-cial	Consumer goods & services	Energy	Commu-nication	Industrial	Basic Materials	Technology	Other	Total
Equity instruments at FV P&L	10,477	1,379	550	171	414	188	426	2,507	16,112
Equity instruments at FV OCI without recycling to P&L	4,403	3,832	100	689	938	482	1,918	878	13,240
Total carrying value of equity instruments	**14,879**	**5,212**	**650**	**860**	**1,352**	**670**	**2,344**	**3,386**	**29,352**
Dividends recognized in the period on equity instruments at FV OCI without recycling to P&L held as of the reporting date	*82*	*47*	*4*	*8*	*14*	*12*	*14*	*13*	*194*

	December 31, 2022, restated								
(in Euro million)	Finan-cial	Consumer goods & services	Energy	Commu-nication	Industrial	Basic Materials	Technology	Other	Total
Equity instruments at FV P&L	10,576	1,250	564	165	379	209	360	2,351	15,853
Equity instruments at FV OCI without recycling to P&L	3,813	4,514	130	905	1,383	606	1,592	1,530	14,472
Total carrying value of equity instruments	**14,389**	**5,764**	**694**	**1,070**	**1,762**	**815**	**1,952**	**3,881**	**30,326**
Dividends recognized in the period on equity instruments at FV OCI without recycling to P&L held as of the reporting date	*81*	*53*	*3*	*9*	*31*	*20*	*17*	*53*	*267*

7.5.2 Equity instruments designated at fair value through OCI derecognized during the period

The following tables display, for equity instruments designated at fair value through OCI ("FV OCI") without recycling to profit or loss and derecognized during the period, their fair value at the date of derecognition, dividends received in the period and recognized in profit or loss, as well as the cumulative amounts of capital gains or losses at the date of derecognition (not recycled to profit or loss but transferred to retained earnings on derecognition), all broken down by issuer's industry:

	December 31, 2023								
(in Euro million)	Finan-cial	Consumer goods & services	Energy	Commu-nications	Industrial	Basic Materials	Technology	Other	Total
Fair value at the date of derecognition	1,424	3,282	92	750	1,253	446	1,199	456	8,901
Dividend received on instruments derecognized during the period	51	31	1	2	13	5	12	11	127
Cumulative gains or losses at the date of derecognition	(666)	163	(15)	(60)	29	(17)	146	(38)	(458)

	December 31, 2022, restated								
(in Euro million)	Finan-cial	Consumer goods & services	Energy	Commu-nications	Industrial	Basic Materials	Technology	Other	Total
Fair value at the date of derecognition	1,472	5,516	266	747	2,043	752	1,718	494	13,006
Dividend received on instruments derecognized during the period	32	36	1	4	17	7	14	15	126
Cumulative gains or losses at the date of derecognition	3	948	17	(104)	196	119	336	6	1,520

7.6 TRANSFERS OF FINANCIAL ASSETS NOT QUALIFYING FOR DERECOGNITION

The Group participates in repurchase agreements and securities lending transactions under which financial assets are sold to a counterparty, subject to a simultaneous agreement to repurchase these financial assets at both a certain later date and agreed price. As substantially all the risks and rewards of the financial assets remain with the Group over the entire lifetime of the transaction, they are not derecognized.

Additionally, the Group is party to total return swaps where financial assets are sold to a counterparty with an agreement in which the Group retains substantially all the risks and rewards of the financial instruments. Therefore, these financial assets are not derecognized.

Proceeds from the sales are reported separately in the line item Payables of the consolidated statement of financial position, and interest expense is accrued over the duration of the agreements.

The following table presents the carrying value of transferred financial assets not qualifying for derecognition, broken down by their IFRS 9 classification category, and of corresponding liabilities:

(n Euro million)	December 31, 2023	December 31, 2022, restated
Carrying value of transferred financial assets	**49,040**	**46,602**
of which debt instruments at FV OCI	49,002	46,136
of which debt instruments at FV P&L	38	466
Carrying value of associated liabilities [(a)]	**35,671**	**38,638**

(a) Amounts do not include securities received as collateral to securities lending transactions if such collateral is not recognized under the terms of the agreement because the risks and rewards have not been transferred to the Group.

7.7 NON-CONSOLIDATED INVESTMENT FUNDS

The table below sets out the portfolio of non-consolidated investment funds held by the Group broken down by type of underlying financial assets and presented separately for investments allocated to the insurance activity and to other activities. These investments are measured at fair value through profit or loss:

	December 31, 2023			December 31, 2022, restated		
	Fair value			Fair value		
(in Euro million)	Insurance	Other activities	Total	Insurance	Other activities	Total
Non-consolidated investment funds mainly holding equity instruments	2,489	22	2,511	1,844	-	1,844
Non-consolidated investment funds mainly holding debt instruments	5,707	103	5,810	5,654	29	5,683
Other non-consolidated investment funds	10,400	17	10,417	11,106	72	11,178
TOTAL	**18,595**	**142**	**18,737**	**18,604**	**100**	**18,705**

7.8 FINANCIAL INVESTMENTS SUBJECT TO IMPAIRMENT

7.8.1 Breakdown of financial investments subject to impairment

The tables below set out the Group's portfolio of financial investments subject to impairment, namely debt instruments and loans measured at amortized cost or at fair value through OCI ("FV OCI"), broken down by class of financial investments, IFRS 9 classification category and IFRS 9 impairment stage (see Note 1.9.2.2), namely:

- stage 1: financial investments for which credit risk has not increased significantly since initial recognition, and the loss allowance is measured at an amount equal to 12 months expected credit losses;
- stage 2: not credit-impaired financial investments for which credit risk has increased significantly since initial recognition, and the loss allowance is measured at an amount equal to lifetime expected credit losses;
- stage 3: financial investments which were not purchased or originated credit impaired but became credit impaired since their initial recognition, and for which the loss allowance is measured at an amount equal to lifetime expected credit losses.

	December 31, 2023				
(in Euro million)	Cost before impairment and revaluation to fair value	Impairment	Cost after impairment but before revaluation to fair value	Revaluation to fair value	Carrying value
Stage 1					
Debt instruments at amortized cost	15,956	(17)	15,939		15,939
Debt instruments at FV OCI	291,833	(50)	291,784	(9,924)	281,860
Debt instruments (A)	**307,789**	**(67)**	**307,723**	**(9,924)**	**297,799**
Loans at amortized cost (B)	**25,116**	**(58)**	**25,058**	**-**	**25,058**
Total Stage 1 (C = A + B)	**332,905**	**(124)**	**332,781**	**(9,924)**	**322,857**
Stage 2					
Debt instruments at amortized cost	97	(68)	29	-	29
Debt instruments at FV OCI	30	(8)	22	(6)	16
Debt instruments (D)	**127**	**(75)**	**52**	**(6)**	**45**
Loans at amortized cost (E)	**549**	**(22)**	**527**	**-**	**527**
Total Stage 2 (F = D + E)	**676**	**(97)**	**579**	**(6)**	**572**
Stage 3					
Debt instruments at amortized cost	-	-	-	-	-
Debt instruments at FV OCI	65	(24)	41	(11)	31
Debt instruments (G)	**65**	**(24)**	**41**	**(11)**	**31**
Loans at amortized cost (H)	**732**	**(187)**	**545**	**-**	**545**
Total Stage 3 (I = G + H)	**796**	**(211)**	**586**	**(11)**	**575**
Total debt instruments at amortized cost	16,053	(85)	15,968	-	15,968
Total debt instruments at FV OCI	291,928	(81)	291,847	(9,941)	281,907
Total debt instruments (J = A + D + G)	**307,981**	**(166)**	**307,816**	**(9,941)**	**297,875**
Total loans at amortized cost (K = B + E + H)	**26,396**	**(267)**	**26,129**	**-**	**26,129**
TOTAL FINANCIAL INVESTMENTS SUBJECT TO IMPAIRMENT (L = J + K)	**334,377**	**(433)**	**333,945**	**(9,941)**	**324,004**

	December 31, 2022, restated				
(in Euro million)	Cost before impairment and revaluation to fair value	Impairment	Cost after impairment but before revaluation to fair value	Revaluation to fair value	Carrying value
Stage 1					
Debt instruments at amortized cost	15,978	(17)	15,961	-	15,961
Debt instruments at FV OCI	298,651	(52)	298,599	(21,754)	276,845
Debt instruments (A)	**314,629**	**(69)**	**314,560**	**(21,754)**	**292,806**
Loans at amortized cost (B)	**26,334**	**(40)**	**26,294**	**-**	**26,294**
Total Stage 1 (C = A + B)	**340,964**	**(110)**	**340,854**	**(21,754)**	**319,100**
Stage 2					
Debt instruments at amortized cost	97	(48)	48	-	48
Debt instruments at FV OCI	48	(7)	42	(11)	30
Debt instruments (D)	**145**	**(55)**	**90**	**(11)**	**79**
Loans at amortized cost (E)	**747**	**(7)**	**740**	**-**	**740**
Total Stage 2 (F = D + E)	**892**	**(62)**	**830**	**(11)**	**819**
Stage 3					
Debt instruments at amortized cost	-	-	-		-
Debt instruments at FV OCI	122	(39)	83	(6)	77
Debt instruments (G)	**122**	**(39)**	**83**	**(6)**	**77**
Loans at amortized cost (H)	**674**	**(157)**	**517**	**-**	**517**
Total Stage 3 (I = G + H)	**797**	**(197)**	**600**	**(6)**	**594**
Total debt instruments at amortized cost	16,075	(65)	16,009		16,009
Total debt instruments at FV OCI	298,822	(98)	298,723	(21,771)	276,953
Total debt instruments (J = A + D + G)	**314,896**	**(163)**	**314,733**	**(21,771)**	**292,962**
Total loans at amortized cost (K = B + E + H)	**27,756**	**(205)**	**27,551**	**-**	**27,551**
TOTAL FINANCIAL INVESTMENTS SUBJECT TO IMPAIRMENT (L = J + K)	**342,652**	**(368)**	**342,284**	**(21,771)**	**320,513**

7.8.2 Change in impairment of financial investments

7.8.2.1 CHANGE IN IMPAIRMENT OF FINANCIAL INVESTMENTS MEASURED AT FAIR VALUE THROUGH OCI

The following tables provide a reconciliation from the opening balances to the closing balances for the carrying amount of debt instruments measured at fair value through OCI ("FV OCI") and for the cumulated amount of Expected Credit Losses ("ECL") allowance on those debt instruments, broken down by IFRS 9 impairment stage:

	December 31, 2023							
	Stage 1		Stage 2		Stage 3		Total	
(in Euro million)	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance
Balance at January 1	**298,651**	**(52)**	**48**	**(7)**	**122**	**(39)**	**298,822**	**(98)**
Transfers to Stage 1	9	(0)	(9)	0	-	-	0	(0)
Transfers to Stage 2	(158)	1	19	(2)	-	-	(139)	(0)
Transfer to Stage 3	(1)	0	(7)	1	9	(1)	-	(0)
Acquisitions and originations	37,241	(5)	-	-	-	-	37,241	(5)
Derecognitions	(46,678)	6	(20)	1	(44)	15	(46,742)	23
Other changes [(b)]	2,770	1	(1)	(2)	(22)	2	2,747	1
Balance as of December 31	**291,833**	**(50)**	**30**	**(8)**	**65**	**(24)**	**291,928**	**(81)**

(a) Includes related accumulated amortization, premiums/discount and accrued interests, when applicable.
(b) Mainly includes impacts of changes in scope of consolidation and movements in exchange rates.

	December 31, 2022, restated							
	Stage 1		Stage 2		Stage 3		Total	
(in Euro million)	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance
Balance at January 1	**323,668**	**(59)**	**77**	**(1)**	**42**	**(25)**	**323,787**	**(85)**
Transfers to Stage 1	210	(0)	(2)	0	-	-	208	(0)
Transfers to Stage 2	(37)	2	37	(4)	-	-	-	(1)
Transfers to Stage 3	(3)	(0)	(15)	1	18	(1)	(0)	(0)
Acquisitions and originations	34,475	(5)	-	-	-	-	34,475	(5)
Derecognitions	(45,401)	9	(48)	1	(5)	2	(45,454)	12
Other changes [(b)]	(14,260)	0	(1)	(3)	67	(15)	(14,194)	(18)
Balance as of December 31	**298,651**	**(52)**	**48**	**(7)**	**122**	**(39)**	**298,822**	**(98)**

(a) Includes related accumulated amortization, premiums/discount and accrued interests, when applicable.
(b) Mainly includes impacts of changes in scope of consolidation and movements in exchange rates.

7.8.2.2 CHANGE IN IMPAIRMENT OF FINANCIAL INVESTMENTS MEASURED AT AMORTIZED COST

The following tables provide a reconciliation from the opening balances to the closing balances for the carrying amount of debt instruments and loans measured at amortized cost and for the cumulated amount of Expected Credit Losses ("ECL") allowance on those debt instruments and loans, broken down by IFRS 9 impairment stage:

	December 31, 2023							
	Stage 1		Stage 2		Stage 3		Total	
(in Euro million)	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance
Balances at January 1								
Debt securities	15,978	(17)	97	(48)	-	-	16,075	(65)
Loans	26,334	(40)	747	(7)	674	(157)	27,756	(205)
Total (A)	**42,312**	**(57)**	**843**	**(55)**	**674**	**(157)**	**43,830**	**(270)**
Transfers to Stage 1								
Debt securities	-	-	-	-	-	-	-	-
Loans	230	(0)	(230)	12	-	-	-	12
Total (B)	**230**	**(0)**	**(230)**	**12**	**-**	**-**	**-**	**12**
Transfers to Stage 2								
Debt securities	(5)	3	5	(3)	-	-	-	-
Loans	(282)	2	282	(14)	-	-	-	(13)
Total (C)	**(287)**	**4**	**287**	**(17)**	**-**	**-**	**-**	**(13)**
Transfer to Stage 3								
Debt securities	-	-	-	-	-	-	-	-
Loans	(15)	0	-	(0)	15	(0)	-	(0)
Total (D)	**(15)**	**0**	**-**	**(0)**	**15**	**(0)**	**-**	**(0)**
Acquisitions and originations								
Debt securities	1,222	(2)	-	-	-	-	1,222	(2)
Loans	6,801	(12)	-	-	-	-	6,801	(12)
Total (E)	**8,023**	**(14)**	**-**	**-**	**-**	**-**	**8,023**	**(14)**
Derecognitions								
Debt securities	(1,088)	0	(5)	3	-	-	(1,093)	3
Loans	(7,657)	1	(65)	2	(86)	42	(7,808)	45
Total (F)	**(8,745)**	**2**	**(70)**	**4**	**(86)**	**42**	**(8,901)**	**48**
Other changes [(b)]								
Debt securities	(150)	(1)	0	(19)	-	-	(150)	(21)
Loans	(296)	(8)	(185)	(15)	128	(71)	(353)	(94)
Total (G)	**(447)**	**(10)**	**(185)**	**(34)**	**128**	**(71)**	**(503)**	**(115)**
Balances as of December 31								
Debt securities	15,956	(17)	97	(68)	-	-	16,053	(85)
Loans	25,116	(58)	549	(22)	732	(187)	26,396	(267)
TOTAL FINANCIAL INVESTMENTS AT AMORTIZED COST (H = A + B + C + D + E + F +G)	**41,072**	**(75)**	**646**	**(90)**	**732**	**(187)**	**42,449**	**(352)**

(a) Includes related accumulated amortization, premiums/discount and accrued interests, when applicable.
(b) Mainly includes impacts of changes in scope of consolidation and movements in exchange rates.

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	December 31, 2022, restated							
	Stage 1		Stage 2		Stage 3		Total	
(in Euro million)	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance	Gross carrying amount [(a)]	ECL allowance
Balances at January 1								
Debt securities	14,620	(13)	20	(0)	-	-	14,640	(13)
Loans	25,383	(46)	589	(14)	599	(139)	26,572	(198)
Total (A)	**40,003**	**(58)**	**609**	**(15)**	**599**	**(139)**	**41,211**	**(211)**
Transfers to Stage 1								
Debt securities	-	(0)	-	-	-	-	-	(0)
Loans	134	(2)	(129)	2	-	-	5	0
Total (B)	**134**	**(2)**	**(129)**	**2**	**-**	**-**	**5**	**0**
Transfers to Stage 2								
Debt securities	(91)	10	91	(18)	-	-	-	(8)
Loans	(32)	0	32	(0)	-	-	-	-
Total (C)	**(122)**	**10**	**122**	**(18)**	**-**	**-**	**-**	**(8)**
Transfer to Stage 3								
Debt securities	-	-	-	-	-	-	-	-
Loans	(9)	0	(1)	0	10	(17)	0	(17)
Total (D)	**(9)**	**0**	**(1)**	**0**	**10**	**(17)**	**0**	**(17)**
Acquisitions and originations								
Debt securities	3,852	(3)	-	-	-	-	3,852	(3)
Loans	10,683	(11)	-	-	-	-	10,683	(11)
Total (E)	**14,536**	**(14)**	**-**	**-**	**-**	**-**	**14,536**	**(14)**
Derecognitions								
Debt securities	(2,067)	1	(15)	0	-	-	(2,082)	1
Loans	(7,268)	8	(164)	1	(19)	10	(7,452)	18
Total (F)	**(9,336)**	**9**	**(179)**	**1**	**(19)**	**10**	**(9,534)**	**20**
Other changes [(b)]								
Debt securities	(336)	(12)	1	(30)	-	-	(335)	(42)
Loans	(2,557)	9	420	4	85	(11)	(2,052)	2
Total (G)	**(2,893)**	**(3)**	**421**	**(26)**	**85**	**(11)**	**(2,387)**	**(40)**
Balances as of December 31								
Debt securities	15,978	(17)	97	(48)	-	-	16,075	(65)
Loans	26,334	(40)	747	(7)	674	(157)	27,756	(205)
TOTAL FINANCIAL INVESTMENTS AT AMORTIZED COST (H = A + B + C + D + E + F + G)	**42,312**	**(57)**	**843**	**(55)**	**674**	**(157)**	**43,830**	**(270)**

(a) Includes related accumulated amortization, premiums/discount and accrued interests, when applicable.
(b) Mainly includes impacts of changes in scope of consolidation and movements in exchange rates.

7.9 FAIR VALUE OF INVESTMENTS

7.9.1 Fair value of financial investments measured at fair value

The table below presents the breakdown of the fair value of financial investments measured at fair value through either profit or loss ("FV P&L") or OCI ("FV OCI") by fair value hierarchy level as set in IFRS 13 - Fair Value Measurement (see Note 1.6). The carrying value of those financial investments is equal to their fair value:

	December 31, 2023				December 31, 2022, restated			
	Financial assets quoted in an active market	Financial assets not quoted in an active market or no active market			Financial assets quoted in an active market	Financial assets not quoted in an active market or no active market		
(in Euro million)	Level 1 [(a)]	Level 2 [(b)]	Level 3 [(c)]	Total	Level 1 [(a)]	Level 2 [(b)]	Level 3 [(c)]	Total
Debt instruments	214,735	66,888	284	281,907	201,906	74,811	235	276,953
Equity instruments	8,589	1,230	3,422	13,240	10,227	1,601	2,644	14,472
Financial assets at FV OCI	**223,324**	**68,117**	**3,706**	**295,147**	**212,133**	**76,413**	**2,879**	**291,425**
Debt instruments	7,556	4,618	860	13,035	5,638	5,193	1,107	11,938
Equity instruments	3,892	1,243	10,976	16,112	3,664	1,670	10,520	15,853
Non consolidated investment funds	2,064	8,677	7,997	18,737	1,903	8,940	7,861	18,705
Other assets, held by consolidated investment funds	1,863	6,940	13,285	22,088	1,787	7,398	11,108	20,293
Loans	-	17	-	17	-	17	-	17
Financial assets at FV P&L (excluding FV option)	**15,375**	**21,496**	**33,118**	**69,990**	**12,992**	**23,218**	**30,596**	**66,807**
Debt instruments	1,356	-	-	1,356	1,814	-	-	1,814
Loans	-	3,698	-	3,698	-	3,899	-	3,899
Financial assets at FV P&L – FV Option	**1,356**	**3,698**	**-**	**5,053**	**1,814**	**3,899**	**-**	**5,712**
TOTAL	**240,055**	**93,311**	**36,824**	**370,190**	**226,939**	**103,530**	**33,475**	**363,944**

(a) Level 1: fair value determined directly by reference to an active market.
(b) Level 2: fair value mainly based on observable market data.
(c) Level 3: fair value mainly not based on observable market data.

The Group applies the IFRS 13 fair value hierarchy as described in Note 1.6 to categorize financial assets it holds, based on the characteristics of the market in which financial assets are traded and on the nature of inputs used to determine their fair value.

LEVEL 1 FAIR VALUES

Financial assets are categorized in level 1 of the IFRS 13 fair value hierarchy when their fair value is determined directly by reference to an active market (see Note 1.6.1).

In 2023, improved market conditions with lower volatility and resilient financial markets resulted in the tightening of bonds' bid-ask spread, leading to transfers from Level 2 to Level 1.

As of December 31, 2023, the net transfer from level 2 to level 1 amounted to €11,146 million. This amount comprised €13,850 million transferred from level 2 to level 1, and €2,704 million from level 1 to level 2, of which €1,736 million for corporate bonds and €405 million for government bonds.

LEVEL 2 AND LEVEL 3 FAIR VALUES

The common characteristic of assets categorized in levels 2 and 3 of the IFRS 13 fair value hierarchy is that they are not quoted in an active market (see Note 1.6.2). Their fair value may be either provided by external parties or measured using valuation techniques. The classification of those assets between levels 2 and 3 depends on the proportion of inputs used to determine their fair value: if those inputs are mainly supported by market transactions and other observable market data, the assets are classified in level 2, otherwise, they are classified in level 3.

Financial assets categorized in levels 2 and 3 represent a variety of circumstances. A financial instrument is regarded as not quoted in an active market if there is little observation of transaction prices as an inherent characteristic of the instrument, when there is a significant decline in the volume and level of trading activity, in case of significant illiquidity or if observable prices cannot be considered as representing fair value because of dislocated market conditions. Characteristics of inactive markets can therefore be very different in nature, inherent to the instrument or be indicative of a change in the conditions prevailing in certain markets.

The identification of level 3 assets among assets not quoted in an active market involves a significant level of judgment. The following are considered as observable inputs: inputs provided by external pricing services, information obtained from specialized data providers, rating agencies, external surveys. The extent to which such data are external to the Group and not assessed by internal valuation teams is one of the main criteria applied in assessing whether data are observable or not. Should those data be significantly adjusted or would they be outdated because of the lack of newly available factors, such inputs would be deemed unobservable. Another area of judgment is the assessment of the significance of an input against the fair value measurement in its entirety. As a result, a different cut between observable and unobservable data and variances in the weighting of the significance of each input against the fair value measurement in its entirety could produce a different categorization.

Assets such as certain unquoted debt instruments, some instruments issued on private markets such as private equity instruments or private loans, have always been considered as not quoted in active markets as an inherent characteristic of these investments and included as assets not quoted in active markets or for which there is no active market in all periods presented. Valuations are based either on external pricing providers or internal models using techniques commonly used by market participants. Valuation teams make the maximum use of current transaction prices (if any) and observable data, but some of the underlying sectors to which the investments relate may be so particular that significant adjustments are performed or unobservable data are used. Private equity funds of funds are measured on the basis of the latest net asset values of funds provided to the Group.

TRANSFERS IN AND OUT OF THE LEVEL 3 CATEGORY AND OTHER MOVEMENTS

From January 1, 2023, to December 31, 2023, the amount of level 3 assets increased by €3.3 billion to €36.8 billion, representing 9.9% of the total assets at fair value (9.2% in 2022 or €33.5 billion).

Main movements related to level 3 assets to be noted were the following:

- €+4.9 billion of new investments mainly in alternative assets;
- €+1.6 billion of change in fair value related to investments accounted for at fair value, of which €+1.1 billion for investments at fair value through profit or loss and €+0.5 billion for investments at fair value through OCI;
- €-2.7 billion of asset sales, mainly of non-consolidated investment funds and equity instruments accounted for at fair value through profit or loss;
- €-0.4 billion mainly from foreign exchange fluctuation impact.

A majority of assets classified in level 3 corresponds to private investments, in particular private equity assets.

7.9.2 Fair value of investments measured at amortized cost

The table below presents the breakdown of the fair value of financial investments and investments in real estate property measured at amortized cost by IFRS 13 fair value hierarchy level:

	December 31, 2023				December 31, 2022, restated			
	Financial assets quoted in an active market	Financial assets not quoted in an active market or no active market			Financial assets quoted in an active market	Financial assets not quoted in an active market or no active market		
(in Euro million)	Level 1 [(a)]	Level 2 [(b)]	Level 3 [(c)]	Total	Level 1 [(a)]	Level 2 [(b)]	Level 3 [(c)]	Total
Investments in real estate properties	0	40,268	1,123	41,391	69	42,775	843	43,686
Debt instruments	169	9,379	5,088	14,635	167	9,095	4,998	14,259
Loans	1	11,323	14,527	25,851	18	12,079	14,767	26,864
TOTAL INVESTMENTS AT AMORTIZED COST	**169**	**60,970**	**20,738**	**81,877**	**254**	**63,949**	**20,608**	**84,810**

(a) Level 1: fair value determined directly by reference to an active market.
(b) Level 2: fair value mainly based on observable market data.
(c) Level 3: fair value mainly not based on observable market data.

The Group applies the IFRS 13 fair value hierarchy as described in Note 1.6, based on the characteristics of the market in which assets are traded and on the nature of inputs used to determine their fair value. Principles described in Note 7.10.1 apply to the financial investments and investments in real estate properties measured at amortized cost.

The fair values of debt instruments and loans measured at cost are determined with consideration of market inputs to the extent possible. For level 2 debt instruments and loans, the fair value is mainly derived using valuation techniques based upon observable market interest rate curves. For level 3 instruments, the fair value of debt instruments and loans measured at cost is determined by valuation techniques using limited observable market data.

The fair values of investments in real estate properties generally cannot be determined via reference to quotes of an active market from an exchange market or service provider, and no real estate property is therefore categorized in level 1 of the IFRS 13 fair value hierarchy.

However, AXA's investments in real estate properties are mostly physically located within liquid markets with identical or comparable asset sales. Given the regulatory environment, real estate properties located in European markets such as France are valued by experts using very similar approaches described in Note 1.9.1 leading to very limited dispersion in prices, with a majority of market inputs themselves homogeneous in terms of sources and values. Hence, the Group, consistently with the policy described in Note 1.6 which notably considers, for assets not quoted in an active market, the weight of observable inputs in the valuation, concluded that the fair value calculations, which are based on valuations performed by qualified property appraisers mainly based on market observable inputs, are considered level 2 fair values.

However, the assessment of the significance of an input against the fair value measurement in its entirety involves judgment and a different weighting could produce a different categorization.

7.10 FAIR VALUE OF UNDERLYING ASSETS RELATING TO INSURANCE CONTRACTS WITH DIRECT PARTICIPATION FEATURES

The following table sets out the composition and the fair value of the Group's portfolio of underlying assets relating to insurance contracts with direct participation features (including insurance contracts where the financial risk is borne by policyholders) and investment contracts with discretionary participation features falling within the scope of IFRS 17 - Insurance contracts and measured applying Variable Fee Approach ("VFA") (see Note 1.14.7). The carrying value of these investments is equal to their fair value, except for the investments in real estate properties and some loans recognized at amortized cost:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Investments in real estate properties	25,937	22,132
Equity instruments and non consolidated investment funds	75,423	61,000
Debt instruments	157,799	139,110
Other investments	26,895	64,345
Total assets backing insurance contracts with direct participation features	**286,055**	**286,588**

The unrealized gain on real estate properties backing insurance contracts with direct participating features totaled €2,332 million as of December 31, 2023 compared to €3,429 million as of December 31, 2022.

7.11 FAIR VALUE OF UNDERLYING ASSETS RELATING TO INSURANCE AND INVESTMENT CONTRACTS WHERE THE FINANCIAL RISK IS BORNE BY POLICYHOLDERS

The following table sets out the composition and the fair value of underlying assets relating to the contracts where the financial risk is born by policyholders falling within the scope of either IFRS 17 - Insurance contracts (these assets are therefore also included in the table of Note 7.10 as, by their nature, they are contracts with direct participation features within the meeting of IFRS 17), or investment contracts falling within the scope of IFRS 9 - Financial instruments, as investment contracts. The carrying value of these investments is equal to their fair value, except for the investment in real estate properties recognized at amortized cost:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Investments in real estate properties	4,102	4,740
Equity instruments and non consolidated investment funds	69,037	63,632
Debt instruments	8,736	7,268
Other investments	575	751
Total assets backing contracts where the financial risk is borne by policyholders	**82,449**	**76,392**

Note 8 Investments accounted for using the equity method

8.1 BREAKDOWN OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31, 2023					
(in Euro million)	January 1	Acquisitions & disposals	Contribution to net income	Currency translation impact	Other changes [(a)]	December 31
Neuflize Vie	126	-	10	-	(6)	130
Philippine AXA Life Insurance Corporation	93	-	24	(5)	(12)	101
Krungthai AXA Life Insurance Company Ltd.	284	-	54	(9)	40	369
ICBC-AXA Assurance Co., Ltd. (b)	673	-	22	(34)	(102)	560
PT AXA Mandiri Financial Services	124	-	41	(3)	(32)	130
Bharti AXA Life (c)	141	-	(79)	(4)	(58)	-
Reso Garantia	507	-	182	(230)	(89)	370
Kyobo AXA Investment Managers Company Ltd.	33	-	5	(2)	(4)	32
AXA SPDB Investments Managers Company Ltd.	133	-	15	(7)	(5)	135
Capza (Asset Manager)	96	0	9	-	(6)	99
Other	24	-	(5)	3	(9)	13
TOTAL	**2,234**	**0**	**277**	**(290)**	**(283)**	**1,938**

(a) Includes increase in capital, dividend distributions, changes in consolidation method, and impacts of revaluation to fair value of financial investments in shareholders' equity.

(b) It included the first time application impact of IFRS 17 Insurance contracts in ICBC-AXA Assurance Co. for €+227 million in Retained earnings and €-242 million in other comprehensive income.

(c) Bharti AXA Life was reclassified as held for sale (see Note 5.3.2).

	December 31, 2022, restated					
(in Euro million)	January 1	Acquisitions & disposals	Contribution to net income	Currency translation impact	Other changes (a)	December 31
Neuflize Vie	122	-	13	-	(9)	126
Philippine AXA Life Insurance Corporation	87	-	14	(2)	(5)	93
Krungthai AXA Life Insurance Company Ltd.	277	-	48	6	(47)	284
ICBC-AXA Assurance Co., Ltd.	830	-	(98)	(13)	(45)	673
PT AXA Mandiri Financial Services	115	-	42	(4)	(30)	124
Bharti AXA Life	135	-	(7)	(7)	19	141
Reso Garantia (b)	551	-	(192)	160	(12)	507
Kyobo AXA Investment Managers Company Ltd.	35	-	5	0	(6)	33
XL P&C Insurance	1	-	-	0	(1)	-
AXA SPDB Investments Managers Company Ltd.	160	-	19	(3)	(43)	133
AXA Mansard Insurance plc (Property & Casualties and includes Assur African Holding) (c)	114	-	-	-	(114)	-
AXA Mansard Insurance plc (Life & Health) (c)	14	-	-	-	(14)	-
Capza (Asset Manager)	-	92	6	-	(2)	96
Other	10	-	1	11	3	24
TOTAL	**2,451**	**92**	**(149)**	**149**	**(307)**	**2,234**

(a) Includes increase in capital, dividend distributions, changes in consolidation method, and impacts of revaluation to fair value of financial investments in shareholders' equity.

(b) The contribution of Reso Garantia to net income is mainly due to the depreciation of goodwill in 2022 for €-164 million on top of the AXA's Group share of the losses incurred locally (see Note 8.3).

(c) AXA Mansard has been fully consolidated starting from January 1, 2022.

8.2 MAIN JOINT VENTURES

Financial information for the main joint venture (Krungthai AXA Life Insurance Company Ltd.) is as follows (including AXA and external share but excluding goodwill related to AXA's investment):

(in Euro million)	December 31, 2023	December 31, 2022, restated
Cash and cash equivalents	94	100
Total assets (including cash and cash equivalents)	**7,521**	**8,441**
Financing debts	-	-
Total liabilities (including financing debts but excluding shareholders' equity)	**6,783**	**7,874**
Net assets	**737**	**568**
Revenues	533	506
Net income	**107**	**95**
Other comprehensive income	66	(60)
Total comprehensive income	**174**	**35**
Dividends received from joint ventures	**-**	**-**

As of December 31, 2023 and December 31, 2022, the Group share of interest in Krungthai AXA Life Insurance Company Ltd. was 50.0%.

A reconciliation of the summarized financial information to the Group share carrying amount of the main joint venture was as follows:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Net assets as presented above	737	568
Group share in net assets	369	284
Goodwill	-	-
Carrying value	369	284

8.3 MAIN ASSOCIATES

Financial information for main associates was as follows (including AXA and external share but excluding goodwill related to AXA's investment):

	December 31, 2023		December 31, 2022, restated	
(in Euro million)	Reso Garantia	ICBC-AXA Assurance Co. Ltd.	Reso Garantia	ICBC-AXA Assurance Co. Ltd.
Total assets	**3,015**	**39,623**	**4,389**	**37,823**
Total liabilities (excluding shareholders' equity)	**2,056**	**37,587**	**3,076**	**35,374**
Net assets	**959**	**2,036**	**1,313**	**2,449**
Revenues	471	-	(63)	-
Net income	**471**	**80**	**(63)**	**(357)**
Other comprehensive income	(583)	(1,331)	347	(210)
Total comprehensive income	**(111)**	**(1,251)**	**283**	**(567)**
Dividends received from the associates	**-**	**-**	**-**	**-**

A reconciliation of the summarized financial information to the Group share carrying amount of the associates is as follows:

	December 31, 2023		December 31, 2022, restated	
(in Euro million)	Reso Garantia	ICBC-AXA Assurance Co. Ltd.	Reso Garantia	ICBC-AXA Assurance Co. Ltd.
Net assets as presented above	959	2,036	1,313	2,449
Group share of net assets	370	560	507	673
Goodwill	-	-	0	-
Carrying value	370	560	507	673

In 2023 international sanctions against Russia, as well as legal countermeasures by the Russian Government, did not remove the ability of the Company to exercise its significant influence over Reso Garantia.

Note 9 Receivables

	December 31, 2023				December 31, 2022			
(in Euro million)	Gross value	Impairment	Carrying value	Fair value	Gross value	Impairment	Carrying value	Fair value
Current tax receivables	**719**	**-**	**719**	**719**	**928**	**-**	**928**	**928**
Employee benefits & related	2,485	-	2,485	2,485	1,681	-	1,681	1,681
Other deposits	2,016	-	2,016	2,016	2,209	(0)	2,208	2,208
Others	7,295	(48)	7,247	7,247	6,873	(42)	6,831	6,831
Other receivables	**11,796**	**(48)**	**11,748**	**11,748**	**10,762**	**(42)**	**10,720**	**10,720**
TOTAL RECEIVABLES	**12,515**	**(48)**	**12,467**	**12,467**	**11,690**	**(42)**	**11,648**	**11,648**

Note 10 Cash and cash equivalents

(in Euro million)	December 31, 2023 Carrying value [(a)]	December 31, 2022 Carrying value [(a)]
Arising from insurance activities	20,268	19,809
Arising from banking activities	960	1,601
Arising from other activities	3,744	4,756
Cash and cash equivalents [(b)]	**24,972**	**26,167**

(a) Fair value is assessed as being equal to net carrying value given the nature of such assets.
(b) Including €883 million deposits in the central banks in 2023 and €1,519 million in 2022.

The table below reconciles assets and liabilities cash and cash equivalent balances with the statement of consolidated cash flows:

(in Euro million)	December 31, 2023	December 31, 2022
Cash and cash equivalents	24,972	26,167
Bank overdrafts [(a)]	(845)	(486)
Cash and cash equivalents [(b)]	**24,127**	**25,681**

(a) Included in "Other debt instruments issued and bank overdrafts".
(b) The "Cash and cash equivalents" item excludes cash backing contracts where the financial risk is borne by policyholders (Unit-Linked contracts).

The tables above exclude cash held by consolidated investment funds in the "Satellite Investment Portfolio", as defined in Note 1.9.2.1.

As of December 31, 2023, total consolidated net cash and cash equivalents amounted to €24,972 million, net of €845 million bank overdrafts classified under "Other debt instrument issued and bank overdrafts" in the consolidated statement of financial position.

Net cash and cash equivalents decreased by €1,555 million compared to 2022 mainly in:

- AXA SA (€-998 million) mainly related to dividends paid to the shareholders, the shares bought back, investing activities, repayment of debts and the financial charges paid, partly offset by the issuance of subordinated debts and dividends received;
- Belgium (€-565 million) mainly related to a decrease in investing activities (€-727 million) partly offset by an increase in operating cash (€+162 million);
- Switzerland (€-497 million) mainly related to a decrease in investing activities (€-439 million) as well as in operating cash (€-58 million).

It was partly offset by France (€+642 million), mainly related to investing activities (€+554 million) as well as an increase in operating cash (€+88 million).

Regarding the consolidated statement of cash flows presented in the primary financial statements, net cash provided by operating activities amounted to €+6,437 million in 2023, compared to €+8,705 million in 2022.

Net cash used in investing activities amounted to €-1,598 million in 2023, mainly reflecting:

- €-1,660 million of net cash impact of assets lending/borrowing collateral receivables and payables;
- €-855 million of net cash mainly related to acquisitions.

Net cash used in investing activities amounted to €-155 million in 2022, mainly reflecting:

- €+211 million of net cash used in purchases and sales of financial invested assets;
- €-281 million of net cash impact of assets lending/borrowing collateral receivables and payables.

Net cash relating to financing activities amounted to €-6,781 million in 2023, mainly driven by:

- dividends payments of €-3,948 million;
- repayment of equity instruments for €-2,062 million mainly related to the shares bought back and repayments of undated subordinated debts;
- net cash from financing debts of €-793 million mainly related to the issuances and repayments of subordinated debts.

Net cash relating to financing activities amounted to €-6,291 million in 2022, mainly driven by:

- dividends payments of €-3,676 million;
- repayment of equity instruments for €-3,959 million mainly related to the shares bought back;
- net cash from financing debts of €+1,327 million mainly related to the issuances and repayments of subordinated debts.

Note 11 Shareholders' equity and minority interests

11.1 IMPACT OF TRANSACTIONS WITH SHAREHOLDERS

The Consolidated Statement of changes in Equity is presented as a primary financial statement.

11.1.1 Change in shareholders' Equity Group share in 2023

SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

During 2023, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- a capital decrease of €2,505 million corresponding to 97.9 million shares cancelled as a consequence of the share buy back programs;
- capital increase of €347 million from the employee share offering of 13.8 million shares in December 2023;
- a capital increase of €54 million due to the exercise of stock options;
- share-based remuneration for €70 million.

TREASURY SHARES

As of December 31, 2023, the Company and its subsidiaries owned 44.0 million AXA shares, representing 1.9% of the share capital, a decrease of 43.2 million shares compared to December 31, 2022.

The 0.6 million treasury shares backing contracts where financial risk is borne by policyholders held in controlled investment funds were not deducted from shareholders' equity. Their total estimated historical cost was €15 million and their market value €19 million.

The carrying value of treasury shares and related derivatives amounted to €1,377 million and there were no AXA shares held by consolidated Mutual funds other than those backing contracts where financial risk is borne by policyholders.

UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

Undated subordinated debt instruments are classified in shareholders' equity and valuated at their historical value or their closing value as regards exchange rates. The corresponding foreign exchange differences are cancelled out through the translation reserve.

In 2023, the following transactions pertaining to undated subordinated debt had an impact on AXA's other reserves:

- €-250 million from repayment of undated subordinated debt;
- €-185 million from interest expenses related to the undated subordinated debt (net of tax);
- €-16 million from foreign exchange rate fluctuations.

As of December 31, 2023, and December 31, 2022, undated subordinated debt recognized in shareholders' equity broke down as follows:

	December 31, 2023		December 31, 2022	
(in Euro million)	Value of the undated debt in currency of issuance	Value of the undated debt in Euro million	Value of the undated debt in currency of issuance	Value of the undated debt in Euro million
October 29, 2004 – €375m 6%	375	375	375	375
December 22, 2004 – €250m 6%	250	250	250	250
January 25, 2005 – €250m 6%	250	250	250	250
July 6, 2006 – £350m 6.6862%	350	404	350	395
December 14, 2006 – US$750m 6,3790%	461	415	509	475
November 7, 2014 – €984m 3.941%	984	981	984	981
November 7, 2014 – £724m 5.453%	724	833	724	813
May 20, 2014 – €1,000m - 3.875% until October 2025	1,000	997	1,000	997
Perpetual notes – variables rates in €	625	625	625	625
Perpetual notes – 3.29% in JPY	27,000	173	27,000	192
Perpetual notes – (of which 500 M US$ at 7,1%) in US$	150	136	375	352
TOTAL		**5,439**		**5,704**

Undated subordinated debt often contains the following features:

- early redemption clauses (calls) at the Group's option, giving AXA the ability to redeem on certain dates the principal amount before settlement and without penalty; and
- interest rate step-up clauses with effect at different contractual given dates.

DIVIDENDS PAID

On April 27, 2023, Shareholders' Meeting, shareholders approved a dividend distribution of €1.7 per share corresponding to €3,787 million with respect to the 2022 financial year.

11.1.2 Change in shareholders' Equity Group share in 2022

SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

During 2022, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- a capital decrease of €2,207 million corresponding to 85.9 million shares cancelled as a consequence of the share buy back programs;
- a capital increase of €296 million from the employee share offering of 14.0 million shares in December 2022;
- a capital increase of €44 million due to the exercise of stock options;
- share-based remuneration for €59 million.

TREASURY SHARES

As of December 31, 2022, the Company and its subsidiaries owned 87.2 million AXA shares, representing 3.7% of the share capital, an increase of 21.2 million shares compared to December 31, 2021.

The 1.0 million treasury shares backing contracts where financial risk is borne by policyholders held in controlled investment funds were not deducted from shareholders' equity. Their total estimated historical cost was €23 million and their market value €27 million.

The carrying value of treasury shares and related derivatives amounted to €2,223 million and there were no AXA shares held by consolidated Mutual funds other than those backing contracts where financial risk is borne by policyholders.

UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

Undated subordinated debt instruments are classified in shareholders' equity and valuated at their historical value or their closing value as regards exchange rates. The corresponding foreign exchange differences are cancelled out through the translation reserve.

In 2022, the following transactions pertaining to undated subordinated debt had an impact on AXA's other reserves:

- €-994 million from repayment of undated subordinated debt and €-21 million loss on partial repayment;
- €-182 million from interest expenses related to the undated subordinated debt (net of tax);
- €+2 million from foreign exchange rate fluctuations.

DIVIDENDS PAID

On April 28, 2022, Shareholders' Meeting, shareholders approved a dividend distribution of €1.54 per share corresponding to €3,539 million with respect to the 2021 financial year.

11.2 COMPREHENSIVE INCOME FOR THE PERIOD

The Consolidated Statement of Comprehensive Income, presented as a primary financial statement, includes the net income for the period and the other comprehensive income, the latter reflecting the changes relating to other reserves recognized through other comprehensive income ("OCI") in accordance with IFRS 9 and IFRS 17, translation reserves and employee benefits. It also reflects the realized capital gains or losses on equity instruments, without recycling in Profit or Loss.

11.2.1 Other comprehensive income for 2023

OTHER RESERVES RECOGNIZED THROUGH OCI IN ACCORDANCE WITH IFRS 9 AND IFRS 17

The table below gives detailed information on changes in other reserves recognized through OCI during the year 2023:

(in Euro million)	Fair value reserves relating to financial instruments [(a)]	Fair value reserves relating to cash flow hedge derivatives	Reserves relating to the cost of hedging	Reserves relating to finance income or expenses from insurance and reinsurance contracts	Total
Balance at January 1, 2023	**(17,680)**	**(5,207)**	**48**	**14,081**	**(8,758)**
Change in OCI with recycling in Profit or Loss	8,887	856	(12)	(8,514)	1,218
Change in OCI without recycling in Profit or Loss	1,663	-	-	(451)	1,213
Others (including effect of changes in scope of consolidation)	2	0	0	(1)	1
Other comprehensive income	**10,553**	**857**	**(12)**	**(8,966)**	**2,432**
Balance at December 31, 2023	**(7,128)**	**(4,350)**	**36**	**5,115**	**(6,327)**

(a) Including the fair value hedge of equity instruments.

As explained in Note 1.21.2 and in accordance with IFRS 17, AXA applies the option to disaggregate insurance and reinsurance financial income or expenses between the statement of profit or loss and the OCI to limit the volatility in profit or loss considering that many of supporting financial assets are measured at fair value through OCI under IFRS 9.

When equity instruments without recycling in Profit or Loss are sold, their related net unrealized gains and losses previously recognized in OCI without recycling in Profit or Loss are transferred to retained earnings. In 2023, the realized capital gains or losses on these equity instruments amounted to €-429 million, net of tax.

CURRENCY TRANSLATION RESERVES

The total impact of foreign exchange rate movements was €-819 million (of which €-814 million from Group share and €-5 million from minority interests) as at December 31, 2023.

The change in Group share translation reserves of €-814 million was mainly driven by AXA XL (€-686 million), Japan (€-399 million), China (€-172 million), Hong Kong (€-131 million) partly offset by Switzerland (€+641 million), and the United Kingdom (€+87 million).

EMPLOYEE BENEFITS ACTUARIAL GAINS AND LOSSES

The total net impact of employee benefits actuarial gains and losses amounted to €+290 million (of which €+287 million from Group share and €+3 million from minority interests) as of December 31, 2023. This positive impact was mainly related to the increase in asset ceiling in Switzerland, partly offset by an overall decrease in the discount rate assumptions used.

Additional information on pension benefits is provided in Note 23.2.

11.2.2 Other comprehensive income for 2022

OTHER RESERVES RECOGNIZED THROUGH OCI IN ACCORDANCE WITH IFRS 9 AND IFRS 17

The table below gives detailed information on change in other reserves recognized through OCI during the year 2022:

(in Euro million)	Fair value reserves relating to financial instruments [(a)]	Fair value reserves relating to cash flow hedge derivatives	Reserves relating to the cost of hedging	Reserves relating to finance income or expenses from insurance and reinsurance contracts	Total
Balance at January 1, restated	**36,207**	**128**	**(8)**	**(39,466)**	**(3,139)**
Change in OCI with recycling in Profit or Loss	(49,660)	(5,335)	56	51,059	(3,880)
Change in OCI without recycling in Profit or Loss	(4,221)	-	-	2,488	(1,733)
Others (including effect of changes in scope of consolidation)	(6)	(0)	-	0	(6)
Other comprehensive income	**(53,887)**	**(5,335)**	**56**	**53,547**	**(5,620)**
Balance at December 31, restated	**(17,680)**	**(5,207)**	**48**	**14,081**	**(8,758)**

(a) Including the fair value hedge of equity instruments.

When equity instruments without recycling in Profit or Loss are sold, their related net unrealized gains and losses previously recognized in OCI without recycling in Profit or Loss are transferred to retained earnings. In 2022, the realized capital gains or losses on these equity instruments was €+556 million, net of tax.

CURRENCY TRANSLATION RESERVES

The total impact of foreign exchange rate movements was €+1,233 million (of which €+1,229 million from Group share and €+4 million from minority interests) as at December 31, 2022.

The change in Group share translation reserves of €+1,229 million was mainly driven by AXA XL (€+1,025 million), Switzerland (€+489 million), Hong Kong (€+311 million) partly offset by Japan (€-295 million) and the United Kingdom (€-220 million).

EMPLOYEE BENEFITS ACTUARIAL GAINS AND LOSSES

The total net impact of employee benefits actuarial gains and losses amounted to €+471 million (of which €+465 million from Group share and €+6 million from minority interests) as of December 31, 2022. This positive impact was mainly due to an overall increase in discount rate assumptions used, mitigated by a decrease in asset ceiling in Switzerland.

11.2.3 Estimate of fair value reserve related to financial instruments corresponding to LIC occurred before 2016

As explained in paragraph 1.2.1.1 of Note 1 on Transition methods, the other comprehensive income ("OCI") was set to zero at transition for liabilities for incurred claims ("LIC") occurred before 2016 related to non-direct participating contracts. Opposite to these liabilities, the Group holds financial assets at fair value through OCI. The estimate of the OCI net of tax on these financial assets was respectively:

- €+937 million as of January 1, 2022, at transition date (€+1,251 million before tax);
- €-400 million as of December 31, 2022 (€-535 million before tax);
- €+20 million as of December 31, 2023 (€+22 million before tax).

The decrease in OCI since transition has mainly resulted from the increase in interest rates. The allocation of assets (and therefore the related OCI) to LIC occurred before 2016 has also naturally decreased as these LIC are progressively settled over the time.

11.3 CHANGE IN MINORITY INTERESTS

Under IFRS, minority interests in most investment funds in which the Group invests consist of instruments that holders can redeem at will at fair value, and qualify as a liability rather than shareholders' equity item.

11.3.1 Change in minority interests for 2023

The €-199 million decrease in minority interests to €2,819 million was driven by transactions with minority interests' holders and comprehensive income:

- the comprehensive income for the period notably included the following:
  - net income attributable to minority interests for €+184 million,
  - employee benefits actuarial gains and losses for €+3 million,
  - other reserves recognized through OCI for €+105 million,
  - foreign exchange movements for €-5 million;
- transactions with minority interests' holders mainly included:
  - minority interests in consolidated investment funds qualified as equity resulting from the decrease in the value of minority interests' holdings mainly due to divestment in the funds and market performance for €-300 million,
  - dividend payout to minority interests' holders for €-164 million.

11.3.2 Change in minority interests for 2022

The €-684 million decrease in minority interests to €3,018 million was driven by transactions with minority interests' holders and comprehensive income:

- the comprehensive income for the period notably included the following:
  - net income attributable to minority interests for €+146 million,
  - employee benefits actuarial gains and losses for €+6 million,
  - other reserves recognized through OCI for €-127 million,
  - foreign exchange movements for €+4 million;
- transactions with minority interests' holders mainly included:
  - minority interests in consolidated investment funds qualified as equity resulting from the decrease in the value of minority interests' holdings mainly due to market performance and divestment in the funds for €-491 million,
  - dividend payout to minority interests' holders for €-168 million,
  - the Malaysia operations disposal for €-136 million.

Note 12 Insurance contracts, investment contracts and reinsurance contracts

12.1 INSURANCE AND REINSURANCE CONTRACTS

This note highlights the effects of contracts within the scope of IFRS 17 on the consolidated statement of financial position and the consolidated statement of profit or loss. Information relating to other investment contracts within the scope of IFRS 9 Financial Instruments is disclosed in paragraph 12.2.

As described in Note 1.14, IFRS 17 - Insurance Contracts applies to insurance and reinsurance contracts issued, investment contracts with discretionary participation features, and reinsurance contracts held. The Note 1.14 also describes accounting principles applying to these contracts and defines the terms used in the following paragraphs of Note 12 in this way:

- DPF: Discretionary Participation Features;
- LRC: Liability for Remaining Coverage;
- LIC: Liability for Incurred Claims;
- ARC: Asset for Remaining Coverage;
- AIC: Asset for Incurred Claims;
- CSM: Contractual Service Margin;
- OCI: Other Comprehensive Income;

- MRA: Modified Retrospective Approach;
- FVA: Fair Value Approach;
- PVFCF: Present Value of Future Cash Flows;
- RA: Risk Adjustment for non-financial risk;
- BBA: Building Block Approach;
- VFA: Variable Fee Approach;
- PAA: Premium Allocation Approach.

12.1.1 Reconciliations with the consolidated financial statements

The tables below enable to reconcile the consolidated statement of financial position and the consolidated statement of profit or loss with information disclosed in the next paragraphs.

These reconciliations consist in excluding the amounts of both insurance and reinsurance receivables and payables, as well as the assets for insurance acquisition cash flows, included in the consolidated statement of financial position on the one hand, and the related amounts affecting the consolidated statement of profit or loss on the other hand.

12.1.1.1 RECONCILIATION WITH THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The reconciliation of amounts presented in the consolidated statement of financial position with the "carrying amount of insurance contracts and investment contracts with DPF", as disclosed in paragraph 12.1.3, is as follows:

(in Euro million)	December 31, 2023	December 31, 2022 restated
Amounts reported in the consolidated statement of financial position		
Liabilities arising from insurance contracts and investment contracts with DPF	456,896	444,812
Assets arising from insurance contracts and investment contracts with DPF	11	4
Net position	**456,885**	**444,808**
Receivables arising from direct insurance and inward reinsurance operations	27,268	28,317
Payables arising from direct insurance and inward reinsurance operations	(10,856)	(10,960)
Assets for insurance acquisition cash flows	274	226
Carrying amount of insurance contracts and investment contracts with DPF, as disclosed hereinafter	**473,571**	**462,391**
Of which Life & Health contracts	*365,976*	*359,273*
Of which Property & Casualty contracts	*107,595*	*103,118*

The reconciliation of amounts presented in the consolidated statement of financial position with the "carrying amount of reinsurance contracts held", as disclosed in paragraph 12.1.4, is as follows:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Amounts reported in the consolidated statement of financial position		
Assets arising from reinsurance contracts held	25,212	24,378
Liabilities arising from reinsurance contracts held	8	5
Net position	**25,205**	**24,373**
Payables arising from outward reinsurance operations	14,430	13,041
Receivables arising from outward reinsurance operations	(4,262)	(4,134)
Carrying amount of reinsurance contracts held, as disclosed hereinafter	**35,373**	**33,279**
Of which Life & Health contracts	*14,215*	*12,458*
Of which Property & Casualty contracts	*21,158*	*20,821*

12.1.1.2 RECONCILIATION WITH THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The reconciliation of amounts presented in the consolidated statement of profit or loss to both the "Insurance service expenses" and the "Net finance income or expenses from insurance contracts recognized in profit or loss", as disclosed in paragraph 12.1.3, is as follows:

(in Euro million)	December 31, 2023	December 31, 2022 restated
Insurance service expenses reported in the consolidated statement of profit or loss	**(71,681)**	**(74,469)**
Increase in impairment relating to receivables arising from direct insurance and inward reinsurance operations	38	30
Write back of impairment relating to receivables arising from direct insurance and inward reinsurance operations	(22)	(23)
Increase in impairment of assets for insurance acquisition cash flows	-	-
Write back of impairment of assets for insurance acquisition cash flows	-	-
Insurance service expenses, as disclosed hereinafter	**(71,665)**	**(74,462)**
Of which Life & Health contracts	*(26,332)*	*(26,890)*
Of which Property & Casualty contracts	*(45,332)*	*(47,572)*

(in Euro million)	December 31, 2023	December 31, 2022 restated
Net finance income or expenses from insurance contracts reported in the consolidated statement of profit or loss	**(14,500)**	**3,870**
Interest income on receivables arising from direct insurance and inward reinsurance operations	(53)	(33)
Interest expenses on payables arising from direct insurance and inward reinsurance operations	29	(14)
Foreign exchange unrealized gains or losses relating to receivables and payables arising from direct insurance and inward reinsurance operations	(607)	(207)
Foreign exchange realized gains or losses relating to receivables and payables arising from direct insurance and inward reinsurance operations	722	188
Net finance income or expenses from insurance contracts recognized in profit or loss, as disclosed hereinafter	**(14,409)**	**3,805**
Of which Life & Health contracts	*(13,480)*	*4,656*
Of which Property & Casualty contracts	*(929)*	*(851)*

The reconciliation of amounts presented in the consolidated statement of profit or loss to both the "Net expenses from reinsurance contracts held" and the "Net finance income or expenses from reinsurance contracts recognized in profit or loss", as disclosed paragraph 12.1.4, is as follows:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Net expenses from reinsurance contracts held reported in the consolidated statement of profit or loss	**(2,276)**	**(1,068)**
Increase in impairment relating to receivables arising from outward reinsurance operations	1	7
Write back of impairment relating to receivables arising from outward reinsurance operations	(2)	(3)
Net expenses from reinsurance contracts held, as disclosed hereinafter	**(2,278)**	**(1,063)**
Of which Life & Health contracts	*(435)*	*(141)*
Of which Property & Casualty contracts	*(1,842)*	*(922)*

(in Euro million)	December 31, 2023	December 31, 2022, restated
Net finance income or expenses from reinsurance contracts held reported in the consolidated statement of profit or loss	**270**	**394**
Interest income on receivables arising from outward reinsurance operations	(0)	(0)
Interest expense on payables arising from outward reinsurance operations	10	6
Foreign exchange unrealized gains or losses relating to receivables and payables arising from outward reinsurance operations	29	(65)
Foreign exchange realized gains or losses relating to receivables and payables arising from outward reinsurance operations	-	-
Effect of changes in non-performance risk of reinsurers	(3)	40
Net finance income or expenses from reinsurance contracts, as disclosed hereinafter	**305**	**374**
Of which Life & Health contracts	*145*	*85*
Of which Property & Casualty contracts	*160*	*288*

12.1.2 Carrying amount of insurance contracts and investment contracts with DPF, gross and net of reinsurance contracts held

The carrying amount of insurance contracts and investment contracts with DPF, gross and net of reinsurance contracts held, is allocated by line of business as follows:

	December 31, 2023			December 31, 2022, restated		
(in Euro million)	Life & Health	Property & Casualty	Total	Life & Health	Property & Casualty	Total
Assets and liabilities for remaining coverage	338,106	18,031	356,137	331,926	17,286	349,212
Assets and liabilities for incurred claims	27,870	89,564	117,434	27,347	85,832	113,179
Carrying amount of insurance contracts and investment contracts with DPF	**365,976**	**107,595**	**473,571**	**359,273**	**103,118**	**462,391**
Assets and liabilities for remaining coverage	9,662	2,842	12,504	8,179	3,019	11,198
Assets and liabilities for incurred claims	4,553	18,316	22,869	4,279	17,801	22,081
Carrying amounts of reinsurance contracts held	**14,215**	**21,158**	**35,373**	**12,458**	**20,821**	**33,279**
Carrying amount of insurance contracts and investment contracts with DPF, net of reinsurance contracts held	**351,761**	**86,437**	**438,198**	**346,814**	**82,298**	**429,112**

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12.1.3 Movements in balances of insurance contracts and investment contracts with DPF

12.1.3.1 CHANGES IN THE CARRYING AMOUNT OF INSURANCE CONTRACTS AND INVESTMENT CONTRACTS WITH DPF, SPLIT BETWEEN REMAINING COVERAGE AND INCURRED CLAIMS COMPONENTS

The two following tables provide an analysis of the movements in the carrying amount of insurance contracts and investment contracts with DPF, split between the LRC and the LIC.

The analysis of movements highlights how this carrying amount is affected by **(i)** the amounts recognised in the statement of profit or loss and OCI, **(ii)** the cash flows, **(iii)** the movements in exchange rates and **(iv)** the changes in scope of consolidation and other changes.

The amounts recognised in the consolidated statement of profit or loss reconcile to insurance revenue (see paragraph 12.1.5.1) as well as to insurance service expenses and net finance income or expenses as disclosed above (see paragraph 12.1.1.2). In respect of insurance revenue, the tables below show its breakdown between the one coming from contracts measured under MRA and the FVA at transition on one hand, and other contracts on the other hand, the latter combining both new contracts and contracts measured under the full retrospective approach at transition, as well as contracts not applying the annual cohort requirement at transition (see Note 1 Other information related to transition).

The following changes occurred during the year 2023:

	Analysis of changes occurred in the course of 2023, split between LRC and LIC										
	LRC			LIC						Of which	
					LIC related to PAA contracts						
(in Euro million)	Excluding loss component	Loss component	Total LRC	LIC related to non PAA contracts	Estimates of the PVFCF	RA	Total	Total LIC	Total	Life & Health	Property & Casualty
Opening assets	(4)	-	(4)	0	-	-	-	0	(4)	(4)	-
Opening liabilities	346,776	2,440	349,216	2,526	108,876	1,776	110,652	113,179	462,395	359,276	103,118
Net balance as of January 1 (A)	**346,772**	**2,440**	**349,212**	**2,527**	**108,876**	**1,776**	**110,652**	**113,179**	**462,391**	**359,273**	**103,118**
Insurance revenue coming from contracts under the MRA	(11,820)	-	(11,820)	-	-	-	-	-	(11,820)	(9,431)	(2,389)
Insurance revenue coming from contracts under the FVA	(1,844)	-	(1,844)	-	-	-	-	-	(1,844)	(1,182)	(662)
Insurance revenue coming from other contracts	(67,225)	-	(67,225)	-	-	-	-	-	(67,225)	(18,980)	(48,245)
Insurance revenue (B)	**(80,889)**	**-**	**(80,889)**	**-**	**-**	**-**	**-**	**-**	**(80,889)**	**(29,593)**	**(51,296)**
Incurred claims and other insurance service expenses	-	(202)	(202)	11,237	49,583	336	49,920	61,156	60,954	23,880	37,074
Amortisation of insurance acquisition cash flows	11,505	-	11,505	-	-	-	-	-	11,505	2,963	8,543
Losses and reversal of losses on onerous contracts	-	28	28	-	-	-	-	-	28	76	(48)
Adjustments to liabilities for incurred claims	-	-	-	(108)	(312)	(403)	(715)	(823)	(823)	(586)	(237)
Insurance service expenses (C)	**11,505**	**(174)**	**11,332**	**11,129**	**49,271**	**(67)**	**49,204**	**60,333**	**71,665**	**26,332**	**45,332**
Investment components (D)	**(28,415)**	**-**	**(28,415)**	**27,516**	**899**	**-**	**899**	**28,415**	**-**	**-**	**-**
INSURANCE SERVICE RESULT (E = B + C + D)	**(97,799)**	**(174)**	**(97,972)**	**38,645**	**50,170**	**(67)**	**50,103**	**88,748**	**(9,225)**	**(3,261)**	**(5,964)**
Net finance income or expenses recognized in profit or loss	13,272	56	13,328	(1)	1,080	2	1,081	1,080	14,409	13,480	929
Net finance income or expenses recognized in OCI	8,864	-	8,864	18	4,166	6	4,173	4,190	13,054	9,469	3,585
Net finance income or expenses from insurance contracts (F)	**22,136**	**56**	**22,192**	**17**	**5,246**	**8**	**5,254**	**5,271**	**27,463**	**22,949**	**4,514**
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (G = E + F)	**(75,662)**	**(118)**	**(75,781)**	**38,662**	**55,416**	**(59)**	**55,357**	**94,019**	**18,238**	**19,688**	**(1,450)**
Premiums received	99,113	-	99,113	-	-	-	-	-	99,113	46,574	52,539
Claims and other insurance service expenses paid	-	-	-	(38,572)	(51,404)	-	(51,404)	(89,976)	(89,976)	(52,457)	(37,519)
Insurance acquisition cash flows paid	(13,559)	-	(13,559)	-	-	-	-	-	(13,559)	(4,768)	(8,791)
Total cash flows (H)	**85,554**	**-**	**85,554**	**(38,572)**	**(51,404)**	**-**	**(51,404)**	**(89,976)**	**(4,422)**	**(10,651)**	**6,229**
Effect of movements in exchange rates (I)	**(2,828)**	**(174)**	**(3,001)**	**(66)**	**42**	**(34)**	**8**	**(57)**	**(3,058)**	**(2,960)**	**(98)**
Effect of changes in scope of consolidation and other changes (J)	**422**	**(269)**	**153**	**18**	**249**	**5**	**254**	**272**	**425**	**627**	**(203)**
Closing assets	(14)	-	(14)	0	-	-	-	0	(13)	(13)	-
Closing liabilities	354,271	1,879	356,150	2,568	113,179	1,687	114,866	117,434	473,584	365,989	107,595
NET BALANCE AS OF DECEMBER 31 (K = A + G + H + I + J)	**354,258**	**1,879**	**356,137**	**2,569**	**113,179**	**1,687**	**114,866**	**117,434**	**473,571**	**365,976**	**107,595**
Of which Life & Health	336,368	1,738	338,106	2,529	25,236	105	25,341	27,870	365,976		
Of which Property & Casualty	17,889	141	18,031	39	87,943	1,582	89,525	89,564	107,595		

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The following changes occurred during the year 2022 (restated):

	Analysis of changes occurred in the course of 2022, restated, split between LRC and LIC										
	LRC			LIC						Of which	
					LIC related to PAA contracts						
(in Euro million)	Excluding loss component	Loss component	Total LRC	LIC related to non PAA contracts	Estimates of the PVFCF	RA	Total	Total LIC	Total	Life & Health	Property & Casualty
Opening assets	-	-	-	-	-	-	-	-	-	-	-
Opening liabilities	433,948	2,712	436,660	2,439	114,950	1,841	116,791	119,230	555,889	448,006	107,884
Net balance as of January 1 (A)	**433,948**	**2,712**	**436,660**	**2,439**	**114,950**	**1,841**	**116,791**	**119,230**	**555,889**	**448,006**	**107,884**
Insurance revenue coming from contracts under the MRA	(5,134)	-	(5,134)	-	-	-	-	-	(5,134)	(3,213)	(1,922)
Insurance revenue coming from contracts under the FVA	(2,293)	-	(2,293)	-	-	-	-	-	(2,293)	(1,827)	(466)
Insurance revenue coming from other contracts	(73,021)	-	(73,021)	-	-	-	-	-	(73,021)	(25,533)	(47,489)
Insurance revenue (B)	**(80,449)**	**-**	**(80,449)**	**-**	**-**	**-**	**-**	**-**	**(80,449)**	**(30,572)**	**(49,876)**
Incurred claims and other insurance service expenses	-	(220)	(220)	11,147	50,032	396	50,428	61,575	61,356	23,801	37,555
Amortisation of insurance acquisition cash flows	10,891	-	10,891	-	-	-	-	-	10,891	2,609	8,282
Losses and reversal of losses on onerous contracts	-	14	14	-	-	-	-	-	14	(19)	32
Adjustments to liabilities for incurred claims	-	-	-	54	2,632	(483)	2,148	2,202	2,202	500	1,702
Insurance service expenses (C)	**10,891**	**(206)**	**10,685**	**11,201**	**52,664**	**(87)**	**52,576**	**63,777**	**74,462**	**26,890**	**47,572**
Investment components (D)	**(23,654)**	**-**	**(23,654)**	**22,726**	**928**	**-**	**928**	**23,654**	**-**	**-**	**-**
INSURANCE SERVICE RESULT (E = B + C + D)	**(93,212)**	**(206)**	**(93,418)**	**33,927**	**53,591**	**(87)**	**53,504**	**87,431**	**(5,987)**	**(3,682)**	**(2,305)**
Net finance income or expenses recognized in profit or loss	(4,806)	66	(4,470)	(7)	928	14	942	935	(3,805)	(4,656)	851
Net finance income or expenses recognized in OCI	(62,748)	-	(62,748)	(57)	(13,713)	(6)	(13,719)	(13,775)	(76,524)	(65,480)	(11,044)
Net finance income or expenses from insurance contracts (F)	**(67,554)**	**66**	**(67,489)**	**(64)**	**(12,785)**	**8**	**(12,776)**	**(12,840)**	**(80,329)**	**(70,136)**	**(10,194)**
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (G = E + F)	**(160,766)**	**(140)**	**(160,907)**	**33,864**	**40,807**	**(79)**	**40,728**	**74,591**	**(80,315)**	**(73,818)**	**(12,498)**
Premiums received	98,207	-	98,207	-	-	-	-	-	98,207	47,952	50,255
Claims and other insurance service expenses paid	-	-	-	(33,642)	(49,012)	-	(49,012)	(82,655)	(82,655)	(46,393)	(36,262)
Insurance acquisition cash flows paid	(12,684)	-	(12,684)	-	-	-	-	-	(12,684)	(4,339)	(8,345)
Total cash flows (H)	**85,523**	**-**	**85,523**	**(33,642)**	**(49,012)**	**-**	**(49,012)**	**(82,655)**	**2,868**	**(2,780)**	**5,648**
Effect of movements in exchange rates (I)	**163**	**(141)**	**22**	**(10)**	**2,164**	**28**	**2,192**	**2,182**	**2,204**	**(25)**	**2,229**
Effect of changes in scope of consolidation and other changes (J)	**(12,095)**	**10**	**(12,085)**	**(123)**	**(32)**	**(13)**	**(46)**	**(169)**	**(12,255)**	**(12,111)**	**(144)**
Closing assets	(4)	-	(4)	0	-	-	-	0	(4)	(4)	-
Closing liabilities	346,776	2,440	349,216	2,526	108,876	1,776	110,652	113,179	462,395	359,276	103,118
NET BALANCE AS OF DECEMBER 31 (K = A + G + H + I + J)	**346,772**	**2,440**	**349,212**	**2,527**	**108,876**	**1,776**	**110,652**	**113,179**	**462,391**	**359,273**	**103,118**
Of which Life & Health	329,957	1,969	331,926	2,478	24,685	184	24,869	27,347	359,273		
Of which Property & Casualty	16,815	471	17,286	49	84,191	1,592	85,783	85,832	103,118		

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6.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12.1.3.2 CHANGES IN THE CARRYING AMOUNT OF INSURANCE CONTRACTS AND INVESTMENT CONTRACTS WITH DPF, BROKEN DOWN BY MEASUREMENT COMPONENT

The two following tables provide an analysis of movements in the carrying amount of insurance contracts and investment contracts with DPF not measured under PAA, broken down by measurement component, namely **(i)** the estimate of the PVFCF, **(ii)** the RA, and **(iii)** the CSM.

However, the carrying amount of insurance contracts measured under the PAA is also reported to reconcile with the opening and closing balances of financial statements.

In this respect, the total amount of RA gross of reinsurance (including contracts measured under the PAA) was €3,102 million at end December 2023 and €3,104 million at end December 2022. The percentile was stable at 65th comprised within the 62.5th-67.5th percentile range considered by the Group as the adequate level of prudence on underlying insurance liabilities.

The following changes occurred during the year 2023:

	Analysis of changes occurred in the course of 2023, broken down by measurement component (only for non PAA contracts)										
			CSM					Of which			
(in Euro million)	Estimates of the PVFCF	RA	Contracts measured at transition under the MRA	Contracts measured at transition under the FVA	Other contracts	Total CSM	Carrying amount of non PAA contracts	Life & Health	Property & Casualty	Carrying amount of PAA contracts	Total
Opening assets	(19)	-	-	-	15	15	(4)	(4)	-	-	(4)
Opening liabilities	294,890	1,327	7,613	2,610	23,967	34,190	330,408	329,563	845	131,987	462,395
Net balance as of January 1 (A)	**294,871**	**1,327**	**7,613**	**2,610**	**23,982**	**34,205**	**330,404**	**329,559**	**845**	**131,987**	**462,391**
CSM recognized in profit or loss for services provided	-	-	(550)	(240)	(2,203)	(2,992)	(2,992)	(2,935)	(57)		
Release of RA	-	(74)	-	-	-	-	(74)	(60)	(14)		
Experience adjustments	(295)	2	-	-	-	-	(293)	(152)	(142)		
Changes that relate to current services (B)	**(295)**	**(72)**	**(550)**	**(240)**	**(2,203)**	**(2,992)**	**(3,360)**	**(3,147)**	**(213)**		
Contracts initially recognized in the period	(2,357)	88	57	-	2,233	2,289	20	16	4		
Changes in estimates that adjust the CSM	(1,886)	97	66	180	1,543	1,789	(0)	(0)	-		
Changes in estimates that result in losses and reversal of losses on onerous contracts	26	5	-	-	-	-	31	24	7		
Changes that relate to future services (C)	**(4,217)**	**190**	**123**	**180**	**3,776**	**4,078**	**52**	**41**	**11**		
Adjustments to liabilities for incurred claims	(106)	(2)	-	-	-	-	(108)	(89)	(19)		
Changes that relate to past services (D)	**(106)**	**(2)**	**-**	**-**	**-**	**-**	**(108)**	**(89)**	**(19)**		
INSURANCE SERVICE RESULT (E = B + C + D)	**(4,618)**	**117**	**(427)**	**(60)**	**1,573**	**1,086**	**(3,416)**	**(3,195)**	**(221)**		
Net finance income or expenses recognized in profit or loss	13,145	0	98	18	64	180	13,326	13,167	158		
Net finance income or expenses recognized in OCI	8,951	1	-	-	-	-	8,952	8,969	(18)		
NET FINANCE INCOME OR EXPENSES FROM INSURANCE CONTRACTS (F)	**22,096**	**1**	**98**	**18**	**64**	**180**	**22,277**	**22,136**	**141**		
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (G = E + F)	**17,478**	**118**	**(329)**	**(42)**	**1,637**	**1,266**	**18,861**	**18,942**	**(80)**		
Premiums received	31,672	-	-	-	-	-	31,672	31,170	502		
Claims and other insurance service expenses paid	(38,572)	-	-	-	-	-	(38,572)	(38,319)	(253)		
Insurance acquisition cash flows	(3,535)	-	-	-	-	-	(3,535)	(3,266)	(268)		
Total cash flows (H)	**(10,435)**	**-**	**-**	**-**	**-**	**-**	**(10,435)**	**(10,415)**	**(20)**		
Effect of movements in exchange rates (I)	**(1,726)**	**(32)**	**(464)**	**(93)**	**(165)**	**(723)**	**(2,481)**	**(2,482)**	**2**		
Effect of changes in scope of consolidation and other changes (J)	**336**	**2**	**-**	**12**	**(45)**	**(32)**	**306**	**304**	**2**		
Closing assets	(73)	1	-	-	59	59	(13)	(15)	2	-	(13)
Closing liabilities	300,597	1,415	6,820	2,487	25,349	34,657	336,669	335,921	748	136,915	473,584
NET BALANCE AS OF DECEMBER 31 (K = A + G + H + I + J)	**300,524**	**1,416**	**6,820**	**2,487**	**25,409**	**34,716**	**336,656**	**335,906**	**750**	**136,915**	**473,571**
Of which Life & Health	300,069	1,376	6,787	2,390	25,286	34,463	335,908			30,068	365,976
Of which Property & Casualty	455	40	34	96	122	253	748			106,847	107,595

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The following changes occurred during the previous year 2022 (restated):

	Analysis of changes occurred in the course of 2022, restated, broken down by measurement component (only for non PAA contracts)										
			CSM					Of which			
(in Euro million)	Estimates of the PVFCF	RA	Contracts measured at transition under the MRA	Contracts measured at transition under the FVA	Other contracts [(a)]	Total CSM	Carrying amount of non PAA contracts	Life & Health	Property & Casualty	Carrying amount of PAA contracts	Total
Opening assets	-	-	-	-	-	-	-	-	-	-	-
Opening liabilities	381,740	1,925	8,968	2,662	22,694	34,324	417,989	417,225	765	137,900	555,889
Net balance as of January 1 (A)	**381,740**	**1,925**	**8,968**	**2,662**	**22,694**	**34,324**	**417,989**	**417,225**	**765**	**137,900**	**555,889**
CSM recognized in profit or loss for services provided	-	-	(749)	(230)	(2,137)	(3,115)	(3,115)	(3,073)	(43)		
Release of RA	-	(114)	-	-	-	-	(114)	(107)	(7)		
Experience adjustments	142	4	-	-	-	-	146	291	(144)		
Changes that relate to current services (B)	**142**	**(110)**	**(749)**	**(230)**	**(2,137)**	**(3,115)**	**(3,083)**	**(2,889)**	**(194)**		
Contracts initially recognized in the period	(2,481)	82	94	25	2,288	2,408	9	9	0		
Changes in estimates that adjust the CSM	19	(485)	(576)	(18)	1,057	463	(3)	(3)	-		
Changes in estimates that result in losses and reversal of losses on onerous contracts	49	(68)	-	-	-	-	(19)	(26)	7		
Changes that relate to future services (C)	**(2,413)**	**(471)**	**(482)**	**8**	**3,345**	**2,871**	**(14)**	**(20)**	**7**		
Adjustments to liabilities for incurred claims	54	(1)	-	-	-	-	54	45	9		
Changes that relate to past services (D)	**54**	**(1)**	**-**	**-**	**-**	**-**	**54**	**45**	**9**		
INSURANCE SERVICE RESULT (E = B + C + D)	**(2,217)**	**(582)**	**(1,231)**	**(222)**	**1,208**	**(245)**	**(3,043)**	**(2,865)**	**(178)**		
Net finance income or expenses recognized in profit or loss	(4,954)	0	151	12	18	181	(4,773)	(4,927)	155		
Net finance income or expenses recognized in OCI	(62,829)	(1)	-	-	-	-	(62,831)	(62,815)	(15)		
Net finance income or expenses from insurance contracts (F)	**(67,784)**	**(1)**	**151**	**12**	**18**	**181**	**(67,603)**	**(67,742)**	**139**		
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (G = E + F)	**(70,000)**	**(583)**	**(1,080)**	**(210)**	**1,226**	**(63)**	**(70,646)**	**(70,607)**	**(39)**		
Premiums received	31,899	-	-	-	-	-	31,899	31,335	564		
Claims and other insurance service expenses paid	(33,642)	-	-	-	-	-	(33,642)	(33,430)	(212)		
Insurance acquisition cash flows	(3,330)	-	-	-	-	-	(3,330)	(3,078)	(251)		
Total cash flows (H)	**(5,074)**	**-**	**-**	**-**	**-**	**-**	**(5,074)**	**(5,174)**	**100**		
Effect of movements in exchange rates (I)	**171**	**6**	**(313)**	**24**	**237**	**(52)**	**125**	**125**	**(0)**		
Effect of changes in scope of consolidation and other changes (J)	**(11,965)**	**(21)**	**39**	**134**	**(175)**	**(3)**	**(11,989)**	**(12,010)**	**20**		
Closing assets	(19)	-	-	-	15	15	(4)	(4)	-	-	(4)
Closing liabilities	294,890	1,327	7,613	2,610	23,967	34,190	330,408	329,563	845	131,987	462,395
NET BALANCE AS OF DECEMBER 31 (K = A + G + H + I + J)	**294,871**	**1,327**	**7,613**	**2,610**	**23,983**	**34,205**	**330,404**	**329,559**	**845**	**131,987**	**462,391**
Of which Life & Health	294,312	1,288	7,582	2,498	23,878	33,959	329,559			29,713	359,273
Of which Property & Casualty	559	39	30	112	104	247	845			102,274	103,118

(a) As of January 1, 2022, it included the CSM at transition date of groups of insurance contracts not applying the annual cohort requirement for €22,486 million (refer to paragraph 1.14.3). CSM of these contracts measured at transition applying the Modified Retrospective Approach and the Fair Value Approach stood at €16,118 million and €6,367 million respectively.

The effect of insurance contracts initially recognised in 2023 is broken down as follows:

	December 31, 2023					
	Life & Health		Property & Casualty		Total	
(In Euro million)	Profitable Groups of Contracts	Onerous Groups of Contracts	Profitable Groups of Contracts	Onerous Groups of Contracts	Profitable Groups of Contracts	Onerous Groups of Contracts
Estimates of the present value of future cash outflows	22,240	76	354	27	22,594	103
Insurance acquisition cash flows	*2,415*	*6*	*193*	*14*	*2,608*	*20*
Claims and other insurance service expenses payable	*19,825*	*70*	*161*	*13*	*19,986*	*83*
Estimates of the present value of future cash inflows	(24,528)	(71)	(433)	(23)	(24,961)	(94)
RA	79	0	8	1	87	1
CSM NET OF LOSS COMPONENT	**2,209**	**(6)**	**71**	**(4)**	**2,280**	**(10)**

The effect of insurance contracts initially recognised in 2022 is broken down as follows:

	December 31, 2022, restated					
	Life & Health		Property & Casualty		Total	
(In Euro million)	Profitable Groups of Contracts	Onerous Groups of Contracts	Profitable Groups of Contracts	Onerous Groups of Contracts	Profitable Groups of Contracts	Onerous Groups of Contracts
Estimates of the present value of future cash outflows	21,092	69	425	15	21,517	84
Insurance acquisition cash flows	*2,371*	*6*	*217*	*7*	*2,588*	*13*
Claims and other insurance service expenses payable	*18,721*	*64*	*207*	*8*	*18,929*	*72*
Estimates of the present value of future cash inflows	(23,519)	(66)	(483)	(14)	(24,002)	(80)
RA	77	0	4	-	82	0
CSM NET OF LOSS COMPONENT	**2,349**	**(3)**	**53**	**-**	**2,402**	**(3)**

12.1.4 Movements in balances of reinsurance contracts held

12.1.4.1 CHANGES IN THE CARRYING AMOUNT OF REINSURANCE CONTRACTS HELD, SPLIT BETWEEN REMAINING COVERAGE AND INCURRED CLAIMS COMPONENTS

The two following tables provide an analysis of movements in the carrying amount of reinsurance contracts held, split between the ARC and the AIC.

The analysis of movements highlights how this carrying amount is affected by **(i)** the amounts recognised in the statement of profit or loss and OCI, **(ii)** the cash flows, **(iii)** the movements in exchange rates, and **(iv)** the changes in scope of consolidation and other changes.

The amounts recognised in the consolidated statement of profit or loss reconcile to net expenses from reinsurance contracts held and net finance income or expenses as disclosed above (see paragraph 12.1.1.2).

The following changes occurred during the year 2023:

	Analysis of changes occurred in the course of 2023, split between ARC and AIC										
	ARC			AIC						Of which	
					AIC related to PAA contracts						
(in Euro million)	Excluding loss recovery component	Loss recovery component	Total ARC	AIC related to non PAA contracts	Estimates of the PVFCF	RA	Total	Total AIC	Total	Life & Health	Property & Casualty
Opening assets	10,964	240	11,204	79	21,624	378	22,002	22,081	33,285	12,464	20,821
Opening liabilities	(5)	-	(5)	-	-	-	-	-	(5)	(5)	-
Net balance as of January 1 (A)	**10,959**	**240**	**11,198**	**79**	**21,624**	**378**	**22,002**	**22,081**	**33,279**	**12,458**	**20,821**
Expenses from reinsurance contracts	(11,557)	-	(11,557)	-	-	-	-	-	(11,557)	(3,137)	(8,420)
Changes in estimates that relate to losses and reversal of losses on underlying onerous contracts	-	(5)	(5)	-	-	-	-	-	(5)	(8)	3
Amount recovered from the reinsurers [(a)]	-	(6)	(6)	608	8,685	0	8,685	9,293	9,287	2,709	6,578
Net expenses from reinsurance contracts held (B)	**(11,557)**	**(10)**	**(11,567)**	**608**	**8,685**	**0**	**8,685**	**9,293**	**(2,274)**	**(435)**	**(1,839)**
Investment component (C)	**(433)**	**-**	**(433)**	**433**	**-**	**-**	**-**	**433**	**-**	**-**	**-**
Net finance income or expenses recognized in profit or loss	71	0	72	(0)	233	3	236	236	308	145	163
Net finance income or expenses recognized in OCI	385	-	385	0	682	0	682	682	1,067	339	728
Net finance income or expenses from reinsurance contracts held (D)	**456**	**0**	**456**	**0**	**915**	**3**	**918**	**918**	**1,375**	**483**	**891**
Effect of changes in the risk of non-performance by the reinsurers (E)	**0**	**-**	**0**	**-**	**(4)**	**-**	**(4)**	**(4)**	**(3)**	**0**	**(3)**
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (F = B + C + D + E)	**(11,533)**	**(10)**	**(11,544)**	**1,041**	**9,597**	**3**	**9,600**	**10,641**	**(903)**	**48**	**(951)**
Premiums paid (net of commissions related to premiums)	13,388	-	13,388	-	-	-	-	-	13,388	4,864	8,524
Amount received (net of commissions related to claims)	-	-	-	(1,051)	(8,314)	-	(8,314)	(9,365)	(9,365)	(2,945)	(6,420)
Total cash flows (G)	**13,388**	**-**	**13,388**	**(1,051)**	**(8,314)**	**-**	**(8,314)**	**(9,365)**	**4,023**	**1,919**	**2,104**
Effect of movements in exchange rates (H)	**(232)**	**4**	**(228)**	**(18)**	**(537)**	**(21)**	**(558)**	**(576)**	**(804)**	**(248)**	**(556)**
Effect of changes in scope of consolidation and other changes (I)	**(35)**	**(277)**	**(311)**	**62**	**25**	**1**	**26**	**89**	**(223)**	**36**	**(259)**
Closing assets	12,553	(42)	12,511	114	22,395	361	22,756	22,869	35,380	14,223	21,158
Closing liabilities	(7)	-	(7)	-	-	-	-	-	(7)	(7)	-
NET BALANCE AS OF DECEMBER 31 (J = A + F + G + H + I)	**12,546**	**(42)**	**12,504**	**114**	**22,395**	**361**	**22,756**	**22,869**	**35,373**	**14,215**	**21,158**
Of which Life & Health	9,635	27	9,662	104	4,424	25	4,449	4,553	14,215		
Of which Property & Casualty	2,911	(70)	2,842	9	17,971	336	18,307	18,316	21,158		

(a) Excl. effect of changes in the risk of non-performance by the reinsurers.

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6.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The following changes occurred during the year 2022 (restated):

	Analysis of changes occurred in the course of 2022, restated, split between ARC and AIC										
	ARC			AIC						Of which	
					AIC related to PAA contracts						
(in Euro million)	Excluding loss recovery component	Loss recovery component	Total ARC	AIC related to non PAA contracts	Estimates of the PVFCF	RA	Total	Total AIC	Total	Life & Health	Property & Casualty
Opening assets	13,385	275	13,660	93	22,019	356	22,374	22,467	36,127	15,192	20,935
Opening liabilities	(11)	-	(11)	0	-	-	-	0	(11)	(11)	-
Net balance as of January 1 (A)	**13,373**	**275**	**13,648**	**93**	**22,019**	**356**	**22,374**	**22,467**	**36,116**	**15,181**	**20,935**
Expenses from reinsurance contracts	(10,864)	-	(10,864)	-	-	-	-	-	(10,864)	(2,555)	(8,309)
Changes in estimates that relate to losses and reversal of losses on underlying onerous contracts	-	(33)	(33)	-	-	-	-	-	(33)	(11)	(22)
Amount recovered from the reinsurers [(a)]	-	(2)	(2)	684	9,095	17	9,112	9,796	9,794	2,407	7,387
Net expenses from reinsurance contracts held (B)	**(10,864)**	**(34)**	**(10,899)**	**684**	**9,095**	**17**	**9,112**	**9,796**	**(1,103)**	**(159)**	**(944)**
Investment component (C)	**(228)**	**-**	**(228)**	**228**	**-**	**-**	**-**	**228**	**-**	**-**	**-**
Net finance income or expenses recognized in profit or loss	83	1	84	(3)	250	3	253	250	334	67	267
Net finance income or expenses recognized in OCI	(2,726)	-	(2,726)	(0)	(2,335)	(0)	(2,336)	(2,336)	(5,062)	(2,889)	(2,173)
Net finance income or expenses from reinsurance contracts held (D)	**(2,643)**	**1**	**(2,642)**	**(3)**	**(2,085)**	**2**	**(2,083)**	**(2,086)**	**(4,728)**	**(2,822)**	**(1,906)**
Effect of changes in the risk of non-performance by the reinsurers (E)	**17**	**-**	**17**	**0**	**22**	**-**	**22**	**22**	**40**	**18**	**22**
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (F = B + C + D + E)	**(13,718)**	**(34)**	**(13,752)**	**909**	**7,032**	**19**	**7,052**	**7,961**	**(5,791)**	**(2,963)**	**(2,828)**
Premiums paid (net of commissions related to premiums)	10,871	-	10,871	-	-	-	-	-	10,871	2,646	8,225
Amount received (net of commissions related to claims)	-	-	-	(932)	(7,839)	-	(7,839)	(8,771)	(8,771)	(2,668)	(6,103)
Total cash flows (G)	**10,871**	**-**	**10,871**	**(932)**	**(7,839)**	**-**	**(7,839)**	**(8,771)**	**2,101**	**(21)**	**2,122**
Effect of movements in exchange rates (H)	**455**	**(0)**	**455**	**7**	**596**	**(9)**	**588**	**595**	**1,049**	**310**	**740**
Effect of changes in scope of consolidation and other changes (I)	**(23)**	**(1)**	**(24)**	**2**	**(184)**	**11**	**(173)**	**(171)**	**(195)**	**(45)**	**(150)**
Closing assets	10,964	240	11,204	79	21,624	378	22,002	22,081	33,285	12,464	20,821
Closing liabilities	(5)	-	(5)	-	-	-	-	-	(5)	(5)	-
NET BALANCE AS OF DECEMBER 31 (J = A + F + G + H + I)	**10,959**	**240**	**11,198**	**79**	**21,624**	**378**	**22,002**	**22,081**	**33,279**	**12,458**	**20,821**
Of which Life & Health	8,142	38	8,179	67	4,194	18	4,212	4,279	12,458		
Of which Property & Casualty	2,817	202	3,019	12	17,430	360	17,790	17,801	20,821		

(a) Excl. effect of changes in the risk of non-performance by the reinsurers

12.1.4.2 CHANGES IN THE CARRYING AMOUNT OF REINSURANCE CONTRACTS HELD, BROKEN DOWN BY MEASUREMENT COMPONENT

The two following tables provide an analysis of movements in the carrying amount of reinsurance contracts broken down by measurement component, namely **(i)** the estimate of the PVFCF, **(ii)** the RA, and **(iii)** the CSM.

However, the carrying amount of reinsurance contracts measured under the PAA is also reported to reconcile with the opening and closing balances of financial statements.

The following changes occurred during the year 2023:

	Analysis of changes occurred in the course of 2023, broken down by measurement component (only for non PAA contracts)										
			CSM					Of which			
(in Euro million)	Estimates of the PVFCF	RA	Contracts measured at transition under the MRA	Contracts measured at transition under the FVA	Other contracts	Total CSM	Carrying amount of non PAA contracts	Life & Health	Property & Casualty	Carrying amount of PAA contracts	Total
Opening assets	6,894	127	161	392	114	668	7,689	8,003	(314)	25,596	33,285
Opening liabilities	(8)	0	-	3	-	3	(5)	(5)	-	-	(5)
Net balance as of January 1 (A)	**6,886**	**127**	**161**	**395**	**114**	**670**	**7,683**	**7,997**	**(314)**	**25,596**	**33,279**
CSM recognized for services received	-	-	(12)	(46)	(30)	(88)	(88)	(75)	(14)		
Release of RA	-	(10)	-	-	-	-	(10)	(10)	0		
Experience adjustments	(136)	0	-	-	-	-	(136)	(149)	13		
Changes that relate to current services (B)	**(136)**	**(10)**	**(12)**	**(46)**	**(30)**	**(88)**	**(234)**	**(233)**	**(1)**		
Contracts initially recognized in the period	(15)	2	-	-	14	14	(0)	-	(0)		
Changes in estimates that adjust the CSM	(152)	11	101	28	11	140	(0)	(0)	-		
Changes in estimates that relate to losses and reversal from losses on underlying onerous contracts	(7)	1	-	-	-	-	(6)	(9)	3		
Other changes in estimates that relate to future services	(67)	-	-	-	-	-	(67)	-	(67)		
Changes that relate to future services (C)	**(241)**	**14**	**101**	**28**	**25**	**154**	**(73)**	**(9)**	**(64)**		
Adjustments to assets for incurred claims	(3)	(1)	-	-	-	-	(4)	(1)	(3)		
Changes that relate to past services (D)	**(3)**	**(1)**	**-**	**-**	**-**	**-**	**(4)**	**(1)**	**(3)**		
NET EXPENSES FROM REINSURANCE CONTRACTS HELD (E = B + C + D)	**(381)**	**4**	**89**	**(19)**	**(5)**	**66**	**(311)**	**(243)**	**(68)**		
Net finance income or expenses from reinsurance contracts held (F)	**448**	**(0)**	**2**	**5**	**(0)**	**6**	**454**	**424**	**31**		
Effect of changes in the risk of non-performance by the reinsurers (G)	**0**	**-**	**-**	**-**	**-**	**-**	**0**	**0**	**-**		
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (H = E + F + G)	**68**	**4**	**91**	**(14)**	**(5)**	**72**	**143**	**181**	**(38)**		
Premiums paid (net of commissions related to premiums)	2,687	-	-	-	-	-	2,687	2,546	141		
Amount received (net of commissions related to claims)	(1,051)	-	-	-	-	-	(1,051)	(1,017)	(34)		
Total cash flows (I)	**1,636**	**-**	**-**	**-**	**-**	**-**	**1,636**	**1,530**	**107**		
Effect of movements in exchange rates (J)	**(143)**	**(2)**	**(10)**	**(13)**	**(8)**	**(31)**	**(176)**	**(189)**	**13**		
Effect of changes in scope of consolidation, and other changes (K)	**(0)**	**-**	**-**	**-**	**28**	**28**	**28**	**28**	**-**		
Closing Assets	8,460	128	240	364	130	734	9,322	9,554	(232)	26,058	35,380
Closing Liabilities	(13)	0	2	3	(0)	5	(7)	(7)	-	-	(7)
NET BALANCE AS OF DECEMBER 31 (L = A + H + I + J + K)	**8,447**	**128**	**242**	**368**	**130**	**740**	**9,315**	**9,547**	**(232)**	**26,058**	**35,373**
Of which Life & Health	8,729	125	242	350	101	693	9,547			4,668	14,215
Of which Property & Casualty	(282)	3	-	18	29	46	(232)			21,390	21,158

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The following change occurred during the year 2022 (restated):

	Analysis of changes occurred in the course of 2022, restated, broken down by measurement component (only for non PAA contracts)										
			CSM					Of which			
(in Euro million)	Estimates of the PVFCF	RA	Contracts measured at transition under the MRA	Contracts measured at transition under the FVA	Other contracts	Total CSM	Carrying amount of non PAA contracts	Life & Health	Property & Casualty	Carrying amount of PAA contracts	Total
Opening assets	9,367	169	169	535	9	713	10,249	10,342	(93)	25,878	36,127
Opening liabilities	(35)	0	21	2	(0)	23	(11)	(11)	-	-	(11)
Net balance as of January 1 (A)	**9,332**	**170**	**190**	**537**	**9**	**736**	**10,238**	**10,331**	**(93)**	**25,878**	**36,116**
CSM recognized for services received	-	-	(7)	(51)	(8)	(66)	(66)	(59)	(6)		
Release of RA	-	(14)	-	-	-	-	(14)	(12)	(3)		
Experience adjustments	(80)	1	-	-	-	-	(80)	(56)	(24)		
Changes that relate to current services (B)	**(80)**	**(14)**	**(7)**	**(51)**	**(8)**	**(66)**	**(160)**	**(127)**	**(33)**		
Contracts initially recognized in the period	(107)	9	-	(0)	98	98	(0)	(0)	(0)		
Changes in estimates that adjust the CSM	147	(32)	(23)	(108)	16	(115)	(0)	(0)	-		
Changes in estimates that relate to losses and reversal from losses on underlying onerous contracts	(5)	(3)	-	-	-	-	(8)	(11)	2		
Other changes in estimates that relate to future services	(33)	-	-	-	-	-	(33)	-	(33)		
Changes that relate to future services (C)	**3**	**(27)**	**(23)**	**(108)**	**114**	**(17)**	**(41)**	**(11)**	**(30)**		
Adjustments to assets for incurred claims	9	(0)	-	-	-	-	8	(0)	9		
Changes that relate to past services (D)	**9**	**(0)**	**-**	**-**	**-**	**-**	**8**	**(0)**	**9**		
NET EXPENSES FROM REINSURANCE CONTRACTS HELD (E = B + C + D)	**(69)**	**(41)**	**(30)**	**(159)**	**107**	**(83)**	**(193)**	**(138)**	**(54)**		
Net finance income or expenses from reinsurance contracts held (F)	**(2,645)**	**(0)**	**2**	**4**	**0**	**6**	**(2,639)**	**(2,497)**	**(143)**		
Effect of changes in the risk of non-performance by the reinsurers (G)	**17**	**-**	**-**	**-**	**-**	**-**	**17**	**17**	**0**		
TOTAL CHANGES IN THE STATEMENT OF PROFIT OR LOSS AND IN OCI (H = E + F + G)	**(2,696)**	**(42)**	**(28)**	**(156)**	**107**	**(77)**	**(2,815)**	**(2,618)**	**(197)**		
Premiums paid (net of commissions related to premiums)	888	-	-	-	-	-	888	859	29		
Amount received (net of commissions related to claims)	(932)	-	-	-	-	-	(932)	(886)	(46)		
Total cash flows (I)	**(44)**	**-**	**-**	**-**	**-**	**-**	**(44)**	**(26)**	**(18)**		
Effect of movements in exchange rates (J)	**291**	**(1)**	**(0)**	**13**	**(2)**	**11**	**302**	**308**	**(6)**		
Effect of changes in scope of consolidation, and other changes (K)	**2**	**-**	**-**	**-**	**-**	**-**	**2**	**2**	**-**		
Closing Assets	6,894	127	161	392	114	668	7,689	8,003	(314)	25,596	33,285
Closing Liabilities	(8)	0	-	3	-	3	(5)	(5)	-	-	(5)
NET BALANCE AS OF DECEMBER 31 (L = A + H + I + J + K)	**6,886**	**127**	**161**	**395**	**114**	**670**	**7,683**	**7,997**	**(314)**	**25,596**	**33,279**
Of which Life & Health	7,231	123	161	413	69	644	7,997			4,461	12,458
Of which Property & Casualty	(344)	4	-	(19)	45	27	(314)			21,135	20,821

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The effect of reinsurance contracts initially recognised in the year 2023 and 2022 is detailed by line of business in the following table.

	December 31, 2023		
(In Euro million)	Life & Health	Property & Casualty	Total
Estimates of the present value of future cash inflows	267	14	281
Estimates of the present value of future cash outflows	(268)	(29)	(296)
RA	2	(1)	2
CSM (net loss/net gain)	**(2)**	**16**	**14**
Loss recovery component at initial recognition [(a)]	**-**	**-**	**-**

(a) Including costs arising from retroactive reinsurance at inception flowing through P&L.

	December 31, 2022, restated		
(In Euro million)	Life & Health	Property & Casualty	Total
Estimates of the present value of future cash inflows	769	29	798
Estimates of the present value of future cash outflows	(871)	(34)	(905)
RA	6	2	9
CSM (net loss/net gain)	**95**	**3**	**98**
Loss recovery component at initial recognition [(a)]	**-**	**-**	**-**

(a) Including costs arising from retroactive reinsurance at inception flowing through P&L.

12.1.5 Insurance revenue and CSM

12.1.5.1 INSURANCE REVENUE

The analysis of insurance revenue arising from PAA and non PAA contracts, by line of business, is as follows:

	December 31, 2023		
(in Euro million)	Life & Health	Property & Casualty	Total
Amounts relating to changes in LRC			
CSM recognized in profit or loss for services provided	2,935	57	2,992
Release of RA	60	14	74
Release of expected incurred claims and other insurance service expenses	10,862	389	11,251
Experience adjustments	(5)	(4)	(9)
Recovery of insurance acquisition cash flows	1,591	182	1,774
Insurance revenue arising from non PAA contracts	**15,444**	**638**	**16,082**
Insurance revenue arising from PAA contracts	**14,149**	**50,658**	**64,807**
TOTAL INSURANCE REVENUE	**29,593**	**51,296**	**80,889**

	December 31, 2022 restated		
(in Euro million)	Life & Health	Property & Casualty	Total
Amounts relating to changes in LRC			
CSM recognized in profit or loss for services provided	3,073	43	3,115
Release of RA	107	7	114
Release of expected incurred claims and other insurance service expenses	10,430	347	10,777
Experience adjustments	6	(2)	4
Recovery of insurance acquisition cash flows	1,401	110	1,511
Insurance revenue arising from non PAA contracts	**15,018**	**504**	**15,522**
Insurance revenue arising from PAA contracts	**15,555**	**49,372**	**64,927**
TOTAL INSURANCE REVENUE	**30,572**	**49,876**	**80,449**

12.1.5.2 CSM

As of December 31, 2023, the total amount of CSM net of reinsurance contracts reported in the consolidated statement of financial position was €33,976 million (€33,535 million as of December 31, 2022).

(in Euro million)	December 31, 2023	December 31, 2022, restated
CSM arising from insurance contracts and investment contracts with DPF (A1)	34,657	34,190
CSM arising from reinsurance contracts held (A2)	(5)	(3)
AMOUNT OF CSM REPORTED ON THE LIABILITY SIDE OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (A = A1 + A2)	**34,651**	**34,188**
CSM arising from insurance contracts and investment contracts with DPF (B1)	(59)	(15)
CSM arising from reinsurance contracts held (B2)	734	668
AMOUNT OF CSM REPORTED ON THE ASSET SIDE OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (B = B1 + B2)	**675**	**653**
NET TOTALLED AMOUNT OF CSM (C = A - B)	**33,976**	**33,535**
of which CSM arising from insurance contracts and investment contracts with DPF (C1 = A1 - B1)	34,716	34,205
of which CSM arising from reinsurance contracts held (C2 = A2 - B2)	(740)	(670)

The two following tables provide a detail of the expected timing of recognition in profit or loss of the CSM, such as reported in the consolidated statement of financial position as of December 31, 2023 and December 31, 2022. This pattern of recognition therefore only reflects the expected coverage units which do not consider the future expected accretion of the CSM arising from risk neutral unwind for contracts measured using the BBA and expected return of assets for contracts measured using the VFA. Furthermore, it should be noted that the future releases of CSM will also include amounts related to new contracts that are not yet recognized as of December 31, 2023 and December 31, 2022. For these reasons, the two tables below do not reflect the expected release of CSM that will be reported in the statement of profit or loss in the coming years for these contracts.

Expected timing of recognition in profit or loss of the CSM at December 31, 2023:

(in Euro million)	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
Life & Health	2,551	2,312	2,121	1,958	1,809	7,235	16,478	34,463
Property & Casualty	66	42	28	22	17	46	32	253
CSM arsing from insurance contracts and investment contracts with DPF	**2,617**	**2,353**	**2,149**	**1,979**	**1,826**	**7,281**	**16,510**	**34,716**
Life & Health	64	61	57	52	48	165	246	693
Property & Casualty	15	9	6	4	3	6	4	46
CSM arising from reinsurance contracts held	**79**	**70**	**63**	**56**	**51**	**170**	**250**	**740**

Expected timing of recognition in profit or loss of the CSM as of December 31, 2022:

(in Euro million)	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
Life & Health	1,952	2,274	2,044	1,862	1,705	6,683	17,439	33,959
Property & Casualty	36	25	21	18	15	46	86	247
CSM arsing from insurance contracts and investment contracts with DPF	**1,988**	**2,300**	**2,065**	**1,880**	**1,720**	**6,729**	**17,525**	**34,205**
Life & Health	74	69	64	59	54	119	205	644
Property & Casualty	5	3	3	2	2	4	9	27
CSM arising from reinsurance contracts held	**79**	**72**	**67**	**61**	**55**	**123**	**214**	**670**

12.1.6 Discount rates

As explained in the Note 1.14.5.3, the estimates of future cash flows are discounted based on yield curves determined in a “risk-neutral” environment. The yield curves used as of December 31, 2023 and December 31, 2022 for the main currencies are disclosed below.

	Spot discount rates used at end December											
	EUR		USD		GBP		JPY		CHF		HKD	
Maturity	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
1	3.7%	3.5%	5.4%	5.8%	5.2%	4.9%	-0.1%	-0.1%	1.1%	1.5%	4.5%	5.0%
2	3.0%	3.6%	4.7%	5.3%	4.5%	5.0%	0.0%	0.0%	1.1%	1.6%	3.9%	4.7%
3	2.8%	3.5%	4.4%	4.9%	4.2%	4.8%	0.0%	0.0%	1.1%	1.7%	3.7%	4.4%
5	2.7%	3.5%	4.2%	4.6%	3.9%	4.5%	0.2%	0.2%	1.1%	1.9%	3.5%	4.2%
7	2.7%	3.4%	4.1%	4.5%	3.8%	4.3%	0.3%	0.4%	1.1%	2.0%	3.5%	4.1%
10	2.8%	3.4%	4.1%	4.4%	3.8%	4.2%	0.6%	0.5%	1.2%	2.1%	3.5%	4.0%
15	2.8%	3.4%	4.2%	4.4%	3.9%	4.1%	1.1%	1.0%	1.2%	2.2%	3.6%	4.0%
20	2.8%	3.1%	4.1%	4.3%	3.9%	4.0%	1.4%	1.3%	1.3%	2.2%	3.6%	4.0%
25	2.7%	2.9%	4.0%	4.1%	3.9%	3.9%	1.6%	1.5%	1.5%	2.3%	3.6%	3.9%
30	2.7%	2.9%	3.9%	3.9%	3.9%	3.8%	1.7%	1.6%	1.6%	2.3%	3.6%	3.8%

As explained in the Note 1.14.5.3, discount rates are based on swaps for most currencies and government bonds for others, adjusted by adding a liquidity premium net of credit risk adjustment. For the main currencies, these adjustments are disclosed in the table below:

Liquidity Premium, net of credit risk adjustment, used at end December *(in bps)*

EUR		USD		GBP		JPY		CHF		HKD	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
25	22	65	55	49	46	(6)	(6)	-	-	10	8

12.1.7 Real World assumptions

As described in Note 1.14.7, Real-World ("RW") assumptions are used for contracts measured using the VFA to allow an appropriate pattern of the CSM Release in the statement of profit or loss over the coverage period, consistently with the IFRS 17 definition of the investment-related service. The number of coverage units is determined on the basis of policyholders' mathematical reserves, which are adjusted by considering the expected return of underlying items resulting from RW assumptions.

The main RW assumptions used as of December 31, 2023 and December 31, 2022 by main currencies are disclosed below.

		December 31, 2023				
		RW Rates				
		EUR	USD	JPY	CHF	HKD
		Interest rates				
5y Government (par) rate	N+1	2.2%	4.0%	0.7%	1.0%	3.3%
	N+10	2.3%	3.3%	1.3%	1.3%	3.3%
10y Government (par) rate	N+1	2.2%	3.9%	1.0%	1.0%	3.3%
	N+10	2.5%	3.5%	1.5%	1.6%	3.5%
		Credit Spreads				
5y single-A credit spreads over Govies	N+1	1.4%	1.0%	0.0%	0.9%	1.2%
	N+10	0.9%	0.9%	0.8%	0.9%	0.7%
		Equity return (incl dividends)				
	N+1	7.9%	6.7%	8.3%	6.1%	6.2%
	N+10	6.3%	6.5%	4.3%	4.5%	6.4%

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From 2023, Real Estate total return assumptions are not provided by currency anymore; they are based on the detailed analysis of the portfolio of each and every entity. In average, the expected return of the real estate portfolio is +0.75% in Y+1 and +4.80% in Y+10.

		December 31, 2022				
		RW Rates				
		EUR	USD	JPY	CHF	HKD
		Interest rates				
5y Government (par) rate	N+1	2.4%	4.3%	0.2%	1.1%	4.2%
	N+10	2.3%	3.2%	1.1%	1.4%	3.3%
10y Government (par) rate	N+1	2.5%	4.0%	0.4%	1.2%	4.0%
	N+10	2.5%	3.5%	1.2%	1.7%	3.5%
		Credit Spreads				
5y single-A credit spreads over Govies	N+1	1.9%	1.5%	0.7%	1.2%	1.4%
	N+10	0.5%	0.7%	0.8%	0.9%	0.4%
		Equity return (incl dividends)				
	N+1	3.0%	7.2%	5.7%	5.3%	8.9%
	N+10	6.3%	6.4%	5.0%	5.0%	7.7%
		Real Estate				
	N+1	1.7%	3.4%	5.7%	0.6%	-
	N+10	6.0%	6.7%	4.7%	5.2%	-

12.1.8 P&C Claims development

The following table shows the development of the gross undiscounted ultimate cost of claims by accident year from 2014 to 2023 and their cumulative gross claim payments at the end of 2023. All contracts concerned are insurance contracts as defined by IFRS. Claims development is disclosed in accordance with past published accounts (*i.e.* in accordance with IFRS 4 until 2022 and in accordance with IFRS 17 starting 2023).

In this table, the “Estimate of gross undiscounted ultimate claim costs, including claims expenses” includes outstanding reserves on reported losses, estimated reserves for IBNR claims, allocated loss adjustment expenses and gross payments. For example, the amount of €31,512 million appearing in accident year 2021 column represents the gross undiscounted ultimate costs at the end of 2021, which is developed in the subsequent years, moving to €32,257 million at the end of 2023.

“Cumulative gross payments to date” shows, for a given accident year, the cumulative amount of payments at the end of 2023 (*e.g.* €-21,544 million for accident year 2021).

“Estimate of gross liabilities from 2014 to 2023” represents at the end of 2023 the difference between the gross undiscounted ultimate cost of claims incurred since 2014 and their cumulative gross payments at the end of 2023, (*e.g.* €10,713 million for accident year 2021).

The claims development table takes into consideration the changes in scope of consolidation occurred throughout the development period since:

- In case of acquisitions, the claims are only developed after the acquisition date (*e.g.* 2018 for AXA XL), disclosing the non-developed piece, if any, in the line item “Estimate of gross liabilities not developed”;
- In case of disposals, the claims development is retrospectively restated without showing any exposure.

The forex exchange rates applied for all the accident years are the closing rates for the period (December 31, 2023).

Compared to the liability for Property & Casualty incurred claims disclosed in note 12.1.2) the following components are not included in the claims development table:

- “Estimate of gross liabilities not developed” corresponding to the estimate of gross liabilities of incurred claims prior to 2014 and of claims incurred before the acquisition date of acquired entities (e.g. AXA XL claims incurred before 2018) as well as gross liabilities not developed, notably annuities and construction (€32,720 million);
- “Effect of discounting” corresponding to the discounting impact (€-16,783 million);
- “RA” corresponding to the risk adjustment for non-financial risk (€1,584 million).

As a consequence, the claims development that can be deducted from the 10 years development table below does not correspond to the prior year development shown in the Profit or Loss.

12.1.8.1 GROSS CLAIMS DEVELOPMENT TABLE BY ACCIDENT YEAR

	December 31, 2023										
(In Euro million)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Estimate of gross undiscounted ultimate claim costs, including claims expenses											
At end of accident year	16,994	16,948	17,039	17,616	30,181	30,211	33,654	31,512	31,453	32,778	
One year later	16,869	17,020	17,481	17,903	31,058	30,598	32,550	32,561	32,624		
Two years later	16,472	16,704	17,113	17,694	31,154	31,329	31,956	32,257			
Three years later	16,317	16,357	16,777	17,191	31,027	31,388	31,473				
Four years later	16,102	16,199	16,601	17,093	30,814	31,481					
Five years later	15,988	16,065	16,511	17,035	30,872						
Six years later	15,898	15,934	16,447	17,109							
Seven years later	15,824	15,869	16,479								
Eight years later	15,796	15,806									
Nine years later	15,999										
Cumulative gross payments to date	**(15,345)**	**(14,655)**	**(15,126)**	**(15,378)**	**(26,097)**	**(25,020)**	**(22,428)**	**(21,544)**	**(18,083)**	**(11,159)**	
Estimate of gross liabilities from 2014 to 2023	**653**	**1,152**	**1,353**	**1,731**	**4,775**	**6,461**	**9,045**	**10,713**	**14,542**	**21,619**	**72,044**
Estimate of gross liabilities not developed											32,720
Effect of discounting											(16,783)
RA											1,584
TOTAL LIC GROSS OF REINSURANCE											**89,564**

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12.1.8.2 CLAIMS DEVELOPMENT TABLE BY ACCIDENT YEAR NET OF REINSURANCE

The following table shows the development for the net undiscounted ultimate cost of claims by accident year from 2014 to 2023 and their cumulative net claim payments at the end of 2023.

The methodology described for the gross claims' development table applies for the net basis.

	December 31, 2023										
(In Euro million)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Estimate of net undiscounted ultimate claim costs, including claims expenses											
At end of accident year	15,670	15,400	15,433	15,803	24,997	24,760	26,418	24,383	24,608	25,659	
One year later	15,466	15,392	15,825	16,068	25,188	25,034	25,525	24,983	25,356		
Two years later	15,148	15,151	15,513	15,860	25,102	25,388	25,212	24,803			
Three years later	15,002	14,808	15,199	15,459	24,889	25,105	24,684				
Four years later	14,802	14,649	15,017	15,346	24,699	25,045					
Five years later	14,689	14,518	14,925	15,274	24,645						
Six years later	14,583	14,405	14,866	15,354							
Seven years later	14,511	14,341	14,905								
Eight years later	14,484	14,278									
Nine years later	14,691										
Cumulative net payments to date	**(14,051)**	**(13,187)**	**(13,628)**	**(13,730)**	**(21,238)**	**(20,504)**	**(17,670)**	**(17,281)**	**(15,012)**	**(9,176)**	
Estimate of net liabilities from 2014 to 2023	**640**	**1,092**	**1,277**	**1,625**	**3,406**	**4,542**	**7,013**	**7,522**	**10,344**	**16,482**	**53,943**
Estimate of net liabilities not developed											30,090
Effect of discounting											(14,032)
RA											1,247
TOTAL LIC NET OF REINSURANCE											**71,248**

12.1.9 Liquidity risk arising from contracts within the scope of IFRS 17

The following tables provides an analysis of the remaining contractual undiscounted net cash flows, by estimated timing, as of December 31, 2023 and December 31, 2022, for liabilities arising from insurance contracts and investment contracts with DPF, as well as for liabilities arising from reinsurance contracts held. This analysis covers the groups of contracts measured with the BBA and the VFA but excludes liabilities for remaining coverage measured under the PAA.

	December 31, 2023										
(in Euro million)	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10-15 years	15-20 years	> 20 years	Discounting Impact	Carrying Amount
Liabilities arising from insurance contracts and investment contracts with DPF	12,349	10,889	11,806	12,298	12,513	62,835	61,316	58,331	300,962	(245,252)	298,046
Liabilities arising from reinsurance contracts held	3	2	2	2	1	3	1	1	0	(2)	13
TOTAL	**12,351**	**10,891**	**11,808**	**12,300**	**12,514**	**62,838**	**61,317**	**58,331**	**300,962**	**(245,254)**	**298,058**

	December 31, 2022, restated										
(in Euro million)	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10-15 years	15-20 years	> 20 years	Discounting Impact	Carrying Amount
Liabilities arising from insurance contracts and investment contracts with DPF	14,083	10,901	12,804	14,276	14,480	69,350	63,053	58,676	286,972	(252,215)	292,381
Liabilities arising from reinsurance contracts held	2	2	2	1	1	2	0	0	(1)	(1)	8
TOTAL	**14,085**	**10,903**	**12,806**	**14,277**	**14,481**	**69,352**	**63,053**	**58,676**	**286,972**	**(252,216)**	**292,389**

The amounts from insurance contract liabilities and reinsurance contract liabilities that are payable on demand and their relationship with their carrying amounts are set out below:

	December 31, 2023		December 31, 2022, restated	
(in Euro million)	Amounts payable on demand	Carrying amount	Amounts payable on demand	Carrying amount
Liabilities arising from insurance contracts andinvestment contracts with DPF	232,420	298,046	230,284	292,381
Liabilities arising from reinsurance contracts held	-	13	-	8
TOTAL	**232,420**	**298,058**	**230,284**	**292,389**

12.2 Other investment contracts

The table below gives detailed information on liabilities arising from other investment contracts with no discretionary participation features that are within the scope of IFRS 9:

(in Euro million)	2023	2022, restated
Balance as of January 1	**12,182**	**14,268**
Contribution received (+)	178	766
Benefits paid (-)	(487)	(801)
Investment return on underlying items	(147)	(1,729)
Loading fees (-)	(193)	(201)
Change in liabilities relating to technical and actuarial items (+/-)	430	(274)
Effect of changes in scope of consolidation and other changes	9	20
Effect of movements in exchange rates	(27)	131
Balance as of December 31	**11,944**	**12,182**

Liabilities related to unearned fees reserve are excluded from the table above for €165 million in 2023 and €184 million in 2022.

The Group applies the IFRS 13 fair value hierarchy as described in Note 1.6. The fair value amounts are mainly based on observable market data inputs and are therefore considered as level 2 fair value.

Note 13 Liabilities arising from banking activities

13.1 BREAKDOWN OF LIABILITIES ARISING FROM BANKING ACTIVITIES

	December 31, 2023		December 31, 2022	
(in Euro million)	Carrying value	Fair value	Carrying value	Fair value
Banking liabilities issued at fair value – Retail customers	329	329	353	353
Retail customers deposits	3,010	3,010	3,105	3,105
Corporate customers deposits	4,297	4,297	3,589	3,589
Interbanking refinancing	2,778	2,778	3,038	3,038
Refinancing with central banks	189	189	2,076	2,076
TOTAL LIABILITIES ARISING FROM BANKING ACTIVITIES	**10,603**	**10,603**	**12,161**	**12,161**

The fair value option (*i.e.* fair value through profit or loss) is used to measure certain banking liabilities. As of December 31, 2023, the carrying value and fair value amount and the related contractual amount due at maturity for such liabilities were €329 million and €345 million respectively (€353 million and €381 million as of December 31, 2022), including the Euro Medium Term Notes.

The Group applies the IFRS 13 fair value hierarchy as described in Note 1.6. The valuation method of liabilities arising from banking activities excluding derivatives (detailed in Note 18.5) are as follows:

- banking liabilities issued at fair value – Retail customers (€329 million as of December 31, 2023): values are based upon market prices that are available in active markets and are considered as level 1 fair values;
- retail customers deposits (€3,010 million as of December 31, 2023) and Corporate customers deposits (€4,297 million as of December 31, 2023) are not traded in active markets and quoted prices are not available. Given the short maturities of main liabilities arising from banking activities (see Note 13.2), the carrying amounts may be considered as reasonable proxies for fair values. Thus, the fair value of amounts displayed above for these instruments are considered to be level 3 fair values;
- interbanking refinancing (€2,778 million as of December 31, 2023):
  - €2,751 million as of December 31, 2023 (€2,751 million as of December 31, 2022): values are based upon market prices that are available in active markets and are considered as level 1 fair values,
  - €27 million as of December 31, 2023 (€287 million as of December 31, 2022): mainly based on non-observable market data inputs and are considered to be level 3 fair values;
- refinancing with central banks: €189 million as of December 31, 2023 (€2,076 million as of December 31, 2022): values are based on observable market data inputs. As such, the fair values of these liabilities were considered as level 2 instruments.

13.2 BREAKDOWN BY MATURITY

The table below sets out the contractual maturities of liabilities arising from banking activities. These contractual maturities are mostly classified under the category "12 months or less". Consequently, the difference between maturities based on contractual cash flows in comparison with the carrying values is not significant.

	December 31, 2023				December 31, 2022			
	Carrying value by contractual maturity				Carrying value by contractual maturity			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
Banking liabilities issued at fair value - Retail customers	-	329	-	329	-	347	6	353
Retail customers deposits	2,985	22	3	3,010	3,087	18	1	3,105
Corporate customers deposits	3,747	550	-	4,297	2,918	671	-	3,589
Interbanking refinancing	1	1,501	1,277	2,778	5	1,500	1,533	3,038
Refinancing with central banks	-	189	-	189	1,887	189	-	2,076
TOTAL LIABILITIES ARISING FROM BANKING ACTIVITIES	**6,733**	**2,591**	**1,279**	**10,603**	**7,897**	**2,725**	**1,539**	**12,161**

Note 14 Provisions for risks and charges

14.1 BREAKDOWN OF PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges included the following items:

(in Euro million)	December 31, 2023	December 31, 2022
Employee benefits	3,516	4,567
Share-based compensation	84	95
Sub-total employee benefits and share-based compensation	**3,600**	**4,661**
Restructuring provisions	196	138
Lawsuits contingency provisions	110	103
Other provisions for risks and charges	1,490	1,614
Sub-total others	**1,795**	**1,855**
TOTAL PROVISIONS FOR RISKS AND CHARGES	**5,395**	**6,516**

Provisions relating to employee benefits and share-based compensations are commented in Note 23 “Employees”.

As of December 31, 2023, the “Other provisions for risks and charges” amounted to €1,490 million, mainly driven by AXA SA (€474 million), AXA Group Operations (€153 million), United Kingdom & Ireland (€153 million) and Germany (€117 million).

14.2 CHANGE IN PROVISIONS FOR RISKS AND CHARGES (EXCLUDING EMPLOYEE BENEFITS AND SHARE-BASED COMPENSATION)

Changes in provisions for risks and charges (excluding employee benefits and share-based compensation) are set out below:

(in Euro million)	2023	2022
Carrying value as of January 1	**1,855**	**1,850**
Financial cost related to unwind	0	0
Impact of change in scope of consolidation and other changes	35	6
Increase in provisions	448	344
Write back after use	(372)	(180)
Write back after final cost review	(163)	(170)
Impact of foreign exchange fluctuations	(4)	6
Carrying value as of December 31	**1,795**	**1,855**

Note 15 Financing debt

15.1 FINANCING DEBT BY ISSUANCE

(in Euro million)	December 31, 2023 Carrying value	December 31, 2022, restated Carrying value
AXA	**10,727**	**11,513**
Subordinated green notes, 1.375%, due 2041 (in Euro)	1,000	1,000
Subordinated notes, 5.125% due 2043 (€)	0	1,000
U.S. registered redeemable subordinated debt, 8.60% 2030 (in Euro)	891	933
Subordinated debt, 5.625%, due 2054 (£)	161	846
Subordinated debt, 3.375%, due 2047 (€)	1,500	1,500
Undated Subordinated notes, 850MUS$, 4.5%	769	797
Subordinated notes, 5.125%, due 2047 (USD)	905	938
AXA SA- Subordinated debt, 3.25%, due 2049 (in Euro)	2,000	2,000
Subordinated Notes, 1,875% due 2042 (in Euro)	1,250	1,250
Subordinated Notes, 4,25% due 2043 (in Euro)	1,250	1,250
Subordinated Notes, 5,5% due 2043 (in Euro)	1,000	-
AXA XL	**223**	**476**
Subordinated Notes, 5.5%, due March 2045 (USD)	223	476
AXA Italy	**66**	**66**
Subordinated Notes, euribor 6 months + 81bp	66	66
Other subordinated debts (under €100 million)	**4**	**13**
Subordinated debt	**11,020**	**12,069**
AXA	**2,100**	**1,350**
Euro Medium Term Note, due through 2028	500	500
Euro Medium Term Note, due 2030	850	850
Euro Medium Term Note, due 2033	750	-
AXA XL	**290**	**301**
Senior Notes, 5.25%, due December 2043 (USD)	290	301
Other financing debts instruments issued (under €100 million)	**21**	**21**
Financing debt instruments issued	**2,411**	**1,672**
TOTAL FINANCING DEBT	**13,431**	**13,741**

The table below sets out the reconciliation of financing debt and undated subordinated debt with the statement of cash flows (excluding the impact of derivatives):

(In Euro million)	January 1, 2023	New debt issued [(a)]	Repay-ments [(b)]	Currency translation	Others	December 31, 2023
Subordinated debt	12,069	1,000	(1,944)	(104)	-	11,020
Financing debt	1,672	750	(0)	(7)	(4)	2,411
Undated subordinated debt	5,704	-	(250)	(16)	-	5,439
TOTAL	**19,445**	**1,750**	**(2,194)**	**(128)**	**(4)**	**18,870**

(a) Issuance of subordinated debt for €1,000 million and a senior debt for €750 million by AXA SA.
(b) Mainly driven by the early repayment of subordinated debt for €1,703 million by AXA SA and for €241 million by AXA XL as well as the repayment of undated debts for €250 million by AXA SA.

(In Euro million)	January 1, 2022	New debt issued [(a)]	Repay-ments [(b)]	Currency translation	Others	December 31, 2022
Subordinated debt	10,780	2,500	(1,394)	182	(0)	12,069
Financing debt	800	860	(9)	21	0	1,672
Undated subordinated debt	6,696	-	(994)	2	-	5,704
TOTAL	**18,275**	**3,360**	**(2,396)**	**206**	**(0)**	**19,445**

(a) Issuance of two subordinated debt notes for €1,250 million each and a senior debt for €850 million by AXA SA.
(b) Mainly driven by the early repayment of subordinated debt for €1,018 million by AXA XL and for €375 million by AXA SA as well as the repayment of undated debts for €994 million by AXA SA.

15.2 FAIR VALUE MEASUREMENT OF FINANCING DEBT

	December 31, 2023		December 31, 2022	
(In Euro million)	Carrying value	Fair value	Carrying value	Fair value
Subordinated debt at cost	11,020	10,730	12,069	10,943
Subordinated debt	**11,020**	**10,730**	**12,069**	**10,943**
Financing debt instruments issued at cost	2,411	2,433	1,672	1,594
Financing debt instruments issued	**2,411**	**2,433**	**1,672**	**1,594**
FINANCING DEBT	**13,431**	**13,163**	**13,741**	**12,537**

The Group does not hold any financing debt designated as at fair value through profit or loss (fair value option or trading instruments).

Information on the fair value figures presented in this Note is provided in addition to information on carrying values and should be used with caution. On the one hand, these estimates are based on closing date parameters such as interest rates and spreads, which fluctuate over time, and resulting in instantaneous values, and on the other hand because there are multiple possible methods to derive these estimates.

Data used when calculating the fair value of financing debt are period-end market data that reflect **(i)** interest rates by currency, **(ii)** AXA's average spread by maturity and currency, distinguishing subordinated and senior debt, and **(iii)** options included in issued contracts, such as issuer redemption options.

The fair value of financing debt as of December 31, 2023, excluding accrued interests, was €13,163 million. The fair value increased by €+626 million compared to December 31, 2022 in line with the interest rates decrease through the year for €-618 million and the issuances of subordinated and financing debt for €+1,750 million partly offset by the repayment of a subordinated debt for €-1,000 million and two subordinated debt tender offers for €-944 million.

The Group applies the IFRS 13 fair value hierarchy as described in Note 1.6. The fair value amounts are mainly based on observable market data inputs and are therefore considered as level 2 fair value.

15.3 EXPOSURE TO INTEREST RATE RISK AND CONTRACTUAL MATURITIES

The table below sets out the maturities based on contractual cash flows of financing debt (including the impact of derivatives detailed in Note 18.1). Effective maturities may differ from those presented, mainly because some instruments include clauses allowing early redemption, with or without penalty.

	Contractual cash flows of financing debt by contractual maturity as of December 31			
(In Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total contractual cash flows
2023	399	2,404	24,520	27,323
2022	493	2,278	26,386	29,158

Note 16 Payables

16.1 BREAKDOWN OF PAYABLES

	December 31, 2023	December 31, 2022, restated
(in Euro million)	Carrying value	Carrying value
Minority interests of consolidated investment funds	**7,593**	**6,400**
Other debt instruments issued, notes and bank overdrafts	**11,064**	**10,558**
Debts relating to investments under total return swap agreement ("TRS")	5,608	6,254
Other debt instruments issued, notes and bank overdrafts excluding TRS [(a)]	5,457	4,303
Payable - current tax position	**1,279**	**1,312**
Collateral debts relating to investments under lending agreements and equivalent [(b)]	**32,079**	**34,245**
Other payables	**13,582**	**13,474**
TOTAL PAYABLES	**65,598**	**65,988**

(a) Other activities than banking operations.
(b) Excludes collateral debts relating to investments under lending agreements and equivalent in banking activities (see Note 13).

The "Minority interests of consolidated investment funds" caption is the counterparty of assets recognized on the different lines of the consolidated balance sheet for the share not held by the Group in consolidated investment funds. Movements in this caption depends on the changes in the Group's ownership as well as the changes in fair value of these funds.

The minority interests in funds under this caption amounted to €7,593 million as of December 31, 2023, an increase of €1,193 million compared to December 31, 2022.

The Collateral debts relating to investment under lending agreements and equivalent amounted to €32,079 million as of December 31, 2023, a decrease of €2,166 million compared to December 31, 2022, mainly in Japan €-1,100 million and France €-1,022 million.

16.2 OTHER DEBT INSTRUMENTS ISSUED, NOTES AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT) BY ISSUANCE

Other debt instruments issued, notes and bank overdrafts (other than financing debt) by issuance are described below:

	December 31, 2023	December 31, 2022
(in Euro million)	Carrying value	Carrying value
AXA SA	**497**	**498**
Commercial paper	497	498
Other	**177**	**62**
OTHER DEBT INSTRUMENTS ISSUED (OTHER THAN FINANCING DEBT)	**674**	**560**
Real estate investment funds	**922**	**277**
Other	**3,016**	**2,981**
OTHER DEBT (OTHER THAN FINANCING DEBT) – OWED TO CREDIT INSTITUTIONS	**3,938**	**3,258**
Bank overdrafts	**845**	**486**
OTHER DEBT INSTRUMENTS ISSUED, NOTES AND BANK OVERDRAFTS EXCLUDING TRS	**5,457**	**4,303**

As of December 31, 2023, other debt instruments issued and bank overdrafts excluding total return swap agreement amounted to €5,457 million, an increase of €1,153 million compared to December 31, 2022.

16.3 FAIR VALUE MEASUREMENT OF OTHER DEBT INSTRUMENTS ISSUED AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT)

The fair value of other debt instruments issued and bank overdrafts excluding Total Return Swap was €5,457 million as of December 31, 2023 (€4,303 million as of December 31, 2022). Among the elements included in the preceding table, fair value is only calculated for other debt instruments issued. Such fair values are mainly based on observable market data input (see Note 1.6 for a description of observable data) and are therefore classified as level 2 instruments.

16.4 EXPOSURE TO INTEREST RATE RISK AND CONTRACTUAL MATURITIES

The table below sets out the contractual maturities of other debt instruments (excluding the impact of derivatives which is detailed in Note 18.1). These maturities are mostly "12 months or less", therefore the difference between maturities based on contractual cash flows or maturities based on carrying values is not significant. Effective maturities may differ from those presented, mainly because some instruments include clauses allowing early redemption, with or without penalty.

	December 31, 2023			
	Carrying value of other debt instrument by contractual maturity			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
Debts relating to investments under total return swap agreement («TRS»)	2,791	2,453	364	5,608
Other debt instruments issued, notes and bank overdrafts excluding TRS - Carrying value	1,534	360	3,563	5,457
Collateral debts relating to investments under a lending agreement or equivalent	25,363	6,198	518	32,079

	December 31, 2022			
	Carrying value of other debt instrument by contractual maturity			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
Debts relating to investments under total return swap agreement («TRS»)	3,042	2,716	497	6,254
Other debt instruments issued, notes and bank overdrafts excluding TRS - Carrying value	1,134	358	2,811	4,303
Collateral debts relating to investments under a lending agreement or equivalent	27,568	6,400	277	34,245

Note 17 Tax

17.1 TAX EXPENSE

17.1.1 Breakdown of tax expense between current and deferred tax

The income tax charge was split as follows:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Current income tax	1,258	1,621
Deferred income tax	255	(245)
TOTAL INCOME TAX	**1,513**	**1,376**

17.1.2 Tax proof

The reconciliation between the theoretical tax charge (pre-tax profit multiplied by the applicable tax rate in France for the period concerned) and the effective tax charge was as follows:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Income from operating activities, gross of tax expenses (excluding result from investments consolidated using equity method)	8,609	6,732
Notional tax rate	25.83%	25.83%
Notional tax charge	**2,224**	**1,739**
Impact of rates difference on notional tax charges	(250)	(126)
Impact of change in tax rates	(136)	(21)
Impact of differences in tax rate and impact of taxes not linked to pre-tax income	(13)	(44)
Impact of differences in tax rates and tax bases	**(399)**	**(190)**
Tax losses of prior years used in the current year without DTA recognized previously	(15)	(63)
Deferred tax assets recognized on tax losses of prior years	(67)	(45)
Deferred tax assets not recognized on tax losses of the year	27	20
Derecognition of deferred tax assets on tax losses of prior years	14	15
Tax losses impact	**(41)**	**(74)**
Impact of permanent differences	**(210)**	**(31)**
Prior years adjustments and other (excluding impact of tax losses)	**(60)**	**(69)**
EFFECTIVE TAX CHARGE	**1,513**	**1,376**
EFFECTIVE TAX RATE *(in %)*	**17.58%**	**20.42%**

Effective tax rate stood at 17.58% in 2023 *versus* 20.42% in 2022. The change relates to:

- **impact of rate differences on notional tax charges** (€-124 million) corresponding to the difference between the blended tax (expected tax calculated at each entity level with the applicable standard rate) and the tax calculated using the 25.83% French tax rate applicable to the Company. This tax rate is composed of a basic tax rate (25%) and a social contribution (0.83%). The blended standard rate was 22.92% in 2023 and 23.97% in 2022. The decrease of the blended tax rate is mainly due to positive geographical mix;
- **impact of change in tax rate** (€-115 million) mainly corresponded in 2023 to the recognition of a deferred tax asset following the implementation of a 15% corporate income tax in Bermuda starting 2025;
- **impact of permanent differences** (€-179 million) mainly representing the impact in some countries of non-taxable dividends and realized capital gains on financial assets, partly compensated by non-deductible impairment and realized capital losses on financial assets.

17.2 DEFERRED TAX

In the table below, the net deferred tax position corresponds to the difference between Deferred Tax Assets (DTA) and Deferred Tax Liabilities (DTL) carried on the Group's consolidated statement of financial position. Note that the breakdown of DTA/DTL disclosed in these tables corresponds to the deferred tax before the netting that occurs for balance sheet presentation purposes as required by IAS 12. Net deferred tax balances are broken down as follows:

	December 31, 2023			December 31, 2022, restated		
(in Euro million)	Net deferred tax assets	Deferred tax liabilities	Net deferred tax	Net deferred tax assets	Deferred tax liabilities	Net deferred tax
Intangible assets (including goodwill)	214	756	(542)	101	667	(566)
Investments in real estate properties	367	213	155	535	205	330
Invested financial assets	5,298	2,755	2,542	7,986	2,862	5,123
Technical reserves (including reinsurance)	6,835	8,994	(2,160)	6,116	10,739	(4,623)
Pensions and other employees benefits	879	407	472	836	261	575
Other provisions for risk and other charges	211	118	93	239	145	94
Tax losses	1,059	-	1,059	1,090	0	1,090
Other	764	612	152	731	366	365
TOTAL DEFERRED TAX BY NATURE	**15,628**	**13,855**	**1,773**	**17,632**	**15,245**	**2,387**
of which deferred tax through profit & loss	*9,068*	*9,543*	*(475)*	*8,063*	*8,523*	*(460)*
of which deferred tax through other comprehensive income with profit & loss recycling	*4,324*	*3,989*	*335*	*6,906*	*6,372*	*534*
of which deferred tax through other comprehensive income without profit & loss recycling	*163*	*242*	*(78)*	*234*	*254*	*(20)*
of which deferred tax through other equity reserves	*2,073*	*82*	*1,991*	*2,429*	*97*	*2,332*

As of December 31, 2023, the €15,628 million DTA were mainly related to entities located in Germany (€4,653 million), the French tax group (€3,839 million), AXA XL (€1,821 million), Japan (€1,704 million), Belgium (€1,039 million), Italy (€812 million), Switzerland (€378 million) and United Kingdom (€378 million).

The balance sheet reconciliation concerning deferred tax position is detailed as follows:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Deferred tax assets	3,483	3,269
Deferred tax liabilities	1,740	914
Net deferred tax position including Uncertain tax positions	**1,744**	**2,355**
Deferred tax – Uncertain Tax Positions	(29)	(31)
Net deferred tax position excluding Uncertain tax positions	**1,773**	**2,387**

The change from net asset position of €2,387 million in 2022 to €1,773 million in 2023 mainly came from the decrease of unrealized capital losses on fixed-income assets.

	2023	2022, restated
(in Euro million)	Net deferred tax	Net deferred tax
January 1	**2,387**	**1,670**
Movements through profit or loss	(255)	227
Movements through shareholders' equity [(a)]	(471)	531
Forex impact	(70)	(70)
Change in scope and other variations [(b)]	182	30
December 31	**1,773**	**2,387**

(a) The movements through shareholders' equity mainly concern net investment hedge in the Company, revaluation to fair value of financial investments through shareholders' equity and employee benefits actuarial gains and losses.

(b) In 2023, mainly relates to the classification in held for sale of the closed life and pensions portfolio in Germany (see Note 5.3.1).

Recognized Deferred Tax Assets (DTA) on tax loss carried forward by maturity and expiration date

The tables below are broken down by **(i)** in the first part, the maturity by which the Group expects to use the DTA accounted at year-end and the corresponding tax losses carried forward, **(ii)** in the second part, the "expiration date" of the DTA, *i.e.* the latest date at which the Group could use them.

The €15,628 million DTA included €1,059 million of DTA on tax losses carried forward as of December 31, 2023.

(in Euro million)	2023									
	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
	Expected date of use									
DTA recognized on tax losses carried forward	**371**	**288**	**132**	**115**	**63**	**35**	**44**	**12**	-	**1,059**
Corresponding carry forward losses	1,672	1,407	540	460	251	109	162	55	-	4,654
	Latest date of possible use									
DTA recognized on tax losses carried forward	**1**	**1**	**13**	**2**	**18**	**0**	**36**	**15**	**974**	**1,059**
Corresponding carry forward losses	2	4	59	11	84	0	167	61	4,267	4,654

As of December 31, 2022, €17,632 million DTA included €1,090 million DTA on tax losses carried forward.

(in Euro million)	2022, restated									
	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
	Expected date of use									
DTA recognized on tax losses carried forward	**317**	**285**	**243**	**133**	**53**	**21**	**21**	**18**	-	**1,090**
Corresponding carry forward losses	1,356	1,186	1,019	585	260	77	74	54	-	4,611
	Latest date of possible use									
DTA recognized on tax losses carried forward	**0**	**0**	**5**	**13**	**7**	**-**	**14**	**26**	**1,025**	**1,090**
Corresponding carry forward losses	1	3	24	82	16	-	57	123	4,304	4,611

Unrecognized deferred tax assets (DTA)

The amount of potential DTA, which has not been recorded in the accounts as of December 31, 2023 as considered unrecoverable, amounted to €586 million (€541 million in 2022) of which:

- €409 million concerned unrecognized DTA on €1,833 million tax losses carried forward (€419 million DTA on €1,858 million tax losses carried forward in 2022). The major part of these losses occurred in countries where losses can be carried forward without time limit (€1,533 million in 2023 and €1,361 million in 2022);
- €177 million related to unrecognized deferred tax assets on other timing differences (€122 million in 2022).

17.3 CURRENT TAX

(in Euro million)	2023	2022, restated
Receivables - Current tax	719	928
Payables - Current tax	1,279	1,312
Net current tax position including Uncertain Tax Positions	**(560)**	**(384)**
Current tax - Uncertain Tax Positions	(527)	(405)
Net current tax position excluding Uncertain Tax Positions	**(33)**	**20**
Group tax receivables and payables	(5)	(40)
Current tax position including Group tax receivables and payables	**(28)**	**(20)**

The roll forward of current tax position (excluding Uncertain Tax Positions) is broken down as follows:

(in Euro million)	2023	2022, restated
January	**(20)**	**530**
Cash payment in the period	1,083	1,342
Movements through profit or loss	(1,147)	(1,616)
Movements through shareholders' equity [(a)]	123	(43)
Forex impact	(3)	(14)
Change in scope and other variations	(64)	(224)
December 31	**(28)**	**(20)**

(a) The movement through shareholders' equity mainly concerned the tax impacts of disposal of equity instruments at FVOCI without recycling, subordinated loans and pensions contributions.

The table above includes current payables net of current receivables towards the tax administrations. It also includes some receivables and payables with non-consolidated entities members of a tax group which are classified in "other receivables" and "other payables".

17.4 UNCERTAIN TAX POSITIONS

The Uncertain Tax Positions were split as follows:

(in Euro million)	December 31, 2023	December 31, 2022, restated
Uncertain Tax Positions – Current income tax	527	405
Uncertain Tax Positions – Deferred income tax	29	31
UNCERTAIN TAX POSITIONS – TOTAL INCOME TAX	**556**	**436**

As of December 31, 2023, the Uncertain Tax Positions were mainly driven by Europe (€188 million), AXA XL (€175 million), Asia, Africa & EME-LATAM (€118 million) and the French Tax group (€76 million).

Uncertain tax treatments are determined separately at individual tax entity level. For these positions considered as probably not accepted by tax authorities, the assessment of the uncertainty is determined based on the most likely amount in a range of possible outcomes.

Note 18 Derivative instruments

This Note covers all types of derivative instruments including those held by consolidated investment funds in the *Satellite Investment Portfolio* (see Note 1.9.2.1), except derivative instruments that meet the definition of shareholders' equity instruments (see Note 11).

All derivative instruments are carried at fair value; in the Group's consolidated statement of financial position, they are presented in the line item Derivative assets when their fair value at the reporting date is positive, and in the line item Derivative liabilities when their fair value is negative.

Notional amounts of derivative instruments disclosed in the present Note are displayed, by convention, in absolute value, and exclude any potential netting out.

Furthermore, it should be noted that the amounts disclosed in the present Note as impacting the Group's consolidated comprehensive income do not consider the induced effects relating to insurance liabilities, notably those arising from contracts with direct participating features (see Notes 13 and 20) and, therefore, do not represent net ultimate gains or losses recognized in the consolidated statement of comprehensive income.

18.1 DERIVATIVE INSTRUMENTS: MATURITIES, NOTIONAL AMOUNTS AND CARRYING VALUES

The following table shows notional amounts (including the split of those amounts by maturity) and carrying values of derivative instruments held by the Group, broken down by risk category. It includes all derivative instruments, regardless of whether they relate to a qualifying hedging relationship under IFRS 9 - Financial Instruments:

	Notional amounts by maturity on December 31, 2023			Notional amount		Carrying value – Asset		Carrying value – Liability		Net carrying value	
(in Euro million)	< 1 year	1 to 5 years	> 5 years	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Interest rates derivatives	35,354	69,662	95,351	200,367	243,153	7,025	11,748	(8,860)	(13,571)	(1,834)	(1,822)
Equity derivatives	6,405	4,656	-	11,061	15,493	971	984	(926)	(769)	45	215
Currency derivatives	126,197	11,501	11,418	149,115	158,641	2,810	3,913	(1,735)	(3,523)	1,075	389
Credit derivatives	4,152	13,007	147	17,306	10,499	92	68	(204)	(15)	(112)	53
Other derivatives	8,889	3,912	7,186	19,987	19,318	117	214	(1,751)	(1,837)	(1,634)	(1,623)
TOTAL	**180,997**	**102,737**	**114,102**	**397,836**	**447,104**	**11,016**	**16,927**	**(13,476)**	**(19,714)**	**(2,459)**	**(2,788)**

18.2 DERIVATIVE INSTRUMENTS BY RISK CATEGORY AND HEDGING RELATIONSHIP

As stated in Note 1.10, the Group designates certain derivatives as hedging instruments in qualifying hedging relationships under IFRS 9 which are either **(i)** hedges of the exposure to variability in cash flows attributable to a recognized asset or liability or a highly probable expected future transaction (cash flow hedges), or **(ii)** hedges of the exposure to changes in fair value of a recognized asset or liability or of an unrecognized firm commitment (fair value hedges), or **(iii)** hedges of net investments in a foreign operation (net investment hedges). The accounting for those hedging relationships is explained in Note 1.10.

The following tables display notional amounts and carrying values of derivative instruments held by the Group, broken down by risk category and by IFRS 9 hedging relationship, showing separately **(i)** derivative instruments qualifying for IFRS 9 hedge accounting, by type of hedging relationship, and **(ii)** derivative instruments used in macro hedges under IAS 39 and other derivative instruments not qualifying for hedging accounting under IFRS 9 but generally used as economic hedges. It is to be noted that, as described in Note 1.2.1.1, hedge relationships previously designated under IAS 39 that involved derivative instruments belonging to underlying items of direct participating contracts within the scope of IFRS 17, were discontinued effective January 1, 2023.

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	December 31, 2023												
	Derivative instruments used in IFRS 9 qualifying hedging relationships									IAS 39 macro-hedges and derivative instruments not qualifying under IFRS 9 but generally used as economic hedges		Total	
	Fair value hedges			Cash flow hedges			Net investment hedges						
		Carrying value			Carrying value			Carrying value					
(in Euro million)	Notional amount	Asset	Liability	Notional amount	Asset	Liability	Notional amount	Asset	Liability	Notional amount	Carrying value	Notional amount	Carrying value
Interest rates derivatives	15,741	544	(563)	6,930	208	(484)	-	-	-	177,696	(1,539)	200,367	(1,834)
Equity derivatives	220	10	(2)	-	-	-	-	-	-	10,841	38	11,061	45
Currency derivatives	1,910	59	(6)	10,517	194	(266)	17,828	199	(220)	118,860	1,115	149,115	1,075
Credit derivatives	-	-	-	-	-	-	-	-	-	17,306	(112)	17,306	(112)
Other derivatives	-	-	-	5,016	110	(696)	-	-	-	14,970	(1,048)	19,987	(1,634)
TOTAL	**17,871**	**613**	**(571)**	**22,463**	**512**	**(1,445)**	**17,828**	**199**	**(220)**	**339,675**	**(1,546)**	**397,836**	**(2,459)**

	December 31, 2022												
	Derivative instruments used in IFRS 9 qualifying hedging relationships									IAS 39 macro-hedges and derivative instruments not qualifying under IFRS 9 but generally used as economic hedges		Total	
	Fair value hedges			Cash flow hedges			Net investment hedges						
		Carrying value			Carrying value			Carrying value					
(in Euro million)	Notional amount	Asset	Liability	Notional amount	Asset	Liability	Notional amount	Asset	Liability	Notional amount	Carrying value	Notional amount	Carrying value
Interest rates derivatives	29,684	2,966	(660)	36,574	298	(4,886)	-	-	-	176,895	460	243,153	(1,822)
Equity derivatives	-	-	-	-	-	-	-	-	-	15,493	215	15,493	215
Currency derivatives	-	-	-	14,880	166	(1,003)	18,387	158	(371)	125,375	1,439	158,641	389
Credit derivatives	-	-	-	-	-	-	-	-	-	10,499	53	10,499	53
Other derivatives	287	-	(58)	5,012	40	(1,029)	-	-	-	14,019	(577)	19,318	(1,623)
TOTAL	**29,971**	**2,966**	**(718)**	**56,465**	**504**	**(6,917)**	**18,387**	**158**	**(371)**	**342,281**	**1,590**	**447,104**	**(2,788)**

As of December 31, 2023, the notional amount of all derivative instruments totalled €397.8 billion (€447.1 billion at the end of 2022). Their net fair value amounted to €-2,459 million as of December 31, 2023 (€-2,788 million at the end of 2022), comprised of the fair value of derivatives on invested assets (€-838 million and €-1,697 million at the end of 2022 – Note 18.3) and the fair value of derivatives on liabilities (€-1,946 million and €-2,258 million at the end of 2022 – Note 18.4).

AXA uses derivatives primarily to hedge various risks stemming from both sides of the balance sheet in the context of its Asset Liability Management (ALM) strategy in insurance companies, as well as holdings and banks. Derivative instruments used in such hedging strategies totaled €391.0 billion as of December 31, 2023 (€437.6 billion at the end of 2022) in terms of notional amount and were mainly used to:

- manage interest rate exposures on fixed maturity investments, long-term debt and guaranteed interest rates on insurance contracts;
- reduce foreign currency exposures on foreign-currency denominated investments and liabilities;
- manage liquidity positions (including the ability to pay benefits and claims when due) in connection with Asset Liability Management and local regulatory requirements for insurance and banking operations;
- limit equity risk;
- limit credit risk on certain investments in corporate debt instruments.

AXA also uses derivatives as an alternative to gain exposure to certain asset classes through "synthetic positions", for example, holding cash and equity futures instead of physical equities. Another example is the combination of government bonds and credit default swaps (CDS) as a synthetic position and an alternative to the direct purchase of a corporate bond. These schemes do not add any specific risks compared with other investment assets.

The notional amount of derivatives which is used to express the volume of instruments outstanding and to provide a basis for comparison with other financial instruments most certainly overstates the level of activity and does not directly measure risk as it greatly exceeds the possible credit and market loss that could arise from such transactions. It does not represent the amounts that are effectively exchanged by the parties, and thus is not a measure of the Group's exposure to derivative instruments. For example, the Group is exposed to credit risk in respect of its counterparties to the derivative instruments but is not exposed to credit risk on the entire notional amounts. AXA actively manages counterparty risk generated by derivatives through a specific group-wide policy. This policy includes a limit framework and an exposure monitoring process. Limits are specifically set for each authorized counterparty, based on an internal scoring system. This policy also includes daily to weekly collateralization for the majority of the Group's exposure. The total net collateral given communicated for all derivative instruments including those related to derivatives held within investment funds of the "Satellite Investment Portfolio" (Note 1.9.2.1) was €6.8 billion as of December 31, 2023 (€0.8 billion at the end of 2022). This net total includes amounts recognized in the consolidated statement of financial position and unrecognized commitments received or given disclosed in Note 26.

AXA is increasing or decreasing its derivative positions in accordance with AXA's governance framework for derivatives. In particular, hedging activities are one of the most important instruments to decrease the risk of the options and guarantees that are embedded in some Life & Health and Property & Casualty products; they also lead to a reduction of the capital requirements for those business activities under Solvency II.

For further detail on Asset Liability Management governance, please refer to page 270 of Section 5.2 "Internal control and Risk Management".

In 2023, the use of derivatives within the Group decreased overall by €-49.3 billion in terms of notional amount (see also details in Note 18.2.1.):

- the notional amount of interest rates derivatives decreased by €42.8 billion mainly in France, AXA Life Europe, AXA SA, United Kingdom and Japan;
- the notional amount of currency derivatives decreased by €9.5 billion mainly in United Kingdom, France, AXA SA, Hong Kong and Germany, partly offset by Japan and AXA XL;
- the notional amount of equity derivatives decreased by €4.4 billion mainly in France, Germany, Switzerland and AXA XL.

It was partly offset by the following movements:

- the notional amount of credit derivatives increased by €6.8 billion notably in France, Germany, and AXA XL, partly offset by Japan and Hong Kong;
- the notional amount of other derivatives increased by €0.7 billion notably in France and Belgium, partly offset by AXA Life Europe and Hong Kong.

As of December 31, 2023, the notional amount of derivative instruments qualifying for an IFRS 9 hedging relationship (fair value hedge, cash flow hedge and net investment hedge) of the Group was €58.2 billion *versus* €104.8 billion at the end of 2022. The net fair value recorded was €-912 million as of December 31, 2023, *versus* €-4,378 million at the end of 2022.

18.2.1 Interest rate derivative instruments

The AXA Group's primary interest rate exposure is related to contracts with guaranteed benefits and the risk that the value of the financial assets purchased with the consideration received from the contract holders is insufficient to fund the guaranteed benefits and expected discretionary participation payable to them. To hedge against potential adverse market conditions, derivative strategies are used to reduce the risk arising from the guarantee liability over time.

As of December 31, 2023, the notional amount of interest rate derivative instruments totalled €200.4 billion (€243.2 billion at the end of 2022). Their net fair value as of December 31, 2023 amounted to €-1,834 million (€-1,822 million at the end of 2022). AXA mainly uses **(i)** interest rate swaps (79% of total notional

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amount of interest rate derivative instruments), **(ii)** interest rate options (13%), and **(iii)** futures and forwards (9%).

These instruments are mainly used to:

- manage duration gap and/or hedge convexity risk between assets and liabilities on the General Account as a part of Asset Liability Management strategies mainly in France for €86.4 billion (*versus* €109.8 billion at the end of 2022), Japan for €13.8 billion at the end of 2023 (*versus* €16.0 billion at the end of 2022) and Hong Kong for €14.8 billion at the end of 2023 (*versus* €15.1 billion at the end of 2022);
- hedge interest rate risk and interest volatility risk as part of the Asset Liability Management strategy associated with the guaranteed minimum benefits on Variable Annuity products, with a notional amount of €47.6 billion at the end of 2023 (€55.5 billion at the end of 2022) mainly at AXA Life Europe;
- minimize the cost of Group debt and limit volatility of financial charges, mainly in the Company, with a notional amount of €7.3 billion at the end of 2023 (*versus* €12.5 billion at the end of 2022).

18.2.2 Equity derivative instruments

As of December 31, 2023, the notional amount of equity derivative instruments amounted to €11.1 billion (€15.5 billion at the end of 2022). Their net fair value amounted to €45 million as of December 31, 2023 (€215 million at the end of 2022). AXA mainly uses **(i)** equity option contracts (67% of total notional amount of equity derivative instruments), **(ii)** equity futures and forwards (19%), and **(iii)** equity swaps (11%).

These instruments are mainly used to:

- hedge the economic exposure to equity risk mainly in Life & Health in France (notional amount of €6.3 billion in 2023 compared with €8.3 billion in 2022), Switzerland (notional amount of €1.8 billion in 2023 compared with €2.6 billion in 2022) and Hong Kong (notional amount of €0.7 billion in 2023 compared with €0.8 billion in 2022);
- hedge equity risk as part of the Asset Liability Management strategy associated with the guaranteed minimum benefits on Variable Annuity products, which amounted to €0.1 billion at the end of 2023 (€0.1 billion at the end of 2022).

18.2.3 Currency derivative instruments

The Group has entered into different currency derivatives to reduce its exposure to foreign currency risk. Currency derivative instruments represent agreements to exchange the currency of one country for the currency of another country at an agreed price and settlement date.

As of December 31, 2023, the notional amount of currency derivative amounted to €149.1 billion *versus* €158.6 billion at the end of 2022. Their fair value was €1,075 million *versus* €389 million at the end of 2022. AXA mainly uses **(i)** currency future and forward contracts (55% of total notional amount of currency derivative instruments), **(ii)** currency option contracts (26%), and **(iii)** currency swaps (17%).

One of the main objectives of currency derivative instruments used by the Company is to limit variations in net foreign currency-denominated assets resulting from movements in exchange rates in order to protect partially the value of AXA's net foreign-currency investments in its subsidiaries to the extent of the following year's foreseeable dividends and more generally the exposure of AXA SA's liquidity to forex movements. The notional amount of derivatives used by the Company to hedge the foreign currency exposure decreased from €28.7 billion at the end of 2022 to €27.0 billion at the end of 2023.

Currency derivative instruments are also used to hedge foreign exchange mismatch between assets and liabilities in insurance subsidiaries of the Group. While most of the operating units' commitments are matched by assets denominated in the same currency, some entities may invest in foreign currency denominated assets to diversify their investments. This is the case mainly in **(i)** Switzerland using such contracts to hedge exchange rate risk arising from their investments in equities and debt instruments denominated in non-CHF currencies (mainly Euro and US Dollar) with a total notional amount of €22.3 billion at the end of 2023 *versus* €22.2 billion at the end of 2022, **(ii)** Japan using future and forward foreign currency contracts to hedge exchange-rate risk arising from its investments mainly in fixed-maturity debt instruments denominated in non JPY currencies with a total notional amount of €18.3 billion at the end of 2023 *versus* €16.8 billion at the end of 2022 and **(iii)** Hong Kong using forward contracts and cross currency swaps to hedge exchange rate risk with a total notional amount of €23.8 billion at the end of 2023 *versus* €25.3 billion at the end of 2022.

A description of exchange rate risk related to the operating activities of Group subsidiaries and the Company is included in Section 5.3 "Market Risks" of this Annual Report with amounts of exposures to exchange rate risk and corresponding hedges.

18.2.4 Credit derivative instruments

The Group, as part of its investment and credit Risk Management activities, uses strategies that involve credit derivatives, which consist mainly of Credit Default Swaps (CDS). These instruments are used as an alternative to corporate bonds portfolios, when coupled with government debt instruments, but also as a protection on single names or specific portfolios.

As of December 31, 2023, the notional amount of credit derivatives held by the Group was €17.3 billion compared to €10.5 billion at the end of 2022 (including the instruments held within investment funds of the "Satellite Investment Portfolio" for €6.8 billion; Note 1.9.2.1).

Credit derivative instruments are mainly used to:

- hedge credit risk involving the purchase of CDS as a protection mainly on single corporate names or specific portfolios starting from a certain level of losses through tranches instruments (notional amount of €10.5 billion at the end of 2023 *versus* €1.0 billion at the end of 2022);
- enhance the return mainly on government bonds portfolios by holding government bonds and at same time selling protection on very good quality names as an alternative to the direct purchase of a corporate bond. This type of ALM strategy is implemented to compensate for the lack of depth or liquidity in some markets by taking a synthetic credit risk (notional amount of €6.8 billion at the end of 2023 *versus* €9.5 billion at the end of 2022).

18.3 DERIVATIVE INSTRUMENTS AND RELATED ASSETS

The tables below set out the derivative instruments used by AXA to hedge its investments, broken down by class of investments. These tables include all derivative instruments, regardless of whether those derivative instruments qualify for an IFRS 9 hedging relationship:

	December 31, 2023					
	Insurance		Other activities		Total	
(in Euro million)	Carrying value of investments	Derivative instruments	Carrying value of investments	Derivative instruments	Carrying value of investments	Derivative instruments
Investments in real estate properties	**29,542**	**5**	**3,001**	**-**	**32,543**	**5**
Debt instruments	307,197	(2,423)	5,069	49	312,266	(2,374)
Equity instruments	27,249	213	2,103	2	29,352	214
Non-consolidated investment funds	18,595	116	142	-	18,737	116
Other investments held through consolidated investment funds	21,332	385	756	-	22,088	385
Loans	20,103	13	9,741	764	29,844	777
Financial investments	**394,476**	**(1,696)**	**17,811**	**814**	**412,288**	**(881)**
Assets backing contracts where the financial risk is borne by policyholders	**82,753**	**38**	**-**	**-**	**82,753**	**38**
TOTAL INVESTMENTS	**506,772**	**(1,652)**	**20,812**	**814**	**527,584**	**(838)**

	December 31, 2022					
	Insurance		Other activities		Total	
(in Euro million)	Carrying value of investments	Derivative instruments	Carrying value of investments	Derivative instruments	Carrying value of investments	Derivative instruments
Investments in real estate properties	**28,684**	**(29)**	**2,896**	**-**	**31,580**	**(29)**
Debt instruments	302,728	(3,905)	3,985	158	306,714	(3,747)
Equity instruments	27,878	464	2,447	-	30,326	464
Non-consolidated investment funds	18,604	200	100	-	18,705	200
Other investments held through consolidated investment funds	19,558	439	736	-	20,293	439
Loans	20,817	3	10,650	947	31,467	950
Financial investments	**389,586**	**(2,799)**	**17,919**	**1,105**	**407,504**	**(1,694)**
Assets backing contracts where the financial risk is borne by policyholders	**76,491**	**26**	**-**	**-**	**76,491**	**26**
TOTAL INVESTMENTS	**494,760**	**(2,802)**	**20,815**	**1,105**	**515,575**	**(1,697)**

18.4 DERIVATIVE INSTRUMENTS AND RELATED LIABILITIES

The table below sets out the derivative instruments used by AXA to hedge its liabilities (on accrued basis), detailed by type of liabilities, showing separately liabilities arising from insurance and investment contracts, split by type of contracts, and other liabilities. The table includes all derivative instruments, regardless of whether those derivative instruments qualify for an IFRS 9 hedging relationship, except derivative instruments used in net investment hedges that impact shareholders' equity:

(in Euro million)	December 31, 2023		December 31, 2022	
	Carrying value of liabilities	Derivative instruments	Carrying value of liabilities	Derivative instruments
Liabilities arising from insurance contracts and investment contracts with discretionary participating features	473,571	(1,257)	462,391	(1,349)
Liabilities arising from other investment contracts	12,110	27	12,366	24
Liabilities arising from reinsurance contracts held	8	-	5	-
LIABILITIES ARISING FROM INSURANCE AND INVESTMENT CONTRACTS	**485,688**	**(1,230)**	**474,762**	**(1,325)**
Subordinated debt	11,020	(46)	12,069	76
Financing debt instruments issued	2,411	(54)	1,672	132
Financing debt owed to credit institutions	-	-	-	-
FINANCING DEBT	**13,431**	**(100)**	**13,741**	**207**
Liabilities arising from banking activities	**10,603**	**(610)**	**12,161**	**(795)**
Payables	**90,883**	**(6)**	**89,992**	**(347)**

As of December 31, 2023, micro-hedging derivatives related to banking liabilities are used to hedge interest rate risk exposures in the context of ordinary banking activities, in order to achieve an appropriate interest rate spread between its interest earning assets and interest bearing liabilities.

Related hedged assets are disclosed in Note 7.4.2 and liabilities in Note 13.

18.5 FAIR VALUE OF DERIVATIVE INSTRUMENTS

Principles applied by the Group in order to proceed with the classification of financial instruments into the fair value hierarchy categories under IFRS 13 - Fair Value Measurement are described in Note 1.6. Same principles apply as far as derivative instruments are concerned.

The following table presents the breakdown of the fair value of derivative instruments by IFRS 13 fair value hierarchy level and by type of assets and liabilities to which those derivative instruments relate. The carrying value of derivative instruments is equal to their fair value:

	December 31, 2023				December 31, 2022			
	Instruments quoted in an active market	Instruments not quoted in an active market or no active market			Instruments quoted in an active market	Instruments not quoted in an active market or no active market		
(in Euro million)	Level 1 [(a)]	Level 2 [(b)]	Level 3 [(c)]	Total	Level 1 [(a)]	Level 2 [(b)]	Level 3 [(c)]	Total
Derivative instruments relating to real estate properties	7	(1)	-	5	11	(40)	-	(29)
Derivative instruments relating to debt instruments	(45)	(2,328)	-	(2,374)	2,278	(6,025)	-	(3,747)
Derivative instruments relating to equity instruments	96	118	-	214	95	370	-	464
Derivative instruments relating to loans	13	764	-	777	3	947	-	950
Derivative instruments relating to non consolidated investment funds	100	16	-	116	152	49	-	200
Derivative instruments relating to investments held by consolidated investment funds	210	176	-	385	211	228	-	439
Derivative instruments relating to investments backing contracts where the financial risk is born by policyholders	25	13	-	38	(21)	47	-	26
Derivative instruments relating to investments	**405**	**(1,243)**	**-**	**(838)**	**2,728**	**(4,425)**	**-**	**(1,697)**
Derivative instruments relating to other assets	(107)	454	-	347	98	1,283	-	1,381
Fair value of derivative instruments relating to assets (A)	**298**	**(789)**	**-**	**(491)**	**2,826**	**(3,142)**	**-**	**(316)**
Derivative instruments relating to liabilities arising from insurance, reinsurance and investment contracts	1	(1,231)	-	(1,230)	4	(1,329)	-	(1,325)
Derivative instruments relating to financing debt and other financial liabilities	-	(100)	-	(100)	-	207	-	207
Derivative instruments relating to liabilities arising from banking activities and to payables	(6)	(610)	-	(617)	(174)	(967)	-	(1,141)
Fair value of derivative instruments relating to liabilities (B)	**(6)**	**(1,941)**	**-**	**(1,946)**	**(170)**	**(2,089)**	**-**	**(2,258)**
Total fair value of derivative instruments (C = A + B)	**293**	**(2,730)**	**-**	**(2,438)**	**2,656**	**(5,231)**	**-**	**(2,575)**

(a) Level 1: fair value determined directly by reference to an active market.
(b) Level 2: fair value mainly based on observable market data.
(c) Level 3: fair value mainly not based on observable market data.

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18.6 THE EFFECTS OF HEDGE ACCOUNTING ON FINANCIAL POSITION AND PERFORMANCE

18.6.1 Cash flow hedges and net investment hedges

18.6.1.1 HEDGING INSTRUMENTS IN CASH FLOW HEDGES AND NET INVESTMENT HEDGES, BY RISK CATEGORY

The tables below disclose, for derivative instruments designated as hedging instruments in cash flow hedges or in net investment hedges and separately for each risk category, **(i)** the notional amount, **(ii)** the carrying value (equal to the fair value), presenting separately derivatives that are financial assets and those that are financial liabilities, **(iii)** the change in fair value of derivatives for the period, showing separately the portion thereof recognized in other comprehensive income ("OCI"), **(iv)** the hedge ineffectiveness recognized in profit or loss (within the line item "Investment return") as well as **(v)** the amount reclassified from the hedge reserve (either the cash flow hedge reserve or the foreign currency translation reserve) into profit or loss:

	December 31, 2023						
	Hedging instruments used in cash flow hedges and net investment hedges						
		Carrying value		Change in fair value			
(in Euro million)	Notional amount	Asset	Liability	Total	Of which portion recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from hedge reserve to profit or loss
Interest rate risk	6,930	208	(484)	476	476	-	583
Currency risk	28,344	393	(486)	237	27	(2)	(40)
Other risks	5,016	110	(696)	(69)	(56)	-	122

	December 31, 2022						
	Hedging instruments used in cash flow hedges and net investment hedges						
		Carrying value		Change in fair value			
(in Euro million)	Notional amount	Asset	Liability	Total	Of which portion recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from hedge reserve to profit or loss
Interest rate risk	36,574	298	(4,886)	(5,149)	(5,149)	-	149
Currency risk	33,266	324	(1,373)	(612)	(580)	(1)	207
Other risks	5,012	40	(1,029)	367	636	-	264

18.6.1.2 HEDGED ITEMS IN CASH FLOW HEDGES AND NET INVESTMENT HEDGES, BY RISK CATEGORY

The tables below disclose, for items designated as hedged items in cash flow hedges or net investment hedges, separately for each risk category, **(i)** the change in value of the hedged item for the period, **(ii)** the balance of the hedge reserve (either the cash flow hedge reserve or the foreign currency translation reserve) for continuing hedges and **(iii)** the balances remaining in the hedge reserve from any hedging relationships for which hedge accounting has been discontinued:

	December 31, 2023		
	Hedged items in cash flow hedges and net investment hedges		
		Cash flow hedge reserve and foreign currency translation reserve	
(in Euro million)	Change in fair value of the hedged item	Ongoing hedges	Discontinued hedges
Interest rate risk	(476)	(194)	(5,188)
Currency risk	(239)	(3,700)	(176)
Other risks	69	(44)	(51)

	December 31, 2022		
	Hedged items in cash flow hedges and net investment hedges		
		Cash flow hedge reserve and foreign currency translation reserve	
(in Euro million)	Change in fair value of the hedged item	Ongoing hedges	Discontinued hedges
Interest rate risk	5,149	(5,185)	(1,115)
Currency risk	612	(4,159)	12
Other risks	(367)	(160)	32

18.6.1.3 MOVEMENTS IN BALANCES OF THE CASH FLOW RESERVE AND FOREIGN CURRENCY TRANSLATION RESERVE

The tables below disclose a reconciliation from the opening balances to the closing balances of the cash flow hedge reserve and foreign currency translation reserve (incorporated within the OCI), notably: **(i)** hedging gains or losses of the reporting period that were recognized in the cash flow hedge reserve or in the foreign currency translation reserve, **(ii)** amounts reclassified from those hedge reserves to profit or loss because the hedged item has affected profit or loss and **(ii)** amounts immediately reclassified from those hedge reserves to profit or loss relating to hedges for which hedge accounting had previously been used, but for which the hedged future cash flows are no longer expected to occur.

The reclassifications out from the cash flow hedge reserve to profit and loss flow to the net finance income or expenses from insurance and reinsurance contracts when the hedged item is an insurance or reinsurance contract, or to the investment return when the hedged item is an investment, with the exception described in the following paragraph.

As mentioned above, previously qualifying IAS 39 cash flow hedges where the hedged items are underlying assets of contracts with direct participation features (see Note 1.14.1.1) have been discontinued under IFRS 9 as of January 1, 2023. For these discontinued cash flow hedges, the amounts cumulated in the cash flow hedge reserve are progressively recognized in profit or loss as a part of insurance revenue through the Contractual Service Margin (CSM) release mechanism of the corresponding direct participating contracts, as described in Note 1.14.5.

(in Euro million)	December 31, 2023					
	Cash flow hedges (cash flow hedge reserve)			Net investment hedges (foreign currency translation reserve)		
	Ongoing hedges	Discontinued hedges	Immediate reclassification to profit or loss (future cash flows are no longer expected to occur)	Ongoing hedges	Discontinued hedges	Immediate reclassification to profit or loss (future cash flows are no longer expected to occur)
Balances as of January 1	**(6,123)**	**(1,076)**	**-**	**(3,381)**	**2**	**-**
Hedging gains or losses recognized in OCI (effective portion)	**495**	**-**	**-**	**52**	**-**	**-**
Interest rate risk	349	-	-	-	-	-
Currency risk	239	-	-	52	-	-
Other risks	(93)	-	-	-	-	-
Hedges discontinued during the period	**5,039**	**(5,104)**	**-**	**-**	**-**	**-**
Interest rate risk	4,645	(4,705)	-	-	-	-
Currency risk	306	(311)	-	-	-	-
Other risks	88	(88)	-	-	-	-
Net amount reclassified to profit or loss	**(61)**	**758**	**-**	**-**	**-**	**-**
Interest rate risk	(29)	629	-	-	-	-
Currency risk	(138)	123	-	-	-	-
Other risks	105	5	-	-	-	-
Others [(a)]	**41**	**5**	**-**	**1**	**(0)**	**-**
Balances as of December 31	**(609)**	**(5,418)**	**-**	**(3,328)**	**2**	**-**

(a) Mainly includes impacts of changes in scope of consolidation and movements in exchange rates.

	December 31, 2022					
	Cash flow hedges (cash flow hedge reserve)			Net investment hedges (foreign currency translation reserve)		
(in Euro million)	Ongoing hedges	Discontinued hedges	Immediate reclassification to profit or loss (future cash flows are no longer expected to occur)	Ongoing hedges	Discontinued hedges	Immediate reclassification to profit or loss (future cash flows are no longer expected to occur)
Balances as of January 1	**(1,178)**	**1,625**		**(3,308)**	**-**	**-**
Hedging gains or losses recognized in OCI (effective portion)	**(8,267)**	**-**	**-**	**(73)**	**-**	**-**
Interest rate risk	(7,871)	-	-	-	-	-
Currency risk	(758)	-	-	(73)	-	-
Other risks	362	-	-	-	-	-
Hedges discontinued during the period	**2,811**	**(2,773)**	**(5)**	**-**	**2**	**-**
Interest rate risk	2,800	(2,758)	(5)	-	-	-
Currency risk	11	(15)	-	-	2	-
Other risks	(0)	0	-	-	-	-
Net amount reclassified to profit or loss	**525**	**84**	**5**	**0**	**0**	**-**
Interest rate risk	49	76	5	-	-	-
Currency risk	206	14	-	0	0	-
Other risks	269	(5)	-	-	-	-
Others [(a)]	**(14)**	**(12)**	**-**	**(1)**	**(0)**	**-**
Balances as of December 31	**(6,123)**	**(1,076)**	**-**	**(3,381)**	**2**	**-**

(a) Mainly includes impacts of changes in scope of consolidation and movements in exchange rates.

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18.6.2 Fair value hedges

18.6.2.1 HEDGING INSTRUMENTS IN FAIR VALUE HEDGES, BY RISK CATEGORY

The tables below disclose, for derivative instruments designated as hedging instruments in fair value hedges and separately for each risk category, **(i)** the notional amount, **(ii)** the carrying value (equal to their fair value), showing separately derivatives that are financial assets and those that are financial liabilities, **(iii)** the change in fair value of derivatives for the period and **(iv)** the hedge ineffectiveness recognized either in profit or loss (within the line item "Investment return") or, for hedges of equity instruments designated at fair value through OCI, in other comprehensive income (within the line item "Change in fair value of equity instruments, without recycling in Profit or Loss"):

	December 31, 2023				
	Hedging instruments used in fair value hedges				
		Carrying value			
(in Euro million)	Notional amount	Asset	Liability	Change in fair value	Hedge ineffectiveness recognised in profit or loss or in OCI
Interest rate risk	15,741	544	(563)	(363)	(8)
Equity risk	220	10	(2)	-	-
Currency risk	1,910	59	(6)	51	-
Other risks	-	-	-	0	0

	December 31, 2022				
	Hedging instruments used in fair value hedges				
		Carrying value			
(in Euro million)	Notional amount	Asset	Liability	Change in fair value	Hedge ineffectiveness recognised in profit or loss or in OCI
Interest rate risk	29,684	2,966	(660)	3,030	(54)
Equity risk	-	-	-	-	-
Currency risk	-	-	-	(1)	-
Other risks	287	-	(58)	15	-

18.6.2.2 HEDGED ITEMS IN FAIR VALUE HEDGES, BY RISK CATEGORY

The tables below disclose, for items designated as hedged items in fair value hedges (mainly investments from insurance activities), for each risk category, **(i)** the carrying amount of the hedged item, **(ii)** the accumulated amount of fair value hedge adjustments included in the carrying amount of the hedged item, separately for continuing hedges and for those that have been discontinued, and **(iii)** the change in fair value of the hedged item for the period:

	December 31, 2023			
	Hedged items in fair value hedges			
			Accumulated amount of fair value hedge adjustments	
(in Euro million)	Carrying amount	Change in fair value	Ongoing hedges	Discontinued hedges
Interest rate risk	14,898	356	(504)	2,933
Equity risk	211	0	0	0
Currency risk	1,421	(51)	59	-
Other risks	(1)	-	-	-

	December 31, 2022			
	Hedged items in fair value hedges			
			Accumulated amount of fair value hedge adjustments	
(in Euro million)	Carrying amount	Change in fair value	Ongoing hedges	Discontinued hedges
Interest rate risk	29,012	(3,083)	1,780	179
Equity risk	-	-	-	-
Currency risk	402	-	-	-
Other risks	348	(15)	-	-

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Note 19 Information by segment

For more information about the Group's segments identification, please refer to page 341 to 343 of Note 3 "Consolidated statement of profit or loss by segment".

19.1 REVENUES FROM ALL ACTIVITIES

19.1.1 Revenues by segment

(in Euro million)	December 31, 2023	December 31, 2022, restated
France	20,773	22,017
Europe	30,277	28,456
AXA XL	18,182	19,148
Asia, Africa & EME-LATAM	10,968	10,438
AXA IM	1,555	1,589
Transversal & Central Holdings	1,872	2,146
TOTAL [(a)]	**83,627**	**83,794**
of which insurance revenue from direct business	*76,109*	*74,728*
of which insurance revenue from assumed business	*4,780*	*5,721*
of which fees and charges on investment contracts with no discretionary participation features	*234*	*275*
of which revenues from other activities (including revenues from banking activities)	*2,503*	*3,071*

(a) Net of intercompany eliminations.

Given the Group's scale and diversity, none of its clients accounts for more than 10% of its business.

19.1.2 Revenues from non-insurance contracts

Revenues from non-insurance contracts amount to €2,672 million and include revenues from other activities (€2,393 million), fees & charges relating to investment contracts with no participating features (€234 million), and commissions from banking activities (€45 million). These revenues from non-insurance contracts correspond to the following types of services:

	December 31, 2023					
(in Euro million)	Investment management service	Distribution of financial product	Administration services	Assistance	Other	Total
France	1	-	-	-	51	53
Europe	198	1	92	-	49	340
AXA XL	-	-	-	-	87	87
Asia, Africa & EME-LATAM	66	-	-	-	37	103
AXA IM	1,545	0	3	-	7	1,554
Transversal & Central Holdings	-	-	-	536	(0)	536
TOTAL	**1,809**	**1**	**94**	**536**	**232**	**2,672**
of which recognized over time	*1,189*	*1*	*9*	*536*	*203*	*1,939*
of which recognized at a point in time	*620*	*-*	*85*	*-*	*28*	*734*

	December 31, 2022, restated					
(in Euro million)	Investment management service	Distribution of financial product	Administration services	Assistance	Other	Total
France	5	1	-	-	44	51
Europe	230	-	59	48	35	372
AXA XL	-	-	-	-	78	78
Asia, Africa & EME-LATAM	87	-	-	-	30	117
AXA IM	1,579	-	3	-	7	1,589
Transversal & Central Holdings	-	-	-	536	0	536
TOTAL	**1,901**	**1**	**62**	**584**	**194**	**2,742**
of which recognized over time	*1,255*	*1*	*59*	*348*	*158*	*1,822*
of which recognized at a point in time	*646*	-	*3*	*236*	*36*	*921*

19.2 TOTAL ASSETS

(in Euro million)	December 31, 2023	December 31, 2022, restated
France	213,998	214,918
Europe	232,791	226,231
AXA XL	50,915	48,567
Asia, Africa & EME-LATAM	87,914	87,942
AXA IM	2,309	2,278
Transversal & Central Holdings	56,523	58,420
TOTAL	**644,449**	**638,357**

19.3 OTHER INFORMATION BY LINE OF BUSINESS

19.3.1 Life & Health

	December 31, 2023		December 31, 2022, restated	
(in Euro million)	Insurance revenue	Liabilities arising from insurance and investment contracts	Insurance revenue	Liabilities arising from insurance and investment contracts
Life	14,821	331,590	14,652	325,886
Health	14,772	34,386	15,920	33,387
Insurance contracts and investment contracts with discretionary participation feature	**29,593**	**365,976**	**30,572**	**359,273**
Investment contracts without discretionary participating features	234	12,110	275	12,366
Fees, commissions and other revenues	371	-	349	-
TOTAL	**30,198**	**378,086**	**31,196**	**371,639**

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19.3.2 Property & Casualty

	Insurance revenue		Liabilities arising from insurance contracts, net of reinsurance	
(in Euro million)	December 31, 2023	December 31, 2022, restated	December 31, 2023	December 31, 2022, restated
Personal lines	**17,379**	**16,687**	**23,187**	**21,200**
Motor	10,621	10,119	16,526	14,903
Property Damage	4,362	4,096	3,099	2,731
Liability	420	411	628	582
Other Personal lines	1,977	2,061	2,934	2,983
Commercial lines	**37,255**	**36,028**	**63,089**	**60,840**
Motor	3,906	3,534	4,728	4,952
Property Damage	7,558	6,813	6,423	5,325
Liability	2,307	2,074	6,019	5,741
Specialty	3,004	2,866	3,941	3,794
Reinsurance	2,246	2,957	8,001	8,721
Other Commercial lines	18,233	17,783	33,976	32,307
Intercompany	(3,338)	(2,838)	161	258
TOTAL	**51,296**	**49,876**	**86,437**	**82,298**
of which fees, commissions and other revenues	*474*	*486*	-	-

19.4 NET REVENUES FROM BANKING ACTIVITIES

(in Euro million)	December 31, 2023	December 31, 2022
Net interests revenues	114	248
Net commissions	(4)	(11)
NET REVENUES FROM BANKING ACTIVITIES	**110**	**237**

Net Revenues from banking activities decreased due to the less favorable change in the fair value of a derivative instrument hedging loans at cost and the pressure on margins in the context of higher interest rates.

Note 20 Net financial result excluding financing debt expenses

The financial result excluding financing debt expenses reflects the return on invested assets generated by all activities less the net finance income or expenses stemming from insurance and reinsurance contracts. The table below highlights how this financial result impacts both the profit or loss and the other comprehensive income (OCI) before tax.

The investment return through profit or loss reported below reconciles with the amount disclosed in the consolidated statement of profit or loss. On the other hand, the reconciliation of net finance income or expenses from insurance and reinsurance contracts disclosed below with the amounts disclosed in the consolidated statement of profit or loss is explained in Note 12.1.1.2.

	December 31, 2023		
(in Euro million)	Insurance	Other Activities	Total
Net investment income	11,875	198	12,073
of which interest revenue calculated using the effective interest method for financial assets measured at amortized cost	*835*	*15*	*850*
of which interest revenue calculated using the effective interest method for financial assets measured at FV OCI	*8,877*	*116*	*8,993*
Net realized gains and losses relating to investments at amortised cost and at fair value through OCI	(1,214)	(31)	(1,245)
of which net realized gains or losses relating to financial assets measured at amortized cost	*(14)*	*(0)*	*(14)*
of which net realized gains or losses relating to debt instruments measured at FV OCI (the amount reclassified upon derecognition from accumulated other comprehensive income to profit or loss for the period)	*(1,576)*	*(29)*	*(1,605)*
Net realized gains and losses and change in fair value of other investments at fair value through profit or loss	7,142	19	7,161
Change in impairment on investments	(230)	(4)	(234)
Investment return through profit or loss (A)	**17,572**	**182**	**17,755**
Time value of money including interest accreted on Contractual Service Margin	(2,591)	-	(2,591)
Effect of changes in discount rates and other financial assumptions[(a)]	513	-	513
Change in fair value of underlying items of insurance contracts with direct participation features[(b)]	(12,223)	-	(12,223)
Foreign exchange gains or losses	199	-	199
Other impacts	(306)	-	(306)
Net finance income or expenses from insurance contracts issued, through profit or loss (B)	**(14,409)**	**-**	**(14,409)**
Time value of money including interest accreted on Contractual Service Margin	442	-	442
Effect of changes in discount rates and other financial assumptions	(53)	-	(53)
Effect of changes in the risk of non-performance of reinsurers	(3)	-	(3)
Foreign exchange gains or losses	(81)	-	(81)
Other impacts	-	-	-
Net finance income or expenses from reinsurance contracts held through profit or loss (C)	**305**	**-**	**305**
Total net finance income or expenses from insurance contracts issued and reinsurance contracts held through profit or loss (D = B + C)	**(14,104)**	**-**	**(14,104)**
Financial result recognized in profit or loss (E = A + D)	**3,468**	**182**	**3,651**
Realised capital gains or losses on equity instruments measured at fair value through OCI, without recycling in profit or loss	(399)	(61)	(460)
Changes in fair value of financial investments through OCI [(a)]	14,832	16	14,848
Investment return through OCI (F)	**14,432**	**(45)**	**14,388**
Net finance income or expenses from insurance contracts issued through OCI (G) [(b)]	(13,044)	-	(13,044)
of which changes in fair value of underlying items of insurance contracts with direct participation features	*(7,301)*	-	*(7,301)*
of which realised capital gains or losses on equity instruments measured at fair value through OCI, without recycling in profit or loss	*(156)*	-	*(156)*
Net finance income or expenses from reinsurance contracts held through OCI (H)	1,067	-	1,067
Total net finance income or expenses from insurance contracts issued and reinsurance contracts held through OCI (I = G + H)	**(11,977)**	**-**	**(11,977)**
Financial result recognized in OCI (J = F + I)	**2,455**	**(45)**	**2,411**
Impact of financial result on the statement of comprehensive income (before tax) (K = E + J)	**5,923**	**138**	**6,061**

(a Including both the change in fair value with recycling in profit or loss and the change in fair value without recycling in profit or loss.
(b) The effect of the risk mitigation option is included in P&L for €597m and in OCI for €483m, respectively.

(in Euro million)	December 31, 2022, restated Insurance	Other Activities	Total
Net investment income	11,456	875	12,332
of which interest revenue calculated using the effective interest method for financial assets measured at amortized cost	*621*	*14*	*635*
of which interest revenue calculated using the effective interest method for financial assets measured at FV OCI	*8,907*	*44*	*8,951*
Net realized gains and losses relating to investments at cost and at fair value through OCI	(114)	(13)	(127)
of which net realized gains or losses relating to financial assets measured at amortized cost	*9*	*2*	*11*
of which net realized gains or losses relating to debt instruments measured at FV OCI (the amount reclassified upon derecognition from accumulated other comprehensive income to profit or loss for the period)	*(821)*	*(3)*	*(824)*
Net realized gains and losses and change in fair value of other investments at fair value through profit or loss	(12,695)	(122)	(12,817)
Change in impairment on investments	(235)	(8)	(243)
Investment return through profit or loss (A)	**(1,588)**	**733**	**(855)**
Time value of money including interest accreted on Contractual Service Margin	(2,258)	-	(2,258)
Effect of changes in discount rates and other financial assumptions [(a)]	1,495	-	1,495
Change in fair value of underlying items of insurance contracts with direct participation features [(b)]	4,938	-	4,938
Foreign exchange gains or losses	(211)	-	(211)
Other impacts	(158)	-	(158)
Net finance income or expenses from insurance contracts issued, through profit or loss (B)	**3,806**	**-**	**3,806**
Time value of money including interest accreted on Contractual Service Margin	312	-	312
Effect of changes in discount rates and other financial assumptions	15	-	15
Effect of changes in the risk of non-performance of reinsurers	40	-	40
Foreign exchange gains or losses	7	-	7
Other impacts	-	-	-
Net finance income or expenses from reinsurance contracts held through profit or loss (C)	**374**	**-**	**374**
Total net finance income or expenses from insurance contracts issued and reinsurance contracts held through profit or loss (D = B + C)	**4,179**	**-**	**4,179**
Financial result recognized in profit or loss (E = A + D)	**2,591**	**733**	**3,324**
Realised capital gains or losses on equity instruments measured at fair value through OCI, without recycling in profit or loss	1,520	(0)	1,520
Changes in fair value of financial investments through OCI [(a)]	(79,572)	(407)	(79,980)
Investment return through OCI (F)	**(78,052)**	**(408)**	**(78,459)**
Net finance income or expenses from insurance contracts issued through OCI (G) [(b)]	76,741	-	76,741
of which changes in fair value of underlying items of insurance contracts with direct participation features	*15,523*	-	*15,523*
of which realised capital gains or losses on equity instruments measured at fair value through OCI, without recycling in profit or loss	*(630)*	-	*(630)*
Net finance income or expenses from reinsurance contracts held through OCI (H)	(5,056)	-	(5,056)
Total net finance income or expenses from insurance contracts issued and reinsurance contracts held through OCI (I = G + H)	**71,685**	**-**	**71,685**
Financial result recognized in OCI (J = F + I)	**(6,367)**	**(408)**	**(6,775)**
Impact of financial result on the statement of comprehensive income (before tax) (K = E + J)	**(3,776)**	**325**	**(3,450)**

(a) Including both the change in fair value with recycling in profit or loss and the change in fair value without recycling in profit or loss.
(b) The effect of the risk mitigation option is included in P&L for €1,462m and in OCI for €533m, respectively.

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Note 21 Financing debt expenses

As of December 31, 2023, financing debt expenses amounted to €609 million (€652 million as of December 31, 2022) mainly in the Company for €535 million (€574 million as of December 31, 2022).

Note 22 Expenses by nature

	December 31, 2023				December 31, 2022			
(in Euro million)	Insurance	Other Activities	Intersegment eliminations	Total	Insurance	Other Activities	Intersegment eliminations	Total
Claims and benefits	52,786	-	1,010	51,776	55,667	-	598	55,069
Losses on onerous insurance contracts	(194)	-	(0)	(194)	(215)	-	-	(215)
Commissions	12,283	354	196	12,442	12,295	353	214	12,434
Staff expenses	6,925	1,215	2	8,137	6,655	1,155	1	7,809
Outsourcing and professional services	850	282	8	1,124	780	270	5	1,045
IT expenses	1,580	926	353	2,153	1,515	889	283	2,121
Expenses relating to owner occupied properties	406	41	1	446	455	88	0	543
Other expenses	2,169	(105)	216	1,849	1,947	(132)	397	1,419
Expenses by nature	**76,805**	**2,714**	**1,785**	**77,733**	**79,100**	**2,623**	**1,498**	**80,225**
Impact of deferral of insurance acquisition cash flows	**(2,077)**	**-**	**0**	**(2,077)**	**(1,795)**	**-**	**0**	**(1,795)**
TOTAL EXPENSES RECOGNISED IN PROFIT OR LOSS	**74,728**	**2,714**	**1,785**	**75,657**	**77,305**	**2,623**	**1,498**	**78,430**
of which Insurance service expenses	72,577	0	896	71,681	75,234	0	766	74,469
of which Expenses from other activities	965	3,268	907	3,327	1,154	2,925	792	3,288
of which Other income and expenses	1,186	(555)	(18)	649	917	(303)	(60)	674
NET EXPENSES FROM REINSURANCE CONTRACTS HELD	**2,301**	**-**	**25**	**2,276**	**1,128**	**-**	**60**	**1,068**
TOTAL EXPENSES	**77,030**	**2,714**	**1,810**	**77,933**	**78,433**	**2,623**	**1,557**	**79,498**

Note 23 Employees

23.1 BREAKDOWN OF STAFF EXPENSES

(in Euro million)	December 31, 2023	December 31, 2022
Wages and benefits	5,576	5,499
Social Contributions	1,123	929
Employee benefits expenses	628	625
Share based compensation	198	174
Other staff expenses and employees' profit sharing [(a)]	612	583
TOTAL STAFF EXPENSES	**8,137**	**7,809**

(a) Including redundancies and early retirement expenses (the triggering event being the set up of the plan), and profit sharing with employees in France.

23.2 EMPLOYEE BENEFITS

23.2.1 Defined contribution plans

The cost of the contributions paid was recognized as an expense in the income statement, and amounted to €260 million in 2023 (€265 million in 2022).

23.2.2 Defined benefit plans

AXA operates various defined post-employment benefit plans mainly in the United Kingdom, Germany, Switzerland, France and Belgium.

The defined benefit pension plans within AXA are mostly final salary pension plans or plans based on a cash balance formula, which provide benefits in the form of a guaranteed level of lump-sum payable at retirement age or pension payable for life. The level of benefits is generally based on members' length of service and their salary in the final years leading up to retirement.

In Switzerland, the benefit plan is a Swiss contribution-based plan classified as a defined benefit plan under IAS 19 because of guarantees, risks related to the mortality and disability coverage.

In the United Kingdom and Germany, pensions in payment are generally updated in line with the retail price index or inflation, as opposed to other countries where pensions do not necessarily receive inflationary increases once in payment.

Most of the defined benefit pension plans are funded through long-term employee benefit funds or covered by insurance policies or Mutual funds.

Benefit payments in the United Kingdom and Switzerland are from trustee-administered funds and plan assets held in trusts are governed by local regulations and practices. The Board of trustees, generally composed of representatives of the Company and plan participants in accordance with the respective plan's regulations is responsible for the governance of the plans including investment decisions and contribution schedules in order to meet the existing minimum funding requirement or funding regime objective.

In France and Belgium, benefit payments are managed by insurance companies or Mutual funds.

In the United Kingdom, the main defined benefit plan was closed to new members on August 31, 2013, and members who were part of defined benefit sections had the option to participate in defined contributions sections.

AXA XL sponsors different defined benefits: pension plans mainly in the United Kingdom, the United States, and Germany, as well as deferred cash awards for executive officers.

23.2.3 Significant actuarial assumptions

The assumptions used to value defined benefit plans are consistent with the economic and financial conditions in the countries where they are located. The weighted-average financial assumptions used by AXA for pension plans in the main regions and countries were as follows:

DECEMBER 2023 ASSUMPTIONS

	Europe	Switzerland	United Kingdom	United States	Japan	Mexico
Pension benefit obligation - assumptions as of December 31, 2023						
Discount rate	3.4%	1.4%	4.7%	5.0%	1.8%	9.3%
Salary increase for future years	2.5%	2.0%	N/A	N/A	N/A	6.0%
Inflation rate	2.1%	1.4%	1.9%	2.5%	N/A	4.0%

DECEMBER 2022 ASSUMPTIONS

	Europe	Switzerland	United Kingdom	United States	Japan	Other [(a)]
Pension benefit obligation - assumptions as of December 31, 2022						
Discount rate	3.8%	2.1%	5.0%	5.2%	1.8%	8.6%
Salary increase for future years	2.6%	1.9%	N/A	N/A	N/A	4.0%
Inflation rate	2.1%	1.3%	2.3%	2.5%	N/A	3.8%

(a) Including plans in Mexico and in some other countries, the latter have become out of the consolidation scope in 2023.

For any given plan, the discount rate is determined at the closing date by using market yields for the corresponding currency on high quality corporate bonds with consideration of AA-rated bonds and depending on the plan's duration and the maturity profile of the defined benefit obligation.

Significant demographic assumptions used by AXA are mortality tables in the measurement of the Group's obligations under its defined benefit schemes. These assumptions are often set based on actuarial advice in accordance with published statistics and experience in each country. Translated into average remaining life expectancy at retirement age (between 60 and 67 in average), the mortality assumptions would give:

- 22.91 years for male and 25.40 years for female retiring at end of December 2023;
- 23.71 years for male and 26.17 years for female retiring at end of December 2033 (*i.e.* 10 years after the reporting date).

23.2.4 Statement of financial position/balance sheet information

The table below presents the change in benefit obligation and the change in plan assets associated with pension plans and other benefit plans sponsored by AXA, together with the separate assets and the balance sheet position.

	Pension benefits		Other benefits		Total	
(in Euro million)	2023	2022	2023	2022	2023	2022
Change in benefit obligation						
Defined Benefit Obligation at the beginning of the year	14,231	19,599	144	180	14,375	19,779
Current service cost	201	253	72	69	273	321
Interest cost	472	161	2	1	474	162
Employee contributions	85	77	-	-	85	77
Plan amendments and curtailments (a)	(12)	(3)	-	-	(12)	(3)
Experience (gains) and losses	197	548	2	1	200	548
Actuarial (gains) and losses arising from changes in demographic assumptions [b]	(78)	35	(1)	(0)	(79)	35
Actuarial (gains) and losses arising from changes in financial assumptions [c]	782	(5,591)	(1)	(21)	781	(5,611)
Benefits paid by plan assets and by separate assets	(712)	(694)	(1)	(1)	(713)	(695)
Benefits directly paid by the employer	(164)	(160)	(69)	(92)	(233)	(252)
Settlements	2	-	-	-	2	-
Net transfer In/(Out) (including acquisitions, disposals and reclassifications) [d]	(7)	6	-	-	(7)	6
Other	17	11	(0)	-	17	11
Foreign exchange impact	430	(12)	(1)	8	429	(4)
Defined Benefit Obligation at the end of the year(A)	**15,444**	**14,231**	**148**	**144**	**15,592**	**14,375**
Change in plan assets						
Fair value of plan assets at the beginning of the year	11,759	12,919	-	-	11,759	12,919
Interest income on plan assets	372	133	-	-	372	133
Actual return on plan assets, excluding interest income	167	(2,330)	-	-	167	(2,330)
Employer contributions [e]	1,439	1,539	-	-	1,439	1,539
Employee contributions	75	70	-	-	75	70
Net transfer In/(Out) (including acquisitions, disposals and reclassifications) [d]	(0)	1	-	-	(0)	1
Benefits paid by plan assets	(580)	(571)	-	-	(580)	(571)
Amounts paid in respect of settlements and curtailments	-	-	-	-	-	-
Other	(1)	(1)	-	-	(1)	(1)
Foreign exchange impact	535	(1)	-	-	535	(1)
Fair value of plan assets at the end of the year(B)	**13,766**	**11,759**	**-**	**-**	**13,766**	**11,759**
Change in separate assets						
Fair value of separate assets at the beginning of the year	1,036	1,199	-	-	1,036	1,199
Interest income on separate assets	35	5	-	-	35	5
Actual return on separate assets, excluding interest income	(20)	(138)	-	-	(20)	(138)
Employer contributions	74	86	1	1	75	87
Employee contributions	10	7	-	-	10	7
Net transfer In/(Out) (including acquisitions, disposals and reclassifications) [d]	20	0	-	-	20	0
Benefits paid by separate assets	(132)	(123)	(1)	(1)	(133)	(124)
Other	-	-	-	-	-	-
Fair value of separate assets at the end of the year	**1,023**	**1,036**	**-**	**-**	**1,023**	**1,036**

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	Pension benefits		Other benefits		Total	
(in Euro million)	2023	2022	2023	2022	2023	2022
Change in the cumulative effect of asset ceiling						
Cumulative effect of asset ceiling at the beginning of the year	1,075	27	-	-	1,075	27
Interest cost on asset ceiling	23	0	-	-	23	0
Changes in the asset ceiling, excluding the interest cost [f]	(1,097)	1,031	-	-	(1,097)	1,031
Foreign exchange impact	18	17	-	-	18	17
Cumulative effect of asset ceiling at the end of the year	**19**	**1,075**	**-**	**-**	**19**	**1,075**
Funded status						
Funded status(B) - (A)	(1,678)	(2,472)	(148)	(144)	(1,826)	(2,616)
Cumulative impact of asset ceiling	(19)	(1,075)	-	-	(19)	(1,075)
Liability and asset recognized in the statement of financial position (excluding separate assets)						
Net position (excluding separate assets)	(1,697)	(3,547)	(148)	(144)	(1,845)	(3,691)
Fair value of separate assets at the end of the year	1,023	1,036	-	-	1,023	1,036
Net balance sheet position (including *separate assets*)	**(674)**	**(2,512)**	**(148)**	**(144)**	**(822)**	**(2,656)**

(a) In 2023, this amount reflected a plan amendment in France and in Germany as well as a voluntary social plan in France. In 2022, this amount reflected a plan amendment in Germany and in Japan as well as a voluntary social plan in France.

(b) In 2023, actuarial gains pertaining to changes in demographic assumptions mainly resulted from the updates of the CMI mortality projection model, the retirement factors and cash commutation factors in the United Kingdom, the turnover rates in Switzerland and the retirement age in France. In 2022, actuarial losses pertaining to changes in demographic assumptions mainly resulted from the updates of the CMI mortality projection model in the United Kingdom.

(c) In 2023, actuarial losses pertaining to changes in financial assumptions mainly resulted from the overall decrease in discount rates used to value liabilities. In 2022, actuarial gains mainly resulted from the sharp rise of discount rates used.

(d) In 2023, the net transfer out of the liability mainly comes from the change in the consolidation scope. The net transfer in of separate assets results from the recognition of former other assets as separate assets in Spain. In 2022, there was a net transfer in of retirement allowances for financial advisors in Japan.

(e) In 2023, €1.3 billion of exceptional employer contributions were made, increasing the plan assets in Germany. In 2022, this included mainly employer contributions to plan assets in Switzerland, following the termination of the collective insurance contract covering the retirees' obligation and the transfer of the allocated assets to the pension fund.

(f) As of December 31, 2023, the net asset surplus in Switzerland was fully recognized under IAS 19 and IFRIC 14. Whereas as of December 31, 2022, only part of the net asset surplus was recognized due to the asset ceiling effect measured at that date.

Benefits classified in “Other benefits” include post-retirement benefits other than pensions, principally health care benefits for retirees and deferred cash awards.

A surplus (including minimum funding requirement effect) is recognized to the extent that it is recoverable, either through future contribution reductions or a refund to which AXA has an unconditional right, including the ability to use the surplus to generate future benefits.

23.2.5 Pension and other benefits expense

The annual expense for employee pension and other benefits recorded in the income statement (included in the paragraph 23.1.), for the years ended December 31, 2023 and 2022 is presented below:

	Pension benefits		Other benefits		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Pension and other benefits expense						
Current service cost	201	253	72	69	273	321
Plan amendements and curtailments	(12)	(3)	-	-	(12)	(3)
Settlement gains or losses	2	-	-	-	2	-
Other	13	(4)	(0)	-	13	(4)
Total Service Cost	**204**	**245**	**72**	**69**	**276**	**314**
Interest cost on the defined benefit obligation	472	161	2	1	474	162
Interest income on plan assets	(372)	(133)	-	-	(372)	(133)
Interest income on separate assets	(35)	(5)	-	-	(35)	(5)
Interest cost on asset ceiling	23	0	-	-	23	0
Net Insterest Cost/(Income)	**88**	**24**	**2**	**1**	**90**	**25**
DEFINED PENSION AND OTHER BENEFITS EXPENSE (SERVICE COST + NET INTEREST COST/(INCOME))	**292**	**270**	**74**	**69**	**366**	**339**

The calculation of the periodic pension cost is based on a "spot rate approach" or "full yield approach" that involves the use of separate discount rates of the yield curve, to determine the related service cost, interest cost and interest income on assets associated to each discounted cash flow or segregated subsets of the plan's obligation.

23.2.6 Change in the liability (net of plan assets and cumulative impact of asset ceiling) excluding Separate Assets recognized in the statement of financial position

Consistently with IAS 19, the statement of financial position liability reflects the funded status (liabilities net of plan assets and cumulative impact of asset ceiling) but excludes Separate Assets that are backing employee benefits.

DESCRIPTION OF THE RELATIONSHIP BETWEEN SEPARATE ASSETS (OR REIMBURSEMENT RIGHT) AND RELATED OBLIGATIONS

Separate Assets amounted to €1,023 million as of December 31, 2023 (€1,036 million as of December 31, 2022) mainly in France and Belgium. This represents the fair value of assets backing Defined Benefit Obligations covered by both **(i)** insurance policies written within the Group that provide direct rights to the employees and, **(ii)** insurance policies with related parties that are outside the scope of consolidation. Under these circumstances, these assets are not considered as Plan Assets that would be deducted from the pensions' Defined Benefit Obligation (DBO), but represent reimbursement rights accounted for as Separate Assets under IAS 19. Insurance assets or liabilities (within the Group) and pension obligations remain on the balance sheet.

In Spain, internal insurance policies were issued in the past backing the pensions' DBO. The allocated assets were part of the insurance General Accounts of AXA in Spain and disclosed as "Other Assets" under IAS 19. In 2023, the entity holding those insurance policies (*AXA Aurora Vida, S.A. de Seguros y Reaseguros*) became legally separate from the reporting entity (*AXA Seguros Generales, S.A. de Seguros y Reaseguros*). Therefore, the insurance policies were requalified as reimbursement rights and the allocated assets accounted for as Separate Assets under IAS 19.

Consistently with IAS 19 requirements, the roll-forward of the statement of financial position liability from January 1, 2023, to December 31, 2023, shown below only captures the evolution of the liability recorded in the Group's statement of financial position net of plan assets and cumulative impact of asset ceiling but does not comprise Separate Assets. The table below shows the detailed roll-forward of the statement of financial position liability, with Separate Assets added at each year end for an economical perspective.

	Pension benefits		Other benefits		Total	
(in Euro million)	2023	2022	2023	2022	2023	2022
Change in the liability recognized in the statement of financial position						
Statement of financial position liability at the beginning of the year	(3,547)	(6,707)	(144)	(180)	(3,691)	(6,887)
Pension and other benefits expense	(292)	(270)	(74)	(69)	(366)	(339)
Adjustment due to separate assets	(25)	127	-	-	(25)	127
Employer contributions	1,439	1,539	-	-	1,439	1,539
Benefits directly paid by the employer	164	160	69	92	233	252
Benefits paid by separate assets	132	123	1	1	133	124
Net transfer (In)/Out (including acquisitions, disposals and reclassifications)	7	(6)	-	-	7	(6)
Net transfer in/(out) of separate assets to plan assets	-	-	-	-	-	-
Actuarial gains and (losses) recognized in OCI	338	1,493	(1)	20	338	1,513
Other	-	-	-	-	-	-
Foreign exchange impact	87	(6)	1	(8)	88	(13)
Statement of financial position liability at the end of the year	**(1,697)**	**(3,547)**	**(148)**	**(144)**	**(1,845)**	**(3,691)**
Fair value of separate assets at the end of the year	1,023	1,036	-	-	1,023	1,036
Net balance sheet position at the end of the year	**(674)**	**(2,512)**	**(148)**	**(144)**	**(822)**	**(2,656)**

23.2.7 Sensitivity analysis of the Defined Benefit Obligation (DBO): Gross of all assets

A description of the risk that pension schemes are exposed to is presented in the paragraph 23.2.10. The sensitivity analysis for significant actuarial assumptions showing how the Defined Benefit Obligation (totalling €15,592 million as of December 31, 2023 and €14,375 million as of December 31, 2022) would have been affected by changes, is presented below:

	2023		2022	
	Effect of 0.50% increase	Effect of 0.50% decrease	Effect of 0.50% increase	Effect of 0.50% decrease
Discount rate	-5.4%	6.1%	-5.5%	6.1%
Salary growth rate	0.6%	-0.5%	0.6%	-0.5%
Inflation rate	2.3%	-2.2%	2.6%	-2.3%

One year increase in the life expectancy (derived from adjusted mortality rates) would result in an increase of 3.3% of the Defined Benefit Obligation.

The sensitivity analysis for a change in an assumption is measured while all other assumptions remain constant (no correlation between assumptions used).

23.2.8 Near-term cash flows (benefits paid and employer contributions)

FUNDING POLICY AND FUNDING ARRANGEMENTS THAT AFFECT FUTURE CONTRIBUTIONS

In the United Kingdom, the Pensions Act 1995 is one of the main pieces of legislation which governs the operation of occupational pension schemes and the Pensions Act 2004 is the legislation which sets out the scope of the scheme funding provisions and under which regulations were made relating to the funding of occupational defined benefit pension schemes. Central to the scheme funding regime are: the Statutory Funding Objective (SFO), which is a requirement that the Scheme has sufficient and appropriate assets to meet its technical provisions (*i.e.* the amount required, on an actuarial calculation, to make provision for the scheme's liabilities); and the Statement of Funding Principles (SFP), which is a document prepared by the trustees which sets out its policy for ensuring that the SFO is met.

As part of the triennial funding valuation process, acting in accordance with the scheme funding legislation and the trust deed and rules of the AXA UK Group Pension Scheme, the Trustee determines an appropriate level of employer contributions to be paid to the AXA UK Group Pension Scheme, having consulted with the Scheme Actuary and discussed this with AXA UK plc. The resulting schedule of contributions is prepared by the Trustee and the Scheme Actuary sets out what contributions are payable and by when. This is then agreed by AXA UK plc. Where there is a deficit on a technical provision funding basis, the Trustee will also need to agree and put in place a Recovery Plan, which sets out the period over which the SFO will be met. There is no prescribed period for a recovery plan, but the Pension Regulator would generally be concerned about long recovery plans. The Trustee is required to prepare the schedule of contributions following valuations but may revisit (and potentially amend) the schedule of contributions in between actuarial valuations, for example if significant events occur during the period. Note that the 2023 normal employer contribution to the Scheme was reduced to 6 million as the actual deficit was lower than expected. Indeed, the Scheme finalized the March 31, 2021 triennial funding valuation in February 2022. As part of this actuarial valuation, the appropriate level of future contributions to be paid were determined *per annum* until December 31, 2030. However, contributions from 2022 are subject to adjustments depending on the deficit calculated at each March 31 from 2022.

In Switzerland and Belgium, AXA entities used to fund the cost of the entitlements expected to be earned on at least a yearly basis where contributions are determined as a percentage of pensionable salaries depending on the age-class of the beneficiaries.

In Germany, AXA decided to fund the majority of the pension obligations within the German Holding through an external pension fund. This was committed to reduce discount rate volatility effect, simplify and optimize the Asset Liability Management. An exceptional employer contribution of 1,270 million was paid to the fund at the end of 2023.

In Switzerland, the pension plan has become over-funded (under IAS 19) due to financial and economic conditions since the end of 2022. The Plan Assets are restricted to future employee benefits payments and cannot be refunded to AXA. However, the net asset surplus can be recognized up to an asset ceiling measured according to IAS 19 and IFRIC 14. As of December 31, 2022, only a portion of the net asset surplus was recognized due to the asset ceiling effect measured at that date. By December 31, 2023, the entire net asset surplus could be recognized based on the actuarial valuation at that date.

The cumulative effect of asset ceiling is presented in the pension financial position in the paragraph 23.2.4.

In France, voluntary regular employer annual contributions are made to Separate Assets, with an objective of an acceptable coverage ratio, remaining within a targeted range after consideration of the yearly predetermined service cost.

In summary, considering Separate Assets, the net economic situation of the funding for defined benefit plans is the following:

	Pension benefits		Other benefits		Total	
(in Euro million)	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Statement of financial position liability[a]	(1,697)	(3,547)	(148)	(144)	(1,845)	(3,691)
Assets other than plan assets[b]	1,023	1,056	-	-	1,023	1,056
Net economic position	**(674)**	**(2,492)**	**(148)**	**(144)**	**(822)**	**(2,636)**

(a) Amounts representing the defined benefit obligation less plan assets, adjusted for assets not recoverable by the asset ceiling impact.
(b) Amounts including separate assets or right to reimbursements and other assets in Spain in 2022 (refer to paragraph 23.2.6.).

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	Pension benefits		Other benefits		Total	
(in Euro million)	2023	2022	2023	2022	2023	2022
Change in net economic funding position						
Opening position	(2,512)	(5,509)	(144)	(180)	(2,656)	(5,688)
Pension and other benefits expense	(292)	(270)	(74)	(69)	(366)	(339)
Employer contributions and benefits directly paid by the employer	1,677	1,785	70	92	1,747	1,878
Net transfer In/(Out) (including acquisitions, disposals and reclassifications)	27	(6)	-	-	27	(6)
OCI impact	338	1,493	(1)	20	338	1,513
Other	-	-	-	-	-	-
Foreign exchange impact	87	(6)	1	(8)	88	(13)
Closing position	(674)	(2,512)	(148)	(144)	(822)	(2,656)

ESTIMATED EMPLOYER CONTRIBUTIONS TO THE PLAN FOR THE NEXT ANNUAL REPORTING PERIOD

The estimated amount of 2024 employer contributions for pension benefits is €223 million (€211 million estimated in 2022 for 2023).

ESTIMATED FUTURE BENEFITS TO BE PAID

(in Euro million)	Pension benefits	Other benefits
2024	975	69
2025	914	52
2026	915	28
2027	921	4
2028	953	4
Five years thereafter	4,708	17
From year N+11 until the last benefit payments is paid	19,175	54

These estimated future contributions and benefits expected to be paid are subject to uncertainty as they will be notably driven by economics of future years.

23.2.9 Asset mix of plan assets

As pension liabilities have a long-term nature, a mix of equity instruments, debt instruments, investment funds and real estate investments is used in Plan Assets.

The following tables disclose the fair values of Plan Assets and their level within the fair value hierarchy for the defined benefit plans of AXA Group as at December 31, 2023, and 2022, respectively (fair value hierarchy principles as described by the Group are described in Note 1.6):

	Total Group			United Kingdom			Switzerland			Other		
December 31, 2023	**Quoted in an active market**	**Not quoted in an active market**	**Total**	**Quoted in an active market**	**Not quoted in an active market**	**Total**	**Quoted in an active market**	**Not quoted in an active market**	**Total**	**Quoted in an active market**	**Not quoted in an active market**	**Total**
Equity instruments	10.6%	0.0%	10.6%	0.1%	0.0%	0.1%	19.5%	0.0%	19.5%	0.0%	0.0%	0.0%
Debt instruments [(a)]	36.9%	0.0%	36.9%	66.5%	0.0%	66.5%	24.2%	0.0%	24.2%	20.5%	0.0%	20.5%
Real estate	0.0%	11.3%	11.3%	0.0%	0.4%	0.4%	0.0%	20.6%	20.6%	0.0%	0.0%	0.0%
Other [(b)]	5.8%	35.4%	41.2%	2.8%	30.2%	33.0%	7.4%	28.3%	35.7%	6.1%	73.4%	79.5%
TOTAL	**53.3%**	**46.7%**	**100.0%**	**69.4%**	**30.6%**	**100.0%**	**51.1%**	**48.9%**	**100.0%**	**26.6%**	**73.4%**	**100.0%**
TOTAL *(in Euro million)*	**7,335**	**6,431**	**13,766**	**2,984**	**1,317**	**4,302**	**3,821**	**3,654**	**7,476**	**529**	**1,459**	**1,988**

(a) Including the impact of derivative instruments.
(b) The other category of plan assets mainly includes investment funds.

	Total Group			United Kingdom			Switzerland			Other		
December 31, 2022	**Quoted in an active market**	**Not quoted in an active market**	**Total**	**Quoted in an active market**	**Not quoted in an active market**	**Total**	**Quoted in an active market**	**Not quoted in an active market**	**Total**	**Quoted in an active market**	**Not quoted in an active market**	**Total**
Equity instruments	11.2%	0.0%	11.2%	0.1%	0.1%	0.2%	18.8%	0.0%	18.8%	3.0%	0.0%	3.0%
Debt instruments [(a)]	37.1%	0.0%	37.1%	60.0%	0.0%	60.0%	21.8%	0.0%	21.8%	51.4%	0.0%	51.4%
Real estate	0.0%	13.1%	13.1%	0.0%	1.4%	1.4%	0.0%	21.6%	21.6%	0.0%	0.0%	0.0%
Other [(b)]	7.0%	31.5%	38.6%	2.0%	36.5%	38.5%	8.6%	29.2%	37.8%	19.9%	25.7%	45.6%
TOTAL	**55.4%**	**44.6%**	**100.0%**	**62.1%**	**37.9%**	**100.0%**	**49.2%**	**50.8%**	**100.0%**	**74.3%**	**25.7%**	**100.0%**
TOTAL *(in Euro million)*	**6,512**	**5,247**	**11,759**	**2,565**	**1,568**	**4,133**	**3,376**	**3,482**	**6,857**	**571**	**198**	**769**

(a) Including the impact of derivative instruments.
(b) The other category of plan assets mainly includes investment funds.

23.2.10 Management of risks specific to the Group arising from defined benefit plans

Local operating entities and trustees have the primary responsibility for managing the risks that plans are exposed to through a defined benefit plan, in accordance with local legislation if any and the risk framework defined at local level.

Defined benefit plans expose AXA mainly to market investment risk, interest rate risk, inflationary risk and longevity risk:

- a decline in asset market value (equity, real estate, alternatives etc.) will immediately increase the balance sheet liability and the near-term cash flows for countries where there is minimum funding requirements;
- a decrease in corporate bond yields will result in an increase in plan liabilities even if this effect will be partially offset by an increase in the value of the plans' bonds; and
- an increase in inflation rate or an increase in life expectancy will result in higher plan liabilities thus, an increase in future employer contributions in countries where there is minimum funding requirements.

INVESTMENT POLICIES AND STRATEGIES USED BY ENTITIES/ TRUSTEES TO MANAGE RISKS

In most countries, Trustees or Investment Committees set the general investment policies and guidelines regarding the allocation of plan assets in accordance with the long term horizon of the benefit plans. The investment strategy is reviewed regularly, following actuarial valuations of the funded benefit plans.

The investment positions are managed within an Asset Liability Management (ALM) framework defining an optimal strategic allocation with respect to the liabilities structure. The management of the assets notably includes liquidity management, diversification of each asset type so that the failure of any specific investment does not present a material risk to the plans, and implementation of hedging programs.

In the United Kingdom, the pension scheme entered into several longevity swap transactions for hedging 95% of the longevity risk inherent within the pensioner and deferred population:

- in 2015, for covering pensioner members that retired prior to April 1, 2015;
- in 2019, for covering pensioner members that retired prior to April 1, 2019;
- in 2021, for covering longevity risk (subject to a level of retention) of the remaining unhedged members.

Furthermore, a hedging strategy has been put in place to protect the scheme funding level from movements in inflation and interest rate. The strategy is reviewed on a regular basis by AXA UK, Trustees and investment advisors.

Additionally, caps on inflationary increases were in place in the United Kingdom & Ireland to protect the scheme against extreme inflation.

23.2.11 Statement of financial position/balance sheet reconciliation

(in Euro million)	December 31, 2023	December 31, 2022
Net position (excluding separate assets) [(a)]	(1,845)	(3,691)
■ (assets)/liabilities held for sale [(b)]	43	50
Other liabilities	(226)	(273)
TOTAL [(c)]	**(2,028)**	**(3,914)**

(a) Net position (excluding separate assets) for pension benefits and other benefits as reported in paragraph 23.2.6.

(b) As of December 31, 2023 and December 31, 2022, the amount comprises liabilities relating to DBVL, part of the AXA Germany business for which the sale process was not yet finalized.

(c) It corresponds to a liability of €3,516 million as of December 31, 2023 (€4,567 million as of December 31, 2022) included in the statement of financial position under the caption "provision for risks and charges", and an asset of €1,488 million (€653 million as of December 31, 2022) included in the statement of financial position under the caption "other receivables".

23.3 SHARE-BASED COMPENSATION

All figures are gross of tax.

(in Euro million)	2023	2022
Cost by plan		
AXA SA Stock options	**0.1**	**0.5**
■ 2017 grants	-	0.1
■ 2018 grants	0.1	0.3
AXA Group Shareplan	**19.1**	**7.3**
■ Classic Plan	16.9	5.5
■ Guarantee Plus Plan	2.2	1.8
AXA Performance & Restricted Shares (in France)	**68.7**	**71.7**
■ 2019 grants	-	9.1
■ 2020 grants	0.4	22.1
■ 2021 grants	23.7	22.4
■ 2022 grants	24.8	18.1
■ 2023 grants	19.8	-
AXA International Performance & Restricted Shares	**82.3**	**85.7**
■ 2018 grants	-	5.7
■ 2019 grants	0.2	8.2
■ 2020 grants	(1.3)	20.5
■ 2021 grants	28.5	28.9
■ 2022 grants	29.1	22.5
■ 2023 grants	25.8	-
AXA Retirement Performance Shares	**18.0**	**18.1**
AXA Investment Managers Performance Shares	**4.3**	**5.7**
TOTAL EMPLOYEE SHARE-BASED COMPENSATION COST	**192.5**	**189.0**

The cost includes the expenses from share-based compensation instruments issued by the Group as well as by AXA subsidiaries.

The share-based compensation instruments listed above are mostly composed of instruments settled in equity. The unit cost of the equity settled instruments does not vary for a given plan while the cash settled instruments unit cost is updated at each closing.

The total charge is amortized over the vesting period and adjusted at each future closing date for the difference between actual and expected lapse to take into account actual service conditions and actual non-market performance conditions.

A detail of each of the major plans and the associated cost is presented in the paragraphs 23.3.1 and 23.3.2.

23.3.1 Share-based compensation instruments issued by the Group

AXA SA STOCK OPTIONS

In 2019, after having progressively reduced the number of stock options beneficiaries over the past, AXA's Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee, in order to simplify AXA's compensation policy and in line with market practice, decided to cease awarding stock options to corporate officers and AXA key employees. These options were either subscription options involving newly issued AXA ordinary shares or purchase options involving AXA treasury shares. While the precise terms and conditions of each option grant may vary, options were **(i)** granted at a price not less than the average closing price of the ordinary share on the Paris Stock Exchange during the 20 trading days preceding the date of grant, **(ii)** valid for a maximum term of ten years, and **(iii)** vest in instalments of 33.33% per year on each of the third, fourth and fifth anniversaries of the grant date.

From 2013, for all beneficiaries, the vesting of the final instalment has been subject to the fulfilment of the market performance conditions regarding the performance of the AXA shares compared to the STOXX Insurance Index ("SXIP").

All options granted to the members of the Management Committee have been subject to the fulfilment of this market-based performance condition.

The following table shows AXA SA stock options status:

	Options *(in million)*		Weighted exercise price *(in Euro)*	
	2023	**2022**	**2023**	**2022**
Options AXA				
Outstanding on January 1	**7.7**	**10.0**	**22.15**	**21.82**
Granted	-	-	-	-
Exercised	(2.5)	(2.1)	21.67	20.75
Cancelled and expired	(0.1)	(0.1)	19.56	19.90
Outstanding as of December 31	**5.1**	**7.7**	**22.42**	**22.15**

Including the last grant in 2018, valid for a maximum term of 10 years, the number of outstanding options and the number of exercisable options among the outstanding options are shown below by maturity date.

Expiry year of options *(in million)*	Outstanding options		Exercisable options (taking into account the market-based performance condition)	
	December 31, 2023	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
2023	-	0.1	-	0.1
2024	0.1	0.6	0.1	0.6
2025	0.9	1.7	0.9	1.7
2026	0.9	1.3	0.9	1.3
2027	1.5	2.0	1.5	2.0
2028	1.7	2.1	0.8	1.3
TOTAL AXA	**5.1**	**7.7**	**4.3**	**6.9**

	Outstanding options		Exercisable options (taking into account the market-based performance condition)	
Options AXA	**Number** *(in millions)*	**Exercise price** *(in euros)*	**Number** *(in millions)*	**Exercise price** *(in euros)*
Price range				
€12.97 – €19.44	0.1	18.68	0.1	18.68
€19.45 – €25.92	5.0	22.51	4.2	22.70
€12.97 – €25.92	**5.1**	**22.42**	**4.3**	**22.58**

The fair value of AXA SA stock options was calculated using the Black & Scholes option pricing model. The effect of expected early exercise was taken into account through the use of an expected life assumption based on historical data. AXA SA share price volatility was estimated on the basis of implied volatility, which was checked against an analysis of historical volatility to ensure consistency. The expected AXA SA dividend yield was based on the market consensus. The risk-free interest rate was based on the Euro Swap Rate curve for the appropriate term.

The option pricing assumptions and fair value at grant date for plans issued for the last time in 2018 are shown below:

	2018	2017
Assumptions		
Dividend yield	5.79%	6.50%
Volatility	20.72%	25.05%
Risk-free interest rate	0.72%	0.55%
Expected life *(in years)*	8.58	8.50
Weighted average fair value per option at grant date *(in Euro)*	1.21	1.81

The total cost has been amortized over the vesting period and a nil estimated pre-vesting lapse rate was applied over the remaining vesting period. On that basis, the expense recognized in profit or loss for the year ended December 31, 2023 was €0.1 million (€0.5 million for the year ended December 31, 2022).

AXA GROUP SHAREPLAN

AXA offers its employees the opportunity to become shareholders through a special employee share offering. In countries that meet the legal and fiscal requirements, two investment options are available: the Classic plan and the Guarantee Plus plan.

The Classic plan allows employees to purchase, through a personal investment, AXA shares either through Mutual funds (FCPE) or through direct share ownership, depending on the country, with a discount of 20%. The shares are held within the Group Company Savings Plans and are restricted from sale during a period of approximately five years (except specific early exit cases allowed by applicable laws). Employees receive dividends distributed by AXA during the holding period and, some potential gains at the end subject to the share price evolution compared to the subscription price.

The Guarantee Plus plan allows employees to purchase AXA shares with a discount through a personal investment and a bank contribution equal to 9 times the personal investment. The shares are purchased through Mutual funds (FCPE). The shares are held within the Group Company Savings Plans and are restricted from sale during a period of approximately five years (except specific early exit cases allowed by applicable laws). Employees' personal investment is guaranteed by a partner bank, and employees also benefit from the best of those two features: **(i)** a guaranteed minimum return of 5% per year on their personal investment, **(ii)** or, if more favourable than the guaranteed minimum return: a multiple of 4 times the protected average increase of the AXA share price over the holding period. The calculation of the protected average increase is based on the reference price which is the average over the twenty trading days ending on the date preceding the Chief Executive Officer's decision setting the definitive terms of the operation.

At the end of the holding period, the employees can, depending on their country of residence, receive the cash value of their investment, or transfer their investment in dedicated Mutual funds.

In 2023, both Classic and Guarantee Plus plans were offered to employees within the same AXA commitment nature as for the Shareplan 2022.

The subscription price for the Classic plan amounted to €22.73 per share (discount of 20% to the reference price of €28.41). The subscription price for the Guarantee Plus plan amounted to €26.25 per share (discount of 7.60% to the reference price of €28.41).

A total of 13.8 million new shares were issued, increasing the share capital by €347.3 million. The 2023 offering represented a total cost of €19.1 million (€7.3 million for the year ended December 31, 2022).

OTHER SHARE-BASED COMPENSATION

AXA Performance & Restricted Shares

Performance & Restricted Shares can be granted to key employees in France. At the end of a three-year vesting period and subject to performance conditions, beneficiaries will receive a certain number of AXA shares. The performance condition of Restricted Shares plans is solely linked to the Group Sustainability performance. Whereas the performance conditions of Performance Shares plans are based on financial and extra-financial targets, directly linked to the Group's strategic orientations. In addition, for some identified beneficiaries, a compulsory two-year holding period can be applicable after the vesting period.

In 2023, the valuation was based on a market price of €27.48 per share at grant date and an estimate of 5% lapse rate per year. The average fair value of Performance & Restricted Shares weighted by plans and including expected lapse was €19.11 (€17.31 for 2022 grants).

The total cost of the Performance & Restricted Shares recorded as of December 31, 2023, was €68.7 million in profit or loss (€71.7 million as of December 31, 2022).

AXA International Performance & Restricted Shares

International Performance & Restricted Shares can be granted to key employees outside of France.

According to the plan rule, at the settlement date and subject to performance conditions (see above), beneficiaries will receive a certain number of AXA shares. The performance period is currently three years. The vesting period is between three and five years. For some identified beneficiaries, a compulsory two-year holding period can be applicable after the vesting period.

The settlement is made in shares rather than in cash (except where the settlement in shares is impossible for legal or other reasons).

The total cost of the International Performance & Restricted Shares recorded as of December 31, 2023, was €82.3 million in profit or loss (€85.7 million as of December 31, 2022).

AXA Retirement Performance Shares

As voted by the Shareholders' Meeting of April 28, 2022, AXA's Board of Directors is authorized to grant retirement performance shares to designated senior executives in France. Under this plan, beneficiaries of Performance Shares have the right to receive at the settlement date, a certain number of AXA shares based on the achievement of a performance condition related to the average AXA Group Solvency II ratio calculated during the performance period of three years.

The total cost of the Performance Shares Retirement recorded as of December 31, 2023, was €18.0 million in profit or loss (€18.1 million as of December 31, 2022).

23.3.2 Share-based compensation instruments issued by AXA subsidiaries

AXA INVESTMENT MANAGERS SHARE-BASED COMPENSATION PLANS

AXA Investment Managers granted Performance Shares to certain key employees as part of its deferred remuneration policy that also includes DIP (Deferred Incentive Plan). The Investment Managers Performance Shares incentive plan is a long-term award plan in which participants are allocated rights to acquire AXA Investment Managers shares upon completion of a specified vesting period depending on applicable local regulations, and subject to fulfilment of certain performance conditions. The performance condition is based on the achievement of Actual AXA Investment Managers Underlying Earnings Group share *versus* budgeted and/or investment performance conditions.

In 2021, following the change in the deferred remuneration fully in DIP, AXA Investment Managers decided to cease issuing the Investment Managers Performance Shares incentive plan. As a result, the last plan was the one granted in March 2020.

The total cost of AXA Investment Managers Performance Shares recorded as of December 31, 2023, was €4.3 million in profit or loss (€5.7 million as of December 31, 2022).

23.4 COMPENSATION OF MANAGEMENT AND OFFICERS

Compensation costs/expenses:

- short-term benefits: the compensation paid to the Management Committee members in 2023 amounted to €21.9 million including fixed salary, bonuses, directors' fees, benefits in kind and other short-term benefits (€25.8 million in 2022);
- share-based compensations: the expense recognized in 2023 in respect of share-based compensations granted to the Management Committee members amounted to €15.2 million (€15.5 million in 2022);
- post-retirement benefits: the estimated cost of providing defined benefit pensions and other post-retirement benefits to the Management Committee members for the current year of service, measured in accordance with IAS 19, amounted to €2.2 million in 2023 (€4.0 million in 2022).

23.5 SALARIED WORKFORCE

As of December 31, 2023, the Group employed 94,705 salaried people on a Full-Time Equivalent basis (compared to 90,443 as of December 31, 2022). The increase in salaried employees by 4,262 in 2023 was mainly due to **(i)** acquisitions and consolidation of several businesses in Colombia, Ireland, Spain and Turkey (+2,310), **(ii)** recruitments in nearshore and offshore activities notably in France and at AXA XL (+1,107) and **(iii)** recruitments to support business growth which were partly offset by **(iv)** restructuring programs in Germany and Spain.

Note 24 Net income per ordinary share

The Group calculates a basic net income per ordinary share and a diluted net income per ordinary share:

- the calculation of the basic net income per ordinary share assumes no dilution and is based on the weighted average number of outstanding ordinary shares during the period;
- the calculation of diluted net income per ordinary share takes into account shares that may be issued as a result of stock option plans. The effect of stock option plans on the number of fully diluted shares is taken into account only if options are considered to be exercisable on the basis of the average stock price of the AXA share over the period.

(in Euro million) [(a)]		December 31, 2023	December 31, 2022, restated
Net income group share		**7,189**	**5,061**
Undated subordinated debt financial charge		(185)	(182)
Net income including impact of undated subordinated debt	**A**	**7,004**	**4,879**
Weighted average number of ordinary shares (net of treasury shares) – opening		2,265	2,356
Increase in capital (excluding stock options exercised)		1	1
Stock options exercised [(b)]		1	1
Treasury shares [(b)]		56	14
Capital increase/Decrease [(b)]		(91)	(82)
Weighted average number of ordinary shares	**B**	**2,232**	**2,290**
BASIC NET INCOME PER ORDINARY SHARE	**C = A/B**	**3.14**	**2.13**
Stock options		1	1
Other		6	7
Fully diluted - weighted average number of shares [(c)]	**D**	**2,238**	**2,297**
FULLY DILUTED NET INCOME PER ORDINARY SHARE	**E = A/D**	**3.13**	**2.12**

(a) Except for number of shares (million of units) and earnings per share (Euro).
(b) Weighted average.
(c) Taking into account the impact of potentially dilutive impacts.

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Note 25 Related-party transactions

In 2023, the Company was party to the following transactions with related parties which may be deemed to have been material to AXA or the related party in question or unusual in their nature or conditions.

25.1 RELATIONSHIPS WITH THE MUTUELLES AXA

The Mutuelles AXA (AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle, hereafter the "Mutuelles AXA") are two mutual insurance companies engaged respectively in the Property & Casualty insurance business and Life & Savings insurance business in France. On December 31, 2023, the Mutuelles AXA collectively owned 15.65% of the Company's outstanding ordinary shares representing 26.02% of the voting rights.

Each Mutuelle AXA is supervised by a Board of Directors elected by delegates representing policyholders. Certain members of the Company's Management Committee and Board of Directors serve as directors of the Mutuelles AXA.

The Mutuelles AXA and two of the Company's French insurance subsidiaries engaged in the Property & Casualty insurance business and Life & Savings insurance business, AXA France IARD and AXA France Vie respectively (the "Subsidiaries"), are parties to an agreement pursuant to which they provide a full range of management services to manage the insurance operations and portfolios of the Mutuelles AXA. The agreement includes provisions designed to ensure the legal independence and protection of the respective client portfolios of the Mutuelles AXA and these Subsidiaries. Certain costs and charges (excluding commissions) are allocated between the Subsidiaries and the Mutuelles AXA through an economic interest grouping *(groupement d'intérêt économique)* or "GIE".

The Property & Casualty insurance business generated in France by insurance brokers was mainly underwritten through co-insurance and reinsurance arrangements between AXA Assurances IARD Mutuelle and AXA France IARD. Aggregate written premiums under these agreements amounted to €2,483 million in 2023 (of which €2,408 million was attributed to AXA France IARD).

On December 20, 2023, AXA France Vie entered into a reinsurance agreement with AXA Réassurance Vie France, a reinsurance company co-owned by the Mutuelles AXA. The reinsurance agreement covers a total of €12 billion of Life reserves.

25.2 SERVICES RENDERED BETWEEN AXA GROUP COMPANIES

From time to time the Company enters into GIEs with certain of its subsidiaries. GIEs are intercompany partnerships, governed by French law, created to perform various common services for their members and to allocate associated costs and expenses among their members. The allocation of costs and expenses invoiced to GIE members is based on various agreed criteria including particular activity drivers. The GIEs of which the Company was a member during 2023 covered a variety of common services including services performed by the Group's central functions (GIE AXA) for the benefit of AXA Group companies (*e.g.* finance, accounting and reporting, tax, legal, internal audit, human resources, information systems, Risk Management, cash management). Expenses invoiced by these GIEs to the Company and its subsidiaries are generally invoiced at cost and are included in the consolidated expenses reflected in Note 22 "Expenses by nature" to the Group's Consolidated Financial Statements. Expenses invoiced by the GIE AXA to its members in 2023 and 2022 amounted to respectively €284 million and €261 million.

In addition, from time to time, certain subsidiaries of the Group render services to other AXA Group companies, notably:

- AXA IM in respect of asset management services, as further described in Section 1.3 "Business Overview – Transversal & Central Holdings" of this Annual Report;
- the Company which, since being granted its reinsurance license from the ACPR, has been the AXA Group's reinsurance captive, exclusively reinsuring the Group's cedants in both Property & Casualty and Life, as further described in Note 4.2 "Reinsurance activity within AXA SA" of Appendix III "AXA Parent Company Financial Statements – Notes to the financial statements" to this Annual Report; and
- AXA Group Operations in respect of technology, physical security, Group procurement and strategic program management services,

and these transactions are generally performed on arm's length terms and conditions.

25.3 LOANS/GUARANTEES/CAPITAL CONTRIBUTIONS, ETC.

The Company has given numerous commitments, including financing commitments, guarantees given to financial institutions and customers, pledged assets, collateralized commitments and letters of credit. For a description of these commitments and guarantees, see Note 26 "Contingent assets and liabilities and unrecognized contractual commitments" to the Group's Consolidated Financial Statements.

Certain of these guarantees are given by the Company for the benefit of its subsidiaries and affiliates for various business purposes including to promote development of their business (*e.g.* to facilitate acquisitions, integration of acquired businesses, distribution arrangements, off-shoring arrangements, internal restructuring, sales or other disposals of assets or businesses, sales or renewals of products or services or similar transactions), to support their credit ratings, and/or to promote efficient use of the Group's capital resources. In this context, the Company may guarantee repayment of loans or other obligations of its subsidiaries to third parties, or provide other types of guarantees to support its subsidiaries' obligations. The beneficiaries of these guarantees are generally required to compensate the Company at a negotiated rate based on prevailing market rates for guarantees with similar conditions. In addition, from time to time, the Company may provide comfort letters or similar letters to rating agencies and/or regulators in support of its subsidiaries and affiliates for various business purposes, including facilitating specific transactions, achieving target rating levels and, more generally, helping to develop the business of these subsidiaries.

Commitments granted by the Company to its subsidiaries are disclosed in Appendix III of this Annual Report "AXA parent Company financial statements: Subsidiaries and participating interests".

The Company may enter into various types of transactions with its subsidiaries and affiliates from time to time for various business purposes including **(i)** in connection with liquidity, solvency and capital management initiatives designed to promote efficient use and fungibility of the Group's capital resources or **(ii)** to finance their business operations and/or to promote the development of their business (*e.g.* to facilitate acquisitions, integration of acquired businesses, distribution arrangements, internal restructuring, or similar transactions). These transactions may involve loans or other types of credit arrangements, capital contributions, acquisitions or sales of assets, securities or other financial instruments (including swaps or other types of derivatives), securitization transactions, and/or other types of arrangements or transactions to which the Company may be a direct party and/or guarantor. The Company may also from time to time borrow from its subsidiaries for various business purposes. These transactions are generally carried out on arms-length terms and conditions with loans bearing interest at rates that generally reflect prevailing market rates at the respective dates such loans were originated.

25.4 KEY MANAGEMENT AND DIRECTORS

To the best of the Company's knowledge, based on information reported to it:

- on December 31, 2023, **(i)** there were no outstanding loans from the Group to the Company's two corporate officers and **(ii)** there were outstanding loans from the Group to some members of the Company's Board of Directors, the terms and conditions of which are substantially similar to the ones generally available to the public or to AXA employees;
- various members of the Company's Board of Directors as well as various other executive officers and directors of other AXA Group companies may, from time to time, purchase insurance, wealth management or other products or services offered by AXA in the ordinary course of its business. The terms and conditions of these transactions are substantially similar to the terms and conditions generally available to the public or to AXA employees in general. In addition, certain members of the Board of Directors are corporate officers, directors or have interests, directly or indirectly, in companies that may have agreements or enter into transactions from time to time with AXA Group entities including extensions of credit, loans, purchases of securities (for their own account or for third parties), underwriting of securities and/or furnishing of other types of services or goods. These agreements or deals are generally fully negotiated and performed on arm's length terms and conditions.

Note 26 Contingent assets and liabilities and unrecognized contractual commitments

26.1 COMMITMENTS RECEIVED

(In Euro million)	December 31, 2023	December 31, 2022
Financing commitments	**10,504**	**10,059**
Customers	-	-
Credit institutions	10,504	10,059
Guarantee commitments	**22,340**	**22,733**
Customers	15,277	16,246
Credit institutions	7,064	6,487
Other	**28,395**	**29,179**
Pledged securities and collaterized commitments	18,870	19,107
Letters of credit	6,918	6,961
Other commitments	2,607	3,111
TOTAL	**61,240**	**61,970**

Commitments received by AXA totaled €61,240 at the end of 2023, a decrease by €730 million compared to the end of 2022.

These commitments can be broken down as follows:

Financing commitments received totaled to €10,504 million at the end of 2023, and mainly consisted of:

- unused credit lines received by holdings for €8,615 million mainly at AXA SA (€8,010 million);
- commitment lines for €1,889 million granted to AXA XL (€1,494 million) and Japan (€395 million) as part of their operations.

Guarantee commitments received totaled to €22,340 million at the end of 2023, mainly from **(i)** guarantees from customers related to mortgage loans €12,836 million received mainly in Switzerland (€10,559 million), at AXA Banque (€1,983 million) **(ii)** €6,312 million guarantees related to loans mainly at AXA Banque (€6,233 million), and **(iii)** €2,440 million other guarantees received from customers at AXA Banque.

Pledged securities and collateralized commitments received totaled to €18,870 million at the end of 2023 and mainly consisted of:

- collaterals for reinsurance operations totaled to €15,912 million mainly in AXA XL (€8,880 million), in France (€2,594 million), in Hong Kong (€3,333 million) and at AXA SA (€758 million);
- collateral for derivatives totaled to €2,958 million mainly in France (€1,125 million), in Hong Kong (€470 million) in Japan (€425 million), in Germany (€351 million) and in Belgium (€232 million).

Letters of credit received totaled to €6,918 million at the end of 2023 mainly at AXA XL (€6,290 million) due to letters of credit related to reinsurance transactions.

Other commitments received totaled to €2,607 million at the end of 2023, mainly related to mortgages received as guarantees for debt instrument in Japan (€662 million), Germany (€633 million), France (€461 million) and Italy (€445 million).

26.2 COMMITMENTS GIVEN

	December 31, 2023					December 31, 2022				
	Expiring date					Expiring date				
(In Euro million)	12 months or less	More than 1 year up to 3 years	More than 3 years up to 5 years	More than 5 years	Total	12 months or less	More than 1 year up to 3 years	More than 3 years up to 5 years	More than 5 years	Total
Financing commitments	**342**	**26**	**6**	**86**	**460**	**437**	**70**	**28**	**155**	**690**
Customers	342	26	6	77	450	437	70	28	145	680
Credit institutions	-	-	-	9	9	-	-	-	10	10
Guarantee commitments	**4,909**	**32**	**125**	**2,219**	**7,284**	**4,823**	**31**	**1,659**	**1,262**	**7,775**
Customers	4,694	12	2	539	5,248	4,390	26	3	744	5,163
Credit institutions	215	20	122	1,680	2,036	433	5	1,656	518	2,612
Other	**7,544**	**5,963**	**4,770**	**11,003**	**29,279**	**13,134**	**8,186**	**2,485**	**11,969**	**35,774**
Pledged securities and collaterized commitments	2,683	561	590	5,119	8,953	6,864	556	444	4,673	12,538
Letters of credit	2,316	7	588	32	2,943	2,515	-	609	0	3,124
Other commitments	2,406	5,087	3,332	5,773	16,598	3,755	7,630	1,432	7,295	20,113
TOTAL	**12,794**	**6,021**	**4,900**	**13,307**	**37,023**	**18,394**	**8,287**	**4,172**	**13,386**	**44,240**

Commitments given totaled to €37,023 million at the end of 2023, a decrease by €7,217 million compared to the end of 2022.

These commitments can be broken down as follows:

Financing commitments given totaled to €460 million at the end of 2023 and consisted of financing loans commitments to customers granted mainly at AXA Banque (€303 million).

Guarantee commitments given totaled to €7,284 million at the end of 2023 mainly from **(i)** other guarantees given to customers for €5,248 million, mainly in Germany (€4,686 million) and France (€556 million), as well as **(ii)** guarantee commitments given to credit institutions related to loans for €2,036 million mainly at AXA SA (€1,662 million).

Pledged securities and collateralized commitments given totaled to €8,953 million at the end of 2023:

- pledged assets and collaterals for derivative instruments totaled to €6,651 million mainly from France (€2,374 million), Hong Kong (€1,250 million), Germany (€863 million), and Japan (€742 million);
- other pledged assets/collaterals totaled to €1,595 million mainly at AXA Banque (€793 million) and Hong Kong (€791 million);
- pledged assets and collaterals for reinsurance operations totaled to €708 million mainly in France (€582 million).

Letters of credit given totaled to €2,943 million at the end of 2023 and were mainly at AXA XL (€2,891 million).

Other commitments given totaled to €16,598 million at the end of 2023 and mainly consisted of:

- €6,623 million of commitments to private equity funds mainly in Germany (€2,747 million), Japan (€1,489 million) France (€985 million), AXA XL (€585 million) and Hong Kong (€334 million);
- €5,303 million of commitments related to invested assets other than real estate funds or private equity funds mainly in Germany (€2,087 million), France (€1,194 million), AXA XL (€834 million), Japan (€692 million), United Kingdom (€337 million) and Belgium (€52 million);
- €2,699 million of commitments to real estate funds mainly in France (€1,200 million), Germany (€973 million) and Japan (€315 million);
- €536 million of commitments related to group insurance contracts mainly at AXA SA (€320 million) and France (€216 million).

26.3 REPURCHASE AND REVERSE REPURCHASE AGREEMENTS AND SIMILAR OPERATIONS

As of December 31, 2023, pledged securities and collateralized commitments received related to reverse repurchase agreements and similar operations amounted to €11,812 million (€9,658 million as of December 31, 2022).

As of December 31, 2023, pledged securities and collateralized commitments given related to repurchase agreements and similar operations amounted to €45,946 million (€45,380 million as of December 31, 2022) (see Note 7.6).

26.4 OTHER AGREEMENTS

26.4.1 Partial disposal of UK Life & Savings operations

AXA has guaranteed the liabilities and obligations of AXA UK in connection with the sale, in 2010, of part of its Life & Health insurance business to Resolution Ltd. This includes the potential liability of AXA UK under customary warranties and indemnities given by AXA UK to Resolution Ltd. in connection with this transaction.

26.4.2 Employee and director Indemnification Obligations

In addition to other employment-related obligations, various AXA subsidiaries are required to indemnify their employees and directors against certain liabilities and costs that they may incur from time to time in performing activities within the scope of their duties. These activities may include, for example, service as a director, officer, agent, general partner, or in a similar capacity for **(i)** an AXA Group company other than the employee's principal employer or **(ii)** a company outside the AXA Group where service is at the request of (or for the benefit of) the Group (*e.g.* joint ventures, partnerships, or special-purpose investment Companies or funds). The potential amount of compensation relating to commitments covered by these obligations cannot be evaluated with any certainty.

26.4.3 Supports provided without having a contractual or constructive obligation to do so

The Group did not provide any material support without having a contractual or constructive obligation to do so to structured entities during the period.

26.5 OTHER ITEMS: RESTRICTION ON DIVIDEND PAYMENTS TO SHAREHOLDERS

Certain AXA subsidiaries and joint ventures, principally insurance companies, are subject to restrictions on the amount of funds they may transfer in the form of cash dividends or otherwise.

In most cases, the amounts available for distribution from AXA's insurance subsidiaries and joint ventures are limited to net income for the year and retained earnings calculated in accordance with the statutory accounting policies used by the subsidiaries to prepare their local financial statements. Further restrictions may be imposed by the local insurance regulators in countries where AXA operates. In some cases, amounts available for distribution are also subject to regulatory capital adequacy tests or the approval of an independent actuary or subject to individual provisions contained in a company's by-laws.

In accordance with European Union directives, insurance companies with their registered office in a European Union member country are required to maintain minimum solvency ratios which must be supported by eligible elements. AXA's insurance operations in countries outside the European Union are also subject to local capital adequacy and solvency margin regulations.

AXA SA is exposed to foreign currency fluctuations notably stemming from its Non-Euro participations. The aim of the hedging programs of the Company is to protect partially the value of AXA's net foreign-currency investments in its subsidiaries to the extent of the following year's foreseeable dividends and more generally the exposure of AXA SA's liquidity to foreign exchange movements.

Note 27 Fees paid to Statutory Auditors

27.1 STATUTORY AUDITORS

Incumbent Auditors

PRICEWATERHOUSECOOPERS AUDIT

63, rue de Villiers – 92208 Neuilly-sur-Seine Cedex, represented by Mrs. Bénédicte Vignon and Mr. Grégory Saugner, first appointed on February 28, 1989. The current appointment is for a term of 6 years, until the General Shareholders' Meeting called to approve the financial statements for the fiscal year 2023.

MEMBERSHIP IN A PROFESSIONAL BODY

PricewaterhouseCoopers Audit is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.

ERNST & YOUNG AUDIT

Tour First, TSA 14444, 92037 Paris-La Défense, represented by Messrs. Olivier Durand and Patrick Menard, first appointed on April 28, 2022. The current appointment is for a term of 6 years, until the General Shareholders' Meeting called to approve the financial statements for the fiscal year 2027.

MEMBERSHIP IN A PROFESSIONAL BODY

ERNST & YOUNG Audit is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre*.

Alternate auditors

Mr. Patrice Morot

63, rue de Villiers – 92208 Neuilly-sur-Seine, first appointed on April 25, 2018. The current appointment is for a period of 6 years, until the Annual General Meeting of the shareholders called to approve the financial statements for the fiscal year 2023.

MEMBERSHIP IN A PROFESSIONAL BODY

M. Patrice Morot is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux comptes de Versailles*.

AUDITEX

Paris la Défense 1 1-2 Place des Saisons, 92 400 Courbevoie, represented by Mr. Jean-Baptiste Schoutteten.

Picarle & Associés, AXA's former alternate auditor, has been dissolved without liquidation with effect from November 30, 2023, in favor of Auditex, its sole shareholder, a member of the ERNST & YOUND AUDIT network.

Pursuant to Article L.823-5, paragraph 1 of the French Commercial Code, Auditex will automatically continue to act as alternate statutory auditor in replacement of Picarle & Associés, for the remainder of their mandate, *i.e.* until the Annual General Meeting of the shareholders called to approve the financial statements for the fiscal year 2027.

MEMBERSHIP IN A PROFESSIONAL BODY

Auditex is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre*.

27.2 FEES PAID TO STATUTORY AUDITORS

The table below distinguishes the fee amounts paid by AXA to each of the Statutory Auditors in charge of auditing the Group's financial statements between the fees for the legal mission of Statutory Auditors of the statements and for other services.

	December 31, 2023							
	PwC (PricewaterhouseCoopers)				EY (Ernst & Young)			
	Amount (before VAT)				Amount (before VAT)			
(in Euro million, except percentages)	France	Rest of the world	Total	%	France	Rest of the world	Total	%
Statutory audit and certification of local and consolidated financial statements	**6**	**11**	**18**	**77%**	**6**	**14**	**20**	**76%**
AXA SA	5	-	5	22%	3	-	3	13%
Integrated subsidiaries globally	1	11	13	55%	2	14	16	63%
Other [(a)]	**3**	**3**	**5**	**23%**	**2**	**4**	**6**	**24%**
AXA SA	2	-	2	10%	1	-	1	5%
Integrated subsidiaries globally	0	3	3	13%	1	4	5	20%
TOTAL	**9**	**14**	**23**	**100%**	**8**	**19**	**26**	**100%**

(a) Fees for other services paid to Statutory Auditors mainly relate to **(i)** *other insurance assignments - agreed upon procedures on financial information, insurance services over regulatory information, comfort letters, SSAE16/ISAE3402 reports, insurance reports on EOF and SFCR, and due diligences,* **(ii)** *tax services - out of France such as tax compliance services, and* **(iii)** *other permitted advisory services.*

	December 31, 2022							
	PwC (PricewaterhouseCoopers)				EY (Ernst & Young)			
	Amount (before VAT)				Amount (before VAT)			
(in Euro million, except percentages)	France	Rest of the world	Total	%	France	Rest of the world	Total	%
Statutory audit and certification of local and consolidated financial statements	**9**	**12**	**21**	**75%**	**6**	**13**	**19**	**77%**
AXA SA	6	-	6	23%	4	-	4	15%
Integrated subsidiaries globally	2	12	15	52%	2	13	15	62%
Other [(a)]	**3**	**4**	**7**	**25%**	**2**	**4**	**5**	**23%**
AXA SA	2	-	2	8%	1	-	1	6%
Integrated subsidiaries globally	1	4	5	17%	1	4	4	17%
TOTAL	**12**	**16**	**28**	**100%**	**8**	**17**	**24**	**100%**

(a) Fees for other services paid to Statutory Auditors mainly relate to **(i)** *other insurance assignments - agreed upon procedures on financial information, insurance services over regulatory information, comfort letters, SSAE16/ISAE3402 reports, insurance reports on EOF and SFCR, and due diligences,* **(ii)** *tax services - out of France such as tax compliance services, and* **(iii)** *other permitted advisory services.*

External audit fees are also paid by certain Affiliates and Mutual funds which are not required to be included in the table above.

Note 28 Litigations

With respect to all significant litigation matters, we consider the likelihood of a negative outcome. If we determine the likelihood of a negative outcome is probable, and the amount of the loss can be reasonably estimated, we establish a reserve and record an estimated loss for the expected outcome of the litigation. However, it is often difficult to predict the outcome or estimate a possible loss or range of loss because litigation is subject to inherent uncertainties, particularly when plaintiffs allege substantial or indeterminate damages, the litigation is in its early stages, or when the litigation is highly complex or broad in scope.

28.1 MATTERS CONCERNING AXA SA AND ITS SUBSIDIARIES

AXA and its subsidiaries are involved in various legal actions and proceedings of a character normally incidental to their business including claims litigation arising in connection with the Group's insurance business and litigation arising from the Group's Asset Management business.

In addition, several AXA subsidiaries are involved in lawsuits (both class action and individual), investigations, and other actions arising in the various jurisdictions where they do business, including the United States.

A number of lawsuits have been filed against insurers in the United States and elsewhere involving the scope and interpretation of policies, insurers' sales practices, alleged misconduct or misrepresentation, alleged failure to properly supervise agents, compensation of intermediaries, product features, fees or performance, alleged bad-faith denials of coverage as well as numerous other matters. Some of these actions have resulted in the award of substantial judgments against insurers (including material amounts of punitive damages) or in substantial settlements. In certain jurisdictions, juries have broad discretion in awarding punitive damages. AXA's subsidiaries are involved in these types of litigations as well as regulatory inquiries, investigations or actions with respect to these and a wide variety of other matters related to the ownership or management of real estate, asset or investment activities, corporate transactions, employee benefit disputes, alleged discrimination in employment practices, as well as other matters.

A number of AXA subsidiaries are involved in ongoing litigations relating to COVID-19 exposure under business interruption policies and non-damage business interruption extensions to business interruption policies.

Some of the litigations described in this section have been brought on behalf of various alleged classes of claimants, and certain of the claimants in these actions seek significant or unspecified amounts of damages, including punitive damages.

28.1.1 AXA XL Division

US OPIOID AND PFAS LITIGATION

Lawsuits have been filed throughout the United States against various manufacturers, distributors and retailers of opioid medications and against manufacturers which utilised perfluoroalkyl and polyfluoroalkyl substances (PFAS), some of whom are insured by entities in the AXA XL Division and several of whom have entered into multi-billion dollar settlements. The AXA XL Division is party to coverage actions brought by manufacturers (including Purdue Pharma), distributors and retailers against insurers and others are anticipated. Most of these are in the early stages and it is expected that the coverage litigation (including appeals) and possible arbitrations will take several years to reach final resolution.

AVIATION LITIGATION FOLLOWING THE RUSSIAN INVASION OF UKRAINE

Since the Russian invasion of Ukraine, lawsuits have been filed against the AXA XL Division in the UK, Ireland and the United States relating to alleged aircraft losses in Russia. The AXA XL Division provides coverage to aircraft lessors for their aircraft, engines and spares under various types of aviation policies (including lessor war and lessor all risk) as well as other insureds under separate policies (for example, aircraft operators under operator war and operator all risk). The lawsuits are at an early stage, and we do not expect substantive rulings until later in 2024.

28.2 OTHER LITIGATION

In addition to the various matters noted above, AXA and certain of its subsidiaries are involved in numerous legal actions and proceedings arising out of transactions involving the acquisition or sale of businesses or assets, mergers or other business combination transactions, the establishment or dissolution of joint ventures or other partnerships, public exchange or tender offers, buy-outs of minority interests or similar types of transactions ("M&A Transactions"). In connection with M&A Transactions, AXA and its subsidiaries from time to time:

- are involved in legal actions or other claims brought by purchasers, joint venture partners, shareholders or other transaction parties asserting claims for damages on various theories (including misrepresentation, failure to disclose material information, failure to perform contractual duties, breach of fiduciary duties), seeking contractual indemnification, or otherwise seeking to impose liability on AXA and/or its subsidiaries; and/or

- benefit from contractual rights to indemnification from third party sellers or other transaction counterparties that are designed to protect the Group against existing or potential future litigation exposures or other types of contingent liabilities of the acquired businesses or assets. These indemnities generally constitute unsecured obligations of the indemnifying party and, consequently, their value may be substantially impaired or rendered worthless in the event of the bankruptcy or insolvency of the indemnifying party.

AXA and certain of its subsidiaries are also involved in tax assessment negotiations and/or active litigation with tax authorities over contested assessments or other matters in a number of jurisdictions including in France. These actions or assessments arise in a variety of circumstances including matters in connection with M&A, restructuring or financing transactions as well as in the ordinary course of business.

Over the past several years a number of jurisdictions, including France and Belgium, have enacted legislation that permits corporate entities to be charged with criminal offences. The standard for attributing criminal conduct by corporate officers and employees to corporate entities is not clearly defined in many of these jurisdictions and government prosecutors and judges have broad discretion in this area. In recent years, complaints against or indictments of corporate entities for alleged criminal offences have become increasingly common and certain AXA Group companies have been the subject of penal complaints and/or indictments from time to time including in Belgium and France. While a criminal complaint against or indictment of a corporate entity may not pose material financial risk, it has broad potential implications for a regulated financial institution like AXA both from a reputation point of view and from a regulatory perspective because a criminal conviction can have potentially far reaching negative implications for AXA Group companies engaged in regulated businesses around the world (including for their ability to obtain or maintain licenses to engage in certain types of regulated business activities such as asset management, insurance and banking).

Beyond litigation risks of the type described above, AXA and its subsidiaries are subject to comprehensive regulation in the various jurisdictions where they do business. In this context, AXA and its subsidiaries are subject, from time to time, to examinations, investigations, enforcement proceedings and other actions by regulatory and law enforcement authorities (involving civil and/or penal matters) as well as to proposed changes in law and/or regulation that may significantly impact their business and results of operations. For additional information on these matters as well as other risks and contingent liabilities affecting the Group and its business, please see Section 5.1 “Risk Factors” and Section 7.3 “General Information” and Note 26 “Contingent assets and liabilities and unrecognized contractual commitments” in Part 6 “Consolidated Financial Statements” of this Annual Report.

Although the outcome of any lawsuit cannot be predicted with certainty, particularly in the early stages of an action, Management believes that the ultimate resolutions of the matters described above are not likely to have a material adverse effect on the consolidated financial position of the Group, taken as a whole. In addition, as of December 31, 2023, to the Company’s knowledge, there were no other governmental, judicial or arbitration proceedings, either pending or threatened, that may have, or have had a significant impact on the financial situation or profitability of the Company or the Group over the past 12 months. However, due to the nature of such lawsuits and investigations and the frequency of large damage awards and regulatory sanctions in certain jurisdictions (particularly the United States) that bear little or no relation to actual economic damages incurred by plaintiffs or the underlying regulatory violations, Management cannot make an estimate of loss, if any, or predict whether these matters, individually or in the aggregate, will have a material adverse effect on the Group’s consolidated results of operations in any particular period.

Note 29 Subsequent events

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

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

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

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

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

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

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

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

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

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

Under the share repurchase agreement [(5)] announced on February 23, 2024, shares will be bought back commencing on February 26, 2024, and ending at the latest on August 5, 2024. On each day during the purchase period, the price per share to be paid by AXA [(6)] will be determined on the basis of the volume-weighted average share price.

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

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

(2) As determined under Solvency II.

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

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

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

(6) The purchase price will not exceed the maximum purchase price approved at the applicable Shareholders' Annual General Meeting.

AXA announced cash tender offers for two series of subordinated notes

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

- GB £350,000,000 Fixed to Floating Rate Undated Deeply Subordinated Notes issued on July 6, 2006 (1); and
- GB £723,925,000 Undated Deeply Subordinated Resettable Notes issued on November 7, 2014 (2).

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

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

(1) Fixed rate of 6.6862% until the first call date on July 6, 2026.

(2) Fixed rate of 5.453% until the first call date on March 4, 2026.

6.7 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or the verification of the information concerning the Group presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory auditors' report on the consolidated financial statements

Year ended December 31, 2023

To the Annual General Meeting of AXA SA,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of AXA SA for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

EMPHASIS OF MATTER

Without qualifying the above conclusion, we draw your attention to the change in accounting principles relating to the Insurance contracts and Financial Instruments accounting principles, described in Note 1.2.1 to the consolidated financial statements presenting the impacts of IFRS 9 "Financial Instruments" and IFRS 17 "Insurance Contracts" first time application from January 1, 2023.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 et R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Assessment of the impact related to the IFRS 17 "Insurance contracts" first time application
(See Notes 1.2.1 and 1.14 to the consolidated financial statements)

Risk identified	Our response
IFRS 17 "Insurance Contracts" standard became effective as of January 1, 2023, resulting in significant changes in the accounting principles for insurance contracts measurement and modifications in the presentation of financial statements and disclosures. IFRS 17 is retrospectively applicable from January 1, 2022. Note 1.2.1 of the Group's consolidated financial statements presents information on the impact resulting from the first time application of IFRS 17 and the main accounting principles choices applied at the transition date. According to this note, the adoption of this new accounting standard led to a global impact of M€ -19 484 on equity as of January 1, 2022 and the recognition of an initial contractual service margin of M€ 34 301 before tax. As indicated in note 1.2.1 of the consolidated financial statements, the measurement of insurance technical provisions according to IFRS 17 is based on new accounting and actuarial estimate involving heightened judgment by management regarding the choice of accounting methods at the transition and the determination of key assumptions. This includes in particular: ■ The transition method applied for each group of insurance contracts; ■ The methods and assumptions used to determine the initial contractual service margin (CSM), specifically for groups of insurance contracts assessed at transition on the basis of the fair value approach or the modified retrospective approach, leading management to estimate the CSM by using past information from the European Embedded Value ("EEV") or Solvency II reporting; ■ The application of the fair value approach for determining liabilities for incurred claims before 2016 for non-participating contracts and with the option to set the Other Comprehensive Income to zero. Given the importance of the changes resulting from the application of IFRS 17 "Insurance Contracts", the choices of accounting policy and the significant degree of management judgment in determining certain key assumptions, we considered the assessment of the impact related to the first time application of this new standard to be a key audit matter.	In order to cover the risk relating to the assessment of the impact related to the first time application of IFRS 17 to the opening balances and comparatives of the Group's consolidated financial statements, our audit approach, involving our actuarial specialists, is as follows: ■ We assessed the appropriateness of the processes defined by management to determine the impact of the adoption of IFRS 17 on the consolidated financial statements as of January 1, 2022, as well as on the comparative financial statements as of December 31, 2022. ■ We assessed the appropriateness of the methods and judgments made by management and their compliance with IFRS 17 at the transition. ■ We assessed the appropriateness of the key assumptions applied to determine the contractual service margin at transition. With respect to the application of the fair value approach, we have examined the reasonableness of the key assumptions and where relevant, compared them against observable market transactions. ■ We have tested, on a sample basis and based on our risk assessment, the calculation models used to estimate future cash flows and the CSM; ■ We have implemented procedures to test on a sample basis the reliability of the data used as the basis for making estimates; ■ We examined the information underlying the main assumptions made by management and the sensitivity of the models to these assumptions; ■ We assessed the appropriateness of the information in the consolidated financial statements notes relating to the IFRS 17 standard transition with regards to the IAS 8 requirements.

Measurement of liabilities related to insurance contracts for Life and Health activities measured under the general model or the variable fee approach

(See Notes 1.14, and 12.1.3 to the consolidated financial statements)

Risk identified	Our response
As at December 31, 2023, the Group recorded assets and liabilities related to insurance contracts for Life and Health activities with a net book value of M€ 365 976, of which M€ 335 908 relates to contracts measured under the general model or the variable fee approach (VFA), as presented in note 12.1.3 of the Consolidated Financial Statements. As indicated in notes 1.14.5 and 1.14.7 of the Consolidated Financial Statements, the liabilities related to these insurance and investment contracts with discretionary participation include the present value of future cash flows, the adjustment for non-financial risks (RA), and the contractual service margin (CSM). The determination of these liabilities is based on significant judgments relating to the data used, assumptions about future periods, and the use of estimation techniques. ■ The estimation of the present value of future cash flows related to these long-term contracts, evaluated according to the general or VFA model, is based on significant judgments, such as those set out in note 1.14 of the Consolidated Financial Statements, to define: - the level of contract aggregation, including the identification of onerous groups of contracts, and the contract boundaries; - the estimation techniques that rely on complex cash flows projection models, in particular for the VFA model that includes projections of key components of statutory financial statements, namely income or expenses that relate to policyholders, beneficiary obligations, and assets backing those liabilities. - Technical assumptions, in particular (i) mortality, morbidity and longevity rates, (ii) policyholder behavior (due to lapse and surrender), (iii) participation percentages and crediting rates, and (iv) overhead expenses, - current financial assumptions, particularly the determination of the discount rate curve. ■ The RA determination is based on the assumptions concerning the confidence level established by the Group regarding the risk factors of insurance liabilities, and on a value-at-risk approach, which is the maximum loss within the defined confidence level. ■ Finally, the amortization of the CSM, corresponding to the portion of the CSM recognized in the insurance revenue in the current year, is determined based on the coverage units; for contracts evaluated under VFA, these coverage units are adjusted by considering the expected return of the underlying items resulting from Real World ("RW") deterministic assumptions. Due to their sensitivity to these judgments and key assumptions, we have considered the measurement of the life and health liabilities, under the general model or VFA, as a key audit matter.	In order to cover the measurement risk of assets and liabilities related to life and health insurance contracts measured under the general model or the VFA model, our audit approach, involving our actuarial specialists, is as follows: ■ We assessed the compliance of the methodology applied to estimate the cash flows, RA and CSM related to these contracts with the current accounting standards; ■ We assessed the information systems used to process the technical data, perform calculations, and their integration into the accounting system; ■ We assessed the design and tested the operating effectiveness of the controls we deemed key to our audit. In particular, we have focused on: - controls related to the validation of cash flows projection model, including governance regarding model changes; - the documentation and controls related to judgments and key assumptions made by management; ■ We applied procedures to test on a sample basis the reliability of the underlying data used in estimates; ■ We tested on a sample basis and based on our risk assessment, the calculation models used to estimate future cash flows, non-financial risk adjustment, and the CSM, as well as any significant change to the calculation models; ■ We examined on a sample basis the appropriateness of the coverage units and of the main deterministic Real World ("RW") assumptions used for the CSM recognition into the income statement; ■ We performed analytical procedures to identify and analyze any material unusual and/or unexpected variation. Finally, we assessed the adequacy of the disclosures in the notes to the consolidated financial statements.

Measurement of liabilities for incurred claims in the Property & Casualty line of business notably for long-tail claims

(See Notes 1.14.2, 4.4 and 14 to the consolidated financial statements)

Risk identified	Our response
As of December 31, 2023, the Group recorded liabilities for incurred claims relating to Property & Casualty insurance contracts for a net book value of M€ 89 564, of which M€ 89 525 relate to contracts measured using the Premium Allocation Approach ("PAA") model, as presented in note 12.1.3 of the Consolidated Financial Statements. As indicated in notes 1.14.5 and 1.14.6 of the Consolidated Financial Statements, the liabilities related to these insurance contracts include the present value of future cash flows and the adjustment for non-financial risks ("RA"). The determination of these liabilities is based on significant judgments concerning the data used, the assumptions for future periods, and results from estimation techniques. ■ The estimation of the present value of future cash flows for these contracts is based on significant judgments, as set out in note 1.14 of the Consolidated Financial Statements, to define: - The estimation of future cash flows for groups of contracts, using actuarial projection models, reflecting the key characteristics of contracts, based on observed statistical data and the application of relevant actuarial assumptions. For some insurance contracts, these estimates require a high degree of judgment, and the assumptions selected may have a significant impact on the ultimate claims cost at the end of the reporting period as the inherent uncertainty is higher. This is especially the case for the long-tail Property & Casualty line of business such as general and professional liability, worker's compensation, and other specialty lines. - Current financial assumptions, particularly the determination of the discount rate curve. ■ The RA determination is based on the assumptions concerning the confidence level established by the Group regarding the risk factors of insurance liabilities, and on a value-at-risk approach, which is the maximum loss within the defined confidence level. Due to these inherent uncertainties to calculate the estimates, we deemed the measurement of liabilities for incurred claims in the Property & Casualty line of business notably for long-tail claims to be a key audit matter.	In order to cover the risk relating to liabilities for incurred claims in the Property & Casualty line of business notably for long-tail claims, our audit approach, involving our actuarial specialists, is as follows: ■ We assessed the compliance of the methodology applied to estimate the cash flows and RA related to these contracts with the current accounting standards; ■ We assessed the design and tested the operating effectiveness of the controls we deemed key to our audit and relating to: - the management of claims and, in particular, the measurement of reserves on a case-by-case basis; - the calculation of the ultimate cost (assumptions, judgments, data, methodologies, compliance with the applicable accounting standards), including second opinions supplied by the Risk Management teams with respect to technical reserves; - the IT systems used to process the technical data and integration into the accounting system. - the documentation and controls related to the key judgments and assumptions made by management. ■ We tested on a sample basis the reliability of the underlying data used in estimates; ■ We applied analytical procedures (including monitoring the change in loss ratios) to analyze the significant changes that took place over the reporting period; ■ We evaluated, notably on lines of business where the estimation of claims reserves has a higher risk of uncertainty and judgment, the outcome of the accounting estimates made the previous years in order to assess the reliability of the process used by Management to calculate these estimates; ■ Our work also consisted in assessing the relevance of the statistical methods and actuarial inputs applied, as well as of the assumptions used with respect to the applicable regulations, market practices, ongoing litigations and the economic and financial context of the AXA Group; ■ We performed an independent evaluation of the reserves for some insurance risk categories. Finally, we assessed the adequacy of the disclosures in the notes to the consolidated financial statements.

Measurement of the recoverable amount of goodwill
(See Notes 1.3.2, 1.8.1 and 5 to the consolidated financial statements)

Risk identified	Our response
As at December 31, 2023, the Group's statement of financial position showed goodwill with a net carrying amount of M€ 17,855, including M€ 7,711 related to the AXA XL cash generating unit (CGU). As stated in Note 1.3.2 to the consolidated financial statements, goodwill corresponds to the excess of the consideration of the business combination over the net identifiable assets acquired and liabilities assumed on the acquisition date. Goodwill is allocated to the CGUs of the activities into which that business was incorporated. An impairment test of goodwill, as stated in Note 1.8.1 to the consolidated financial statements, is performed at least once a year to ensure that the net carrying amount does not exceed the recoverable amount and that there is no impairment risk. The recoverable amount corresponds to the higher of fair value less costs to sell and value in use. As stated in Note 5 to the consolidated financial statements, value in use is mainly based on the following key assumptions: ■ cash flow projections based on business plan, ■ discount rates, and ■ growth rates requiring significant judgment from Management. This is especially the case for the AXA XL CGU. Accordingly, we deemed the measurement of the recoverable amount of goodwill to be a key audit matter.	Our audit approach to the risk relating to recoverability of goodwill, notably for AXA XL CGU, was as follows: ■ We assessed the compliance of the methodology applied by the Group with current accounting standards and its implementation; ■ We evaluated the design and tested the operating effectiveness of the controls related to goodwill impairment test process we deemed key to our audit; ■ We also performed procedures regarding the main assumptions used by Management to test: ■ The consistency of the projected future cash flows with Management's most recent estimates, as established during the business plan; ■ the reasonableness of the assumptions made with respect to projected future cash flows in terms of the economic and financial context of the CGU and, the reliability of the process by which the estimates were calculated by assessing the reasons for differences between projected and actual performances; ■ the reasonableness of the discount rate and long term growth rate and their consistency with the projected cash flows to which they apply; ■ We also performed a sensitivity analysis of the main assumptions to ascertain that selected adverse changes to main assumptions would not cause the carrying amount of goodwill to exceed the recoverable amount. We assessed the adequacy of the disclosures in the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements, it being specified that it is not our responsibility to conclude on the fair presentation and consistency with the financial statements of the solvency related information extracted from the report required by Article L. 356-23 of the French Insurance Code (*Code des assurances*).

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report, it being specified that, in accordance with Article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of preparation of the consolidated financial statements included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under responsibility of the Chief Executive Officer, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of AXA SA by your Annual General Meetings held on February 28, 1989 for PricewaterhouseCoopers Audit and on April 28, 2022 for ERNST & YOUNG Audit.

As at December 31, 2023, PricewaterhouseCoopers Audit and ERNST & YOUNG Audit were in the thirty-fifth and in the second year of total uninterrupted engagement, respectively.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT COMMITTEE

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 18, 2024

Neuilly-sur-Seine and Paris-La Défense, March 18, 2024

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		ERNST & YOUNG Audit	
Bénédicte Vignon	Grégory Saugner	Olivier Durand	Patrick Menard

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7 SHARES, SHARE CAPITAL AND GENERAL INFORMATION

7.1 AXA SHARES

The principal trading market for AXA ordinary shares is Euronext Paris (Compartment A). Since the delisting of AXA ADRs (American Depositary Receipts representing American Depositary Shares ("ADS"), each representing one AXA ordinary share) from the New York Stock Exchange on March 26, 2010, AXA ADRs have traded on the U.S. over-the-counter ("OTC") market and are listed on the OTC QX platform under the symbol AXAHY.

Trading on Euronext Paris

In France, AXA ordinary shares are included in the principal index published by Euronext Paris, the CAC 40 Index, which comprises the 40 most capitalized and actively traded shares on Euronext Paris. AXA ordinary shares are also included in Euronext 100, the index representing Euronext's blue chip companies based on market capitalization and liquidity and in EURO STOXX 50, the blue chip index comprised of the 50 most highly capitalized and most actively traded equities of the main industry sectors of the Eurozone. In addition, AXA ordinary shares are also included in STOXX® Europe 600 Insurance, the insurance sector index for European companies and in the EURO STOXX Sustainability 40, the index representing the largest sustainability leaders in the eurozone in terms of long-term Environmental, Social and Governance criteria.

The table below sets forth, for the periods indicated, the reported high and low prices (intraday) in Euro for AXA ordinary shares on Euronext Paris:

Calendar period	Intraday High *(in Euro)*	Intraday Low *(in Euro)*
2022		
Third quarter	25.8	20.3
Fourth quarter	27.7	21.8
2023		
First quarter	30.3	24.6
Second quarter	29.7	25.8
Third quarter	29.6	25.2
Fourth quarter	30.2	26.9
Annual	30.3	24.6
2023 and 2024		
August 2023	28.5	26.8
September 2023	29.6	27.2
October 2023	28.7	26.9
November 2023	28.7	27.0
December 2023	30.2	28.8
January 2024	31.5	29.1
February 2024	33.1	29.8

7.2 SHARE CAPITAL

Capital ownership

On December 31, 2023, AXA's fully paid up and issued share capital amounted to €5,198,732,365.74 divided into 2,270,188,806 ordinary shares, each with a par value of €2.29 and eligible for dividends as of January 1, 2023.

To the best of the Company's knowledge, the table below summarizes the ownership of its issued outstanding ordinary shares and related voting rights on December 31, 2023:

	Number of shares	% of capital ownership	% of voting rights [(a)]
Mutuelles AXA [(b)]	355,307,687	15.65%	26.02%
Employees and agents	98,554,259	4.34%	6.16%
Treasury shares held directly by the Company	43,984,687	1.94%	[1.61%] [(c)]
Treasury shares held by Company subsidiaries [(d)]	7,148	0.00%	[0.00%] [(c)]
General public	1,772,335,025	78.07%	66.21%
TOTAL	**2,270,188,806 [(e)]**	**100%**	**100%**

(a) *In this table, voting rights' percentages are calculated on the basis that all outstanding ordinary shares are entitled to voting rights, notwithstanding the fact that certain of these shares may be deprived of voting rights by law or otherwise (for example, treasury shares are deprived of voting rights under French law).*
(b) *AXA Assurances IARD Mutuelle (12.85% of capital ownership and 21.36% of voting rights) and AXA Assurances Vie Mutuelle (2.80% of capital ownership and 4.66% of voting rights).*
(c) *These shares will be entitled to vote when they cease to be treasury shares (e.g. upon their sale or other transfer to an unaffiliated third party).*
(d) *Treasury shares as indicated in Note 11 "Shareholders' equity and minority interests" in Part 6 - "Consolidated Financial Statements" of this Annual Report.*
(e) *Source: Euronext Notice of January 3, 2024.*

AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle (the "Mutuelles AXA") are parties to agreements pursuant to which they have stated their intention to collectively vote their shares and in the same way in AXA. As part of these agreements, the Mutuelles AXA have established a Strategy Committee (*Comité de Coordination Stratégique*) composed of certain directors from their respective Boards. The Strategy Committee has elected amongst its members Mr. Philippe Guérand as Chairman. It is generally consulted on all significant matters relating to the Mutuelles AXA including their collective shareholding in AXA and overall relationship with the Company and the AXA Group.

To the best of the Company's knowledge and except as indicated in the table above, on the date of publication of the present Annual Report, only one shareholder, BlackRock Inc., acting on behalf of the clients and funds it manages, holds more than 5% of the Company's share capital and voting rights.

Certain of the Company's shares are entitled to double voting rights as described in Section 7.3 "General information – Voting rights" of this Annual Report. Of the Company's 2,270,188,806 outstanding ordinary shares on December 31, 2023, 460,741,418 shares entitled their holders to double voting rights as of that date.

SIGNIFICANT CHANGES IN CAPITAL OWNERSHIP

Significant changes in the Company's share capital ownership between December 31, 2021, and December 31, 2023 are set forth in the table below:

	On December 31, 2023 [a]				On December 31, 2022 [a]				On December 31, 2021 [a]			
	Number of shares	Capital ownership (in %)	Number of voting rights	Voting rights (in %)	Number of shares	Capital ownership (in %)	Number of voting rights	Voting rights (in %)	Number of shares	Capital ownership (in %)	Number of voting rights	Voting rights (in %)
Mutuelles AXA [b]	355,307,687	15.65%	710,615,374	26.02%	361,507,687	15.37%	722,970,870	25.67%	361,466,657	14.93%	710,908,613	24.73%
Employees and agents	98,554,259	4.34%	168,188,301	6.16%	98,878,614	4.20%	169,051,398	6.00%	99,176,003	4.10%	171,997,892	5.98%
Treasury shares held directly by the Company	43,984,687	1.94%	[43,984,687] [c]	[1.61%] [c]	87,231,920	3.71%	[87,231,920] [c]	[3.09%] [c]	65,818,351	2.72%	[65,818,351] [c]	[2.29%] [c]
Treasury shares held by Company subsidiaries [d]	7,148	0.00%	[14,296] [c]	[0.00%] [c]	7,148	0.00%	[14,296] [c]	[0.00%] [c]	223,814	0.01%	[230,962] [c]	[0.01%] [c]
General public	1,772,335,025	78.07%	1,808,127,566	66.21%	1,804,145,576	76.72%	1,837,634,408	65.24%	1,894,883,871	78.25%	1,926,155,315	66.99%
TOTAL	**2,270,188,806** [e]	**100%**	**2,730,930,224**	**100%**	**2,351,770,945**	**100%**	**2,816,902,892**	**100%**	**2,421,568,696**	**100%**	**2,875,111,133**	**100%**

(a) In this table, voting rights' percentages are calculated on the basis that all outstanding ordinary shares are entitled to voting rights, notwithstanding the fact that certain of these shares may be deprived of voting rights by law or otherwise (for example, treasury shares are deprived of voting rights under French law).
(b) AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle.
(c) These shares will be entitled to vote when they cease to be treasury shares (e.g. upon their sale or other transfer to an unaffiliated third party).
(d) Treasury shares as indicated in Note 11 "Shareholders' equity and minority interests" in Part 6 - "Consolidated Financial Statements" of this Annual Report.
(e) Source: Euronext Notice of January 3, 2024.

On December 31, 2023, to the best of the Company's knowledge based on the information available to it, the Company had 14,457 total registered holders of its ordinary shares (*i.e.*, shareholders holding in nominative form).

TRANSACTIONS COMPLETED IN 2023 BY AXA INVOLVING ITS OWN SHARES

In connection with the share repurchase programs approved by AXA's shareholders during their Shareholders' Meetings held on April 28, 2022, (resolution 20) and April 27, 2023, (resolution 12) and pursuant to article L.22-10-62 of the French Commercial Code (*Code de commerce*), **(i)** 64,141,242 AXA shares[1] were repurchased (for the purposes of (a) hedging free grants of shares to employees of the Group or (b) cancelling them) for an average weighted gross unit price per share of €28.18, and **(ii)** no AXA shares were sold between January 1 and December 31, 2023.

On December 31, 2023, the total number of AXA treasury shares, all allocated for hedging or cancellation purposes, was 43,984,687 (or 1.94% of AXA's share capital at that date). The booking value of these 43,984,687 treasury shares on December 31, 2023 was €1,154,586,940.67. These shares were acquired for an aggregate purchase price of €1,807,808,608.71 (with a par value of €2.29 per share).

Furthermore, for information purposes, it should be noted that on December 31, 2023, the total number of treasury shares held by Company subsidiaries was 7,148 (or 0.00% of AXA's share capital at that date). The booking value of these 7,148 treasury shares on December 31, 2023 was €129,182.

EMPLOYEE SHAREHOLDERS

Shareplan

Since 1993, the AXA Group has promoted employee shareholding by offering each year to its employees an opportunity to become shareholders through a share capital increase reserved exclusively to them ("Shareplan").

By virtue of the authorization granted by the Shareholders' Meeting of April 27, 2023, the Board of Directors increased the Company's share capital through the issue of shares reserved to the Group employees under the Shareplan 2023 program. The shareholders waived their preferential subscription rights so that this offering could be made exclusively to Group employees ("Shareplan 2023").

In countries that met the legal, regulatory and tax requirements to participate in Shareplan, two investment options were offered to the Group employees in 2023:

- the classic offer, proposed in 40 countries;
- the guarantee plus offer, proposed in 35 countries.

The classic offer allowed employees to subscribe through a personal investment to AXA shares (either through Mutual funds (FCPE) or through direct share ownership, depending on their country) with a 20% discount. The shares are held within the Group Company Savings Plans and are restricted from sale during a period of approximately 5 years (except specific early exit cases allowed by applicable law). Employees receive dividends distributed by AXA during the holding period and potential final gains, subject to the share price evolution, compared to the subscription price.

(1) Including 39,331,324 AXA shares purchased in the context of the share buy-back program announced on February 24, 2023.

The guarantee plus offer in 2023 allowed employees to subscribe, through a personal investment and a bank contribution equal to 9 times their personal investment, in AXA shares through Mutual funds (FCPE), with a 7.60% discount. These shares are held within the Group Company Savings Plans and are restricted from sale during a period of approximately 5 years (except specific early exit cases allowed by applicable law). Employees' personal investment is guaranteed by a bank, and employees also benefit from either **(i)** a guaranteed minimum return of 5% per year on their personal investment, or **(ii)** if more favourable than the guaranteed minimum return, a multiple of 4 times the protected average increase of the AXA share price over the holding period. The calculation of the protected average increase is based on the reference price which is the average of the AXA share price over the twenty trading days ending on the date preceding the Chief Executive Officer's decision setting the definitive terms of the operation.

At the end of the holding period, the employees can, depending on their residence country, receive the cash value of their investment, or transfer their investment in dedicated Mutual funds.

Mutual funds (FCPE) have been created since 2005 to allow beneficiaries, in most cases, to directly exercise their voting rights during the Company's Shareholders' Meetings.

The Shareplan 2023 program was carried out through a capital increase that took place in November 2023. More than 23,000 employees took part in the Shareplan 2023 program, representing approximately 21% of eligible employees:

- the total amount invested was approximately €348 million;
- a total of approximately 14 million new shares were issued, each with a par value of €2.29. These shares began earning dividends on January 1, 2023.

On December 31, 2023, AXA employees and agents held 4.34% of the share capital and 6.16% of the voting rights. These shares are owned through Mutual funds (FCPE) or directly either in the form of ordinary shares or ADS.

Transactions involving AXA's share capital

On December 31, 2023, AXA's share capital was comprised of 2,270,188,806 ordinary shares, each with a par value of €2.29. All these shares were fully paid up and non-assessable and began earning dividends on January 1, 2023.

The following table sets forth changes in the number of shares from January 1, 2020, to December 31, 2023:

Date	Transaction	Number of shares issued or cancelled	Issue or merger premium *(in Euro)*	Number of shares after the transaction	Amount of share capital after the transaction *(in Euro)*
2021	Share capital reduction by cancellation of shares	(64,393)	(1,451,933)	2,418,325,015	5,537,964,284
	Exercise of stock options	831,610	10,861,541	2,419,156,625	5,539,868,671
	New equity issue reserved for employees of AXA (Shareplan 2021)	13,828,756	261,120,509	2,432,985,381	5,571,536,522
	Share capital reduction by cancellation of shares	(13,828,756)	(294,951,226)	2,419,156,625	5,539,868,671
	Exercise of stock options	2,412,071	43,263,893	2,421,568,696	5,545,392,314
2022	Share capital reduction by cancellation of shares	(64,280,304)	(1,558,266,636)	2,357,288,392	5,398,190,418
	Share capital reduction by cancellation of shares	(21,619,916)	(452,060,384)	2,335,668,476	5,348,680,810
	Exercise of stock options	629,174	11,194,931	2,336,297,650	5,350,121,619
	New equity issue reserved for employees of AXA (Shareplan 2022)	13,956,801	264,543,156	2,350,254,451	5,382,082,693
	Exercise of stock options	1,516,494	28,405,004	2,351,770,945	5,385,555,464
2023	Share capital reduction by cancellation of shares	(58,568,700)	(1,267,477,121)	2,293,202,245	5,251,433,141
	Share capital reduction by cancellation of shares	(39,331,324)	(1,013,363,266)	2,253,870,921	5,161,364,409
	New equity issue reserved for employees of AXA (Shareplan 2023)	13,829,551	315,666,501	2,267,700,472	5,193,034,081
31/12/2023	Exercise of stock options	2,488,334	48,230,361	2,270,188,806	5,198,732,366

Fully diluted capital on December 31, 2023

The following table indicates the Company's fully diluted share capital, assuming that the maximum number of new shares is issued following the exercise of all outstanding stock options.

	Fully diluted capital
Ordinary shares issued on December 31, 2023 [(a)]	2,270,188,806
Stock options	5,148,652
Maximum total number of shares	2,275,337,458

(a) Source: Euronext Notice of January 3, 2024.

Financial authorizations

FINANCIAL AUTHORIZATIONS VALID AS OF DECEMBER 31, 2023

AXA's authorizations to issue shares or other types of securities that were valid as of December 31, 2023, are summarized in the tables below:

Issues with preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments *(in Euro)*	Maximum nominal amount of the capital increase *(in Euro)*	Term	Expiration date
Capitalization of reserves, earnings or premiums	–	1 billion [(a)]	26 months	June 27, 2025
Ordinary shares and other securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise [(b)]	6 billion [(c)]	2 billion [(d)]	26 months	June 27, 2025

(a) Independent ceiling.
(b) Including the issue of ordinary shares as result of securities issued by subsidiaries of AXA.
(c) The aggregate nominal value of debt instruments associated with the issue of securities with or without preferential subscription rights may not exceed the global upper limit of €6 billion.
(d) The aggregate nominal value of the capital increase with or without preferential subscription rights may not exceed €2 billion in nominal value.

Issues without preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments *(in Euro)*	Maximum nominal amount of the capital increase *(in Euro or in percentage of the share capital)*	Term	Expiration date
Ordinary shares and other securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise [(a)]	6 billion [(b)]	500 million	26 months	June 27, 2025
Ordinary shares or securities giving access to the capital, reserved for employees	–	135 million [(c)]	18 months	October 27, 2024
Ordinary shares reserved for a specific category of beneficiaries in connection with offerings for employees	–	135 million [(c)]	18 months	October 27, 2024
Performance shares (actions de performance) [(d)]	–	1% [(e)]	38 months	June 28, 2025
Performance shares (actions de performance) [(d) (f)]	–	0.40% [(e)]	38 months	June 28, 2025

(a) Including the issue of ordinary shares or securities **(i)** *in the event of public offers (including those mentioned in paragraph 1 of article L.411-2 of the French Monetary and Financial Code),* **(ii)** *in the event of public exchange offers initiated by the Company,* **(iii)** *in consideration for contributions-in-kind for up to 10% of the Company's share capital, or* **(iv)** *as result of securities issued by subsidiaries of AXA.*

(b) The aggregate nominal value of debt instruments associated with the issue of securities with or without preferential subscription rights may not exceed the global upper limit of €6 billion.

(c) Common and independent ceiling.

(d) Existing shares and/or newly issued shares.

(e) At the date on which performance shares are granted by the Board of Directors.

(f) Dedicated to retirement.

NEW FINANCIAL AUTHORIZATIONS

The following authorizations to issue shares or securities giving a claim to ordinary shares of the Company and will be submitted to the Shareholders' Meeting on April 23, 2024:

Issues without preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments *(in Euro)*	Maximum nominal amount of the capital increase *(in Euro)*	Term	Expiration date
Ordinary shares or securities giving access to the capital, reserved for employees	–	135 million [(a)]	18 months	October 23, 2025
Ordinary shares reserved for a specific category of beneficiaries in connection with offerings for employees	–	135 million [(a)]	18 months	October 23, 2025

(a) Common and independent ceiling.

USE OF THE FINANCIAL AUTHORIZATIONS IN 2023

Equity issue reserved for employees

Please see paragraph "Employee shareholders" of the present Section 7.2 of this Annual Report.

Performance shares

In 2023, by virtue of the authorizations granted by the shareholders at the Shareholders' Meetings of April 28, 2022 (resolutions 23 and 24) respectively 2,970,259 performance shares/restricted shares and 608,728 performance shares dedicated to retirement were granted by the AXA Board of Directors.

7.3 GENERAL INFORMATION

AXA is a *société anonyme* (a public limited company) organized under the laws of France, and is the publicly traded parent company of the AXA Group. The Company's registered office is located at 25, avenue Matignon, 75008 Paris, France and its telephone number is +33 (0) 1 40 75 57 00. AXA SA was incorporated in 1957 but the origin of its activities dates to 1852. The Company's corporate existence will continue, subject to dissolution or prolongation, until December 31, 2059. The Company is registered with the Paris Trade and Companies Register (*Registre du commerce et des sociétés*) under number 572 093 920. AXA's legal entity identifier (LEI) is F5WCUMTUM4RKZ1MAIE39.

The following documents may be consulted at the AXA Group Legal Department (Tour Majunga – 6, place de la Pyramide – 92908 Paris La Défense, France) until the filing of AXA's next Universal Registration Document with the *Autorité des marchés financiers* (the "AMF"): **(i)** the Bylaws of the Company, **(ii)** the reports or other documents prepared by any expert at the Company's request which are (in whole or in part) included or referred to in this Universal Registration Document, and **(iii)** AXA SA's financial statements and Consolidated Financial Statements for each of the three financial years preceding the publication of this Universal Registration Document. These documents are also available on AXA's website and, more specifically, at the following links for the Bylaws of the Company (https://www.axa.com/en/about-us/governance-overview) and the documents referred to in **(ii)** and **(iii)** (https://www.axa.com/en/investor/annual-and-interim-reports).

Regulation and Supervision

AXA is engaged in regulated business activities on a global scale through numerous operating subsidiaries. The Group's principal business activities of insurance, reinsurance and asset management are subject to comprehensive regulation and supervision in each of the various jurisdictions where the Group operates. AXA SA, the ultimate parent holding company of the AXA Group, is also subject to extensive regulation as a reinsurer and as a result of its listing on Euronext Paris and its direct and indirect shareholding in numerous regulated insurance and asset management subsidiaries. Given that the AXA Group is headquartered in Paris, France, this supervision is based to a significant extent on European Union legislation and on the French legal and regulatory framework. AXA's principal regulators and supervisory authorities in France are the AMF, which is the financial markets regulator, and the *Autorité de contrôle prudentiel et de résolution* (the "ACPR"), which is the banking, insurance and reinsurance regulator.

As a global company operating in numerous jurisdictions, the AXA Group is subject to various laws and regulations. This section does not purport to describe all of the regulations to which AXA Group is subject or to provide all of the information in connection with the AXA Group's supervision in every jurisdiction in which the AXA Group is present.

This section presents what the AXA Group considers to be the most significant regulations and supervision mechanisms to which the AXA Group is subject as of the filing date of this Annual Report with the AMF.

After receiving its reinsurance license from the ACPR in May 2022 and merging with AXA Global Re on June 30, 2022, AXA SA became the Group's internal reinsurer. As a licensed reinsurance company, AXA SA is subject to the applicable regulations governing reinsurance entities and activities. The Group has entered into reinsurance treaties with certain of its European Property & Casualty carriers, and enters into reinsurance arrangements with respect to its Life portfolios, in addition to carrying out additional internal reinsurance and interacting with external reinsurance market parties.

INSURANCE AND REINSURANCE OPERATIONS

While the extent and nature of regulation varies from country to country, most jurisdictions in which AXA's insurance and reinsurance entities operate have laws and regulations governing distribution practices, standards of solvency, levels of capital and reserves, permitted types and concentrations of investments, and business conduct to be maintained by insurance and reinsurance companies, as well as agent licensing, approval of policy forms and, for certain lines of insurance, approval or filing of rates. In certain jurisdictions, regulations limit sales commissions, fees and certain other marketing expenses that may be incurred by the insurer and impose product suitability and disclosure requirements. In general, insurers and reinsurers are required to file detailed annual, and in some cases quarterly, financial statements with their supervisory agencies in each of the jurisdictions in which they do business. Such agencies may conduct regular or unexpected examinations of the insurers' and reinsurers' operations and accounts and request additional information from the insurer and reinsurer. Certain jurisdictions also require registration and periodic reporting by holding companies that control or have a qualifying holding in a licensed insurer or reinsurer. This holding company legislation typically requires periodic disclosure, reporting concerning the corporation that controls the licensed insurer or reinsurer and other affiliated companies, including prior approval (or notice) of transactions between the insurer or reinsurer and other affiliates such as intra-group transfers of assets and payment of dividends by the controlled insurer or reinsurer. In addition, such legislation generally provides that any direct or indirect acquisition of a qualifying holding of our insurance or reinsurance entities domiciled in a given jurisdiction will be subject to the prior approval of the insurance and reinsurance regulatory authorities in such jurisdiction; the definition of a "qualifying holding" for such purposes generally includes any direct or indirect acquisition of shares or other instruments representing more than a 9.9% voting interest, and would include the acquisition of shares of AXA SA as an insurance holding company. In general, these regulatory schemes are designed to protect the interests of policyholders rather than shareholders. For additional information, see the paragraph "The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions, and emerging legal, regulatory, and reputational risks in the various jurisdictions in which we operate" in Section 5.1 "Risk Factors" of this Annual Report.

REGULATORY CAPITAL AND SOLVENCY REQUIREMENTS

The Group and its insurance and reinsurance entities are subject to regulatory capital requirements in the jurisdictions where they do business, which are designed to monitor capital adequacy and to protect policyholders. While the specific regulatory capital requirements (including the definition of admitted assets and methods of calculation) vary between jurisdictions, an insurer's or reinsurer's required regulatory capital can be impacted by a wide variety of factors, including, but not limited to, business mix, product design, sales volume, invested assets, liabilities, reserves and movements in the capital markets, including interest rates and financial markets. Regulatory capital requirements may increase, possibly significantly, during periods of declining financial markets and/or lower interest rates.

Solvency II

The European Union has implemented a regulatory regime for European insurers which became effective on January 1, 2016, following the adoption of Directive 2009/138/EC dated November 25, 2009 on the taking-up and pursuit of the business of insurance and reinsurance, as amended (the "Solvency II Directive") and the regulations promulgated thereunder (together with the Solvency II Directive, "Solvency II"). Solvency II was implemented into French law beginning in 2015. In June 2019, amendments to the delegated regulations enacted under the Solvency II Directive were issued in connection with the 2018 interim review of Solvency II.

Solvency II is designed to implement solvency requirements that reflect the risks that insurance and reinsurance companies face and to build a supervisory system that is consistent across all EU member states. Solvency II is based on three pillars, applicable both at the individual insurer or reinsurer and group levels: (1) Pillar 1 consists of the quantitative requirements around own funds, valuation rules for assets and liabilities and solvency capital requirements; (2) Pillar 2 sets out qualitative requirements for the governance and Risk Management of insurers, as well as for the effective supervision of insurers, including the requirement for insurers to submit an Own Risk and Solvency Assessment ("ORSA"); and (3) Pillar 3 sets the supervisory reporting and public disclosure regime, including the requirement to prepare a Regular Supervisory Report ("RSR"), to be submitted to the competent national supervisory authority on a regular basis as determined by the regulation, and a Solvency and Financial Condition Report ("SFCR"), to be made publicly available on an annual basis. Solvency II covers, among other matters, the valuation of assets and liabilities, the treatment of insurance and reinsurance groups, the definition of capital and the overall level of required capital. A key aspect of Solvency II is that assessment of the Group's risks and capital requirements is aligned closely with economic capital methodologies and allows the use of either a standard formula or an insurer's or reinsurer's own internal model (to permit a better understanding of the actual risks and Risk Management of the insurer or reinsurer) to calculate the Solvency Capital Requirement ("SCR"), subject in the latter case to the approval of the insurer's lead supervisor.

Solvency II provides for two separate levels of solvency capital requirements: **(i)** the Minimum Capital Requirement ("MCR"), which is the amount of own funds below which policyholders and beneficiaries are exposed to an unacceptable level of risk, should the insurance or reinsurance companies be allowed to continue their operations, and **(ii)** the SCR, which corresponds to a level of own funds that enables insurance or reinsurance companies to absorb significant losses and gives reasonable assurance to policyholders and beneficiaries that payments will be made when they fall due.

The ACPR has approved the use by AXA of its internal model (the "Internal Model") to calculate its SCR under Solvency II. The Solvency II ratio of the Group as of December 31, 2023, published on February 22, 2024, was estimated at 227%[1], compared to

(1) The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. For additional information, please refer to Section 5.2 "Internal control and Risk Management - Internal Model" of this Annual Report. The Solvency II ratio will be finalized prior to the publication of the AXA Group's SFCR, which is currently expected to occur by the end of May 2024. The estimated Solvency II ratio published on February 22, 2024 gave effect to the completion of the full €1.6 billion share buy-back announced on the same date and is subject to update.

215% as of December 31, 2022. The Group maintained eligible own funds in excess of its SCR at all times during 2023.

AXA continues to regularly review the scope, underlying methodologies and assumptions of the Internal Model, and will adjust its SCR accordingly. In addition, AXA's Internal Model has been and may be revised from time to time in accordance with applicable regulations. However, any significant change to the Internal Model would be subject to the prior approval of the ACPR, which may require adjustments to the level of SCR.

For more information on the Internal Model, please refer to Section 5.2 "Internal control and Risk Management - Internal Model" of this Annual Report. For further information on AXA's SCR, Internal Model and other Solvency II disclosures, please refer to the AXA Group's SFCR for the year ended December 31, 2022, available on AXA's website (www.axa.com). AXA Group's SFCR for the year ended December 31, 2023 is expected to be published by the end of May 2024 on the same website.

Solvency II review

The Solvency II framework is currently under review by the European Commission, the European Parliament and the Council of the European Union. Following the opinion submitted by EIOPA to the European Commission on December 17, 2020 as part of the review of the Solvency II framework (the "Solvency II Opinion"), the European Commission published on September 22, 2021 its proposed directive amending the Solvency II Directive and explained its overall intentions on the most important aspects of the forthcoming level 2 amendments (in particular with respect to risk margin). On June 17, 2022, the Council of the European Union agreed on its position and published a compromise text, with proposed amendments to the Solvency II framework including, among others, **(i)** the extrapolation method and changes to the volatility adjustment, including the introduction of principles for the modelling of the dynamic volatility adjustment; **(ii)** new reporting requirements such as (a) the assessment of the impact of long-term climate change scenarios on our business in the ORSA, (b) structural changes to the Solvency and Financial Condition Report (SFCR) that would require undertakings to split their content into a part addressed to policyholders and a part addressed to other market participants, and (c) the requirement for internal model users to calculate and report their solvency and financial condition using the standard formula; **(iii)** the introduction of macro-prudential tools, including the integration of macroeconomic considerations in the ORSA and granting supervisory authorities extended powers with respect to macro-prudential concerns, allowing them to impose additional measures to reinforce insurance groups and companies' financial condition, such as restricting or suspending dividend or other payments to shareholders (including share buy-backs) and other implementing measures aimed at mitigating liquidity risk-related concerns; and **(iv)** amending the Group supervision regime (including the required amount of eligible own funds ("EOF") requirements and the MCR for groups). Following the publication by the European Parliament of its proposed amendments to the Solvency II framework on July 27, 2023, the Council of the European Union and the European Parliament reached a provisional agreement, on December 14, 2023, on amendments to the Solvency II directive. The provisional agreement was published on January 19, 2024 by the Council of the European Union. The text of the provisional agreement will be presented to representatives of EU member states, and to the European Parliament for approval. If approved, the Council of the European Union and the European Parliament then will have to formally adopt the proposed amendments.

Recovery and resolution regimes for insurers and reinsurers

If the solvency, liquidity or the interests of clients of an insurer or reinsurer are threatened, insurance supervisors generally have broad authority to exercise various administrative powers at an early stage, including limiting or prohibiting certain activities or operations (such as the acceptance of premiums), prohibiting or on the contrary ordering asset or portfolio disposals, restricting payment of dividends or other shareholder distributions, suspending managers, and/or putting a company under special oversight or, if conditions warrant, placing the insurer into receivership, liquidation, rehabilitation or other resolution proceedings.

In addition, under the French recovery and resolution framework for the insurance sector, set forth in the French Insurance Code (the "French Resolution Framework"), the ACPR is empowered to use resolution tools in order to ensure the continuity of critical functions of insurance and reinsurance undertakings that are failing or likely to fail, to avoid or limit the adverse effects on financial stability, protecting policy holders and protecting public funds from the reliance on extraordinary public financial support. These tools include portfolio transfers, the establishment of a bridge institution or the establishment of a liability management structure, as well as associated resolution actions such as temporary stays on certain payments. Under the French Resolution Framework, major French insurance groups, such as the AXA Group, are required to prepare and file with the ACPR a pre-emptive recovery plan (*plan préventif de rétablissement*) covering insurance holding companies, insurance and reinsurance subsidiaries thereof, and any other entity of such groups, providing key services (*services indispensables*) thereto, and to ensure that such recovery plan remains up-to-date thereafter.

On September 22, 2021, the European Commission published its proposal for a directive establishing a framework for the recovery and resolution of insurance and reinsurance companies with a view towards harmonizing national laws on recovery and resolution of insurers and reinsurers, ensuring that EU member states have the same tools and procedures to address failures of insurers and reinsurers, safeguarding the interests of policyholders, preserving the real economy and facilitating cooperation between national supervisory authorities when dealing with the failure of cross-border insurance and reinsurance groups. Under the proposed directive, among other things, **(i)** insurers and reinsurers would be subject to new recovery and resolution planning obligations, **(ii)** national supervisors would have new preventive powers**, (iii)** objectives and triggers for the resolution of failing entities would be harmonized at the EU level, **(iv)** a common set of tools (*e.g.*, solvent run-off, sale, bridge institution, asset separation, write-down and conversion) would apply, **(v)** safeguards would be available to shareholders and creditors, and **(vi)** insurers and reinsurers would be required to include certain resolution stay recognition clauses in their contracts. EU member states may also introduce additional measures and powers at the national level, as long as these are compatible with the objectives and principles set out at the EU level. On December 20, 2022, the Council of the European Union published its agreed-upon position regarding the proposed directive. Following the publication by the European Parliament of its proposed amendments to the framework for the recovery and resolution of insurance and reinsurance companies on July 26, 2023, the Council of the European Union and the European Parliament reached a provisional agreement on December 14, 2023 on amendments which, among other things, require certain (re)insurance companies and groups to draw up and submit pre-emptive recovery plans to national supervisory authorities, grant resolution tools and procedures to resolution authorities (including with respect to write-down and conversion, solvent run-offs and transfer tools) to address failures, notably in a cross-border context and add more detailed conditions for the use of such tools and procedures. The provisional agreement was published on January 19, 2024 by the Council of the European Union. The text will be presented to representatives of EU member states, and to the European Parliament for approval. If approved, the Council of the European Union and the European Parliament then will have to formally adopt the proposed amendments.

EU-US Covered Agreement

In connection with Solvency II, on September 22, 2017, the European Union and the United States signed the “Bilateral Agreement between the European Union and the United States of America on Prudential Measures Regarding Insurance and Reinsurance” (the “Covered Agreement”) which sets out principles governing the imposition of Group capital and supervisory standards for insurance groups headquartered in a EU member state or the United States with operations in both. The Covered Agreement entered into force on April 4, 2018. Pursuant to the Covered Agreement, the AXA Group will remain subject to group supervisory and capital requirements, as currently provided under Solvency II, with AXA’s US insurance and reinsurance subsidiaries remaining subject to local requirements. The Covered Agreement also addresses various regulatory information-sharing and reporting matters, as well as EU/US reinsurance market issues.

LLOYD’S

Following the acquisition of XL Group in 2018, we have been managing, through AXA XL Underwriting Agencies Limited, Syndicate 2003, a large underwriting syndicate at Lloyd’s and, as a result of which, we are exposed to a variety of Lloyd’s-related regulatory risks. For instance, the Council of Lloyd’s has wide discretionary powers to regulate members of Lloyd’s, and may vary the method by which the capital solvency ratio is calculated, or impose additional or special levies on members.

For further information on the risks related to regulatory capital requirements, see the paragraph “The Group’s or its insurance or reinsurance entities’ failure to meet their solvency and capital adequacy requirements could have a material adverse effect on our business, liquidity, ratings, results of operations and financial condition” in Section 5.1 “Risk Factors” of this Annual Report.

IAIS AND INTERNATIONALLY ACTIVE INSURANCE GROUP (“IAIG”) STATUS

The International Association of Insurance Supervisors (“IAIS”) has developed several sets of supervisory requirements and actions applicable to the insurance industry, including the Common Framework (“ComFrame”), which was adopted in November 2019 and establishes supervisory standards and guidance focused on the effective group-wide supervision of IAIGs, including standards relating to group supervision, governance and internal controls, enterprise Risk Management, and recovery and resolution planning. As part of ComFrame, the IAIS is developing a globally comparable risk-based measure of capital adequacy of IAIGs, the Insurance Capital Standard (the “ICS”). The IAIS has adopted ICS version 2.0 for a five-year monitoring period, starting in January 2020, during which IAIGs can be asked by their supervisors to compute an ICS, on a voluntary basis, for confidential reporting and discussion in supervisory colleges. The end objective for the IAIS is to have the ICS implemented as a group-wide prescribed capital requirement for IAIGs after the end of the monitoring period in 2024, although the IAIS is considering an alternative “Aggregation Method” approach (based on local jurisdictional capital requirements) that may be applied in the United States and other interested jurisdictions as an outcome-equivalent approach to the ICS.

In November 2019, the IAIS adopted a holistic framework for the assessment and mitigation of systemic risk in the insurance sector (the “Holistic Framework”). The Holistic Framework comprises a set of enhanced supervisory measures and powers of intervention (*e.g.*, ongoing supervisory requirements applied to insurers, enhanced macro-prudential surveillance, crisis management and recovery planning), an annual global monitoring exercise by the IAIS (at individual insurer and sector-wide levels), as well as implementation assessment activities aimed at assessing and mitigating the potential build-up of systemic risk in the global insurance sector. In light of the adoption of the Holistic Framework by the IAIS, the FSB announced in December 2022 that it will discontinue the annual identification of Global Systemically Important Insurers (GSIIs), which had been suspended since 2020, and that, going forward, it will utilize assessments available through the Holistic Framework to inform its considerations of systemic risk in the insurance sector.

AXA will continue to monitor the development of the Holistic Framework, ComFrame, ICS and other IAIS developments and expects the regulatory landscape with respect to insurance, reinsurance and financial markets to continue to evolve in 2024 and beyond with further legislative and regulatory initiatives.

ASSET MANAGEMENT & BANKING ACTIVITIES

AXA Investment Managers and other AXA asset management entities are subject to extensive regulations in the various jurisdictions in which they operate. These include, in Europe, Directive 2011/61/EU dated June 8, 2011 on Alternative Investment Fund Managers (as amended, “AIFMD”), and Directive 2009/65/EC dated July 13, 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (“UCITS”), and their various implementing regulations and transposition measures. On November 25, 2021, the European Commission published legislative proposals regarding the AIFMD and the rules applicable to UCITS. On June 21, 2022, the Council of the European Union published its agreed-upon position on the European Commission’s proposals to amend the AIFMD and the rules applicable to UCITS. Following the publication by the European Parliament of its proposed amendments on May 16, 2022, the Council of the European Union and the European Parliament reached a provisional agreement on July 20, 2023. On February 7, 2024, the provisional agreement was adopted by the European Parliament in a plenary vote. The text was adopted by the Council of the European Union on February 26, 2024. The directive will now be published in the Official Journal of the European Union and will enter into force 20 days later. EU member states will have 24 months after the entry into force to transpose the rules into national legislation. In addition, AXA’s investment management operations in the United States are subject to regulation by the SEC.

These regulations are generally designed to safeguard client assets and ensure the adequacy of disclosures concerning investment returns, the risk characteristics of invested assets in various funds, the suitability of investments for client investment objectives and risk tolerance, as well as the identity, regulatory approvals and qualifications of the investment manager. These regulations generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the carrying on of business for failure to comply with such laws and regulations. In such event, the possible sanctions that may be imposed include the suspension of individual employees, limitations on engaging in business for specific periods, the revocation of the registration as an investment company, censures and/or fines.

In addition, certain AXA entities must comply with revised obligations on capital resources for banks and certain investment firms, including Directive 2013/36/EU dated June 26, 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions (as amended “CRD IV”), and Regulation (EU) No. 575/2013 dated June 26, 2013, on prudential requirements for credit institutions, as amended, which set forth specific capital, governance and remuneration requirements (as amended “CRR”). On June 27, 2019, Directive (EU) 2019/878 dated May 20, 2019 (“CRD V”) and Regulation (EU) 2019/876 dated May 20, 2019 (“CRR II”), which respectively amend CRD IV and CRR, entered into force. CRD V and CRR II further implement the Basel III framework by amending various CRD and CRR provisions regarding, *e.g.*, holding company rules, leverage ratios, large exposures, liquidity, market risk and counterparty credit risk, as well as reporting and disclosure requirements (including on remuneration). Most provisions of CRD V had to be transposed into national law by EU member states by December 28, 2020, and were transposed in France by Order No. 2020-1635 dated December 21, 2020, while most CRR II requirements became applicable as of June 28, 2021. On October 27, 2021, the European Commission published legislative proposals regarding the CRD and Regulation (EU) No. 575/2013, which aim at contributing to financial stability in the context of the post-COVID-19 crisis recovery. On November 8, 2022, the Council of the European Union published its agreed-upon position on the European Commission’s proposals to amend the CRD and Regulation (EU) No. 575/2013. Following the publication by the European Parliament of its proposed amendments to the CRD and Regulation (EU) No. 575/2013 on January 24, 2023, the Council of the European Union and the European Parliament reached a provisional agreement on June 26, 2023. This provisional agreement was approved by the Committee on Economic and Monetary Affairs (ECON) of the European Parliament on December 11, 2023. The plenary vote at the European Parliament is scheduled on April 22, 2024. This provisional agreement will then have to be approved by the Council of the European Union before it can come into force.

Moreover, certain AXA entities are subject to Directive 2014/65/EU dated May 15, 2014, on markets in financial instruments (as amended, “MiFID II”) and Regulation (EU) No. 600/2014 on markets in financial instruments, as amended (“MiFIR” and, together with MiFID II, and the various regulations promulgated thereunder, the “MiFID II Package”) which entered into force in 2018. The MiFID II Package, which was designed to better integrate the European Union’s financial markets and increase cross-border investments, market transparency and investor protection, imposes a wide variety of new requirements including with respect to trading/

clearing of certain derivatives on organized platforms, regular reporting with respect to derivatives positions and certain other types of financial instruments, enhanced governance and investor protection standards, restrictions and/or prohibitions on certain types of compensation arrangements or other monetary inducements to firms providing independent investment advice and greater regulation of structured products and other complex financial instruments.

The reforms introduced by the MiFID II Package significantly impacted EU securities and derivatives markets. The European Commission conducted a public consultation on the review of the MiFID II Package, which expired in May 2020, and consequently revised the MiFID II Package in successive Commission delegated regulations published on March 26, 2021, July 14, 2021 and August 2, 2021. These regulations require investment firms that manufacture and distribute financial instruments to, among other things, **(i)** clarify that their processes and internal control systems appropriately reflect sustainability risks, **(ii)** confirm that they have the knowledge and technical capacities to analyze those risks, and **(iii)** confirm that, for each financial instrument that is intended to be distributed to clients seeking to invest in financial instruments with a sustainability-related profile, sustainability factors are considered in (a) the product approval process and (b) other product governance and oversight arrangements.

In addition, the European Securities and Markets Authority ("ESMA") simultaneously conducted a public consultation on several issues arising out of the MiFiD II Package and published its MiFIR review report on March 23, 2021, specifically on the obligations to report transactions and reference data, with a view towards simplifying the current reporting regimes whilst ensuring the quality and usability of the reported data.

A legislative review of certain aspects of the MiFID II Package, related to market structure topics, was proposed by the European Commission on November 25, 2021. On March 9, 2022, ESMA published its assessment of, and recommendations on, the European Commission's proposal. Following the publication by the European Parliament of its proposed amendments to the MiFID II Package on March 2, 2023, the Council of the European Union and the European Parliament reached a provisional agreement on June 29, 2023. The provisional agreement was published on October 18, 2023 by the Council of the European Union. This provisional agreement will have to be approved first by the Committee of the Permanent Representatives of the Governments of the Member States to the European Union (COREPER II) of the Council of the European Union and the Committee on Economic and Monetary Affairs (ECON) of the European Parliament before being adopted in a plenary vote at the European Parliament, and at the Council of the European Union.

Some AXA entities are directly or indirectly subject to Regulation (EU) No. 1286/2014 dated November 26, 2014, on key information documents for packaged retail and insurance-based investment products (as amended, the "PRIIPs Regulation") which entered into force in 2018, the objective of which is to enhance retail investor protection by standardizing the information through predefined key information documents. While the PRIIPs Regulation has already impacted insurance undertakings, banks and asset managers, its technical regulatory standards are under review by the European Commission, and review of the PRIIPS Regulations under consideration by the European Union in order to reach better convergence with other EU regulations. On May 2, 2022, the European Supervisory Authorities (ESAs) published a report presenting to the European Commission its technical advice on the PRIIPs Regulation. On May 24, 2023, the European Commission **(i)** adopted a retail investment strategy aimed at empowering retail investors to make investment decisions that are aligned with their needs and preferences and ensuring that they are treated fairly and duly protected, and **(ii)** published its proposal for a regulation amending the PRIIPs Regulation in order to, among other things, protect retail investors from misleading marketing communications and practices and prevent undue costs. The vote of the Committee on Economic and Monetary Affairs (ECON) of the European Parliament is expected to take place on March 20, 2024, before being discussed in a plenary session at the European Parliament in April 2024.

The European Union (Regulation (EU) 648/2012 dated July 4, 2012, also referred to as the European Market Infrastructure Regulation – "EMIR") and similar US regulations (principally under the Dodd-Frank Wall Street Reform and Consumer Protection Act), as amended from time to time, establish various requirements and prescriptive guidelines which impact operations, liquidity and credit Risk Management for derivatives. AXA's asset managers and banks, which manage derivatives on behalf of various AXA Group affiliates (including on behalf of AXA), operate in conformity with these rules, in line with the Group's overall financial risk framework. On December 7, 2022, the European Commission presented a proposal to review EMIR in order to make the clearing services landscape more attractive and resilient, to support the European Union's open strategic autonomy and to preserve the European Union's financial stability. On February 7, 2024, the Council of the European Union and the European Parliament reached a provisional agreement which among other things, strengthens cooperation, coordination and information sharing among supervisors and ESMA, while ensuring an appropriate division of tasks between national authorities and ESMA. The provisional agreement was published on February 13, 2024 by the Council of the European Union. This provisional agreement needs to be approved by the Council of the European Union and the European Parliament before going through the formal adoption procedure.

For additional information, see the paragraph "The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions, and emerging legal, regulatory, and reputational risks in the various jurisdictions in which we operate" in Section 5.1 "Risk Factors" of this Annual Report.

OTHER SIGNIFICANT LEGISLATIVE AND REGULATORY FRAMEWORKS

EU Data Protection Reform

The EU Data Protection Reform, which was adopted in 2016 and entered into force in 2018, establishes a comprehensive framework governing the protection and processing of personal data in the private and public sectors, which includes the General Data Protection Regulation ("GDPR").

The main principles of the GDPR include **(i)** the strengthening of citizens' fundamental rights, giving them more control over their personal data and making it easier for them to access it, **(ii)** an increased harmonization of the applicable law across the European Union and a "one-stop-shop" that will streamline cooperation between the data protection authorities on issues with implications for all the European Union, and **(iii)** a stronger enforcement regime, under which competent data protection authorities are able to fine companies that do not comply with EU rules up to 4% of their global annual turnover. The GDPR applies to both EU and non-EU companies, if the latter are offering goods and services or monitoring the behavior of individuals in the European Union. As insurance and reinsurance companies need a EU license for providing insurance services in the European Union, the GDPR applies primarily, in the insurance and reinsurance sector, to companies operating in the European Union.

In France, the EU Data Protection Reform has beentransposed notably by Law No. 2018-493 regarding personal data protection, which entered into force on May 25, 2018, and various implementing measures, including Decree No. 2018-687 dated August 1, 2018.

For further information concerning data protection, please see the paragraph "The evolving and complex regulatory environment surrounding data protection and transfer worldwide could increase our costs and adversely impact our business" in Section 5.1 "Risk Factors" of this Annual Report.

Personal data transfers to non-EU jurisdictions (without an adequacy decision adopted by the European Commission)

In 2020, the European Union Court of Justice ("ECJ") invalidated a data transfer mechanism, referred to as the "EU-US Privacy Shield," which was created in July 2016 and had allowed, under certain conditions, for the transfer of personal information for commercial purposes from companies in the European Union to companies in the United States which had signed up to the US Department of Commerce "Privacy Shield Principles". The ECJ also required that supplementary measures be considered for other mechanisms for data transfers to any non-EU jurisdiction (without an adequacy decision adopted by the European Commission).

As banks, insurance and reinsurance companies were generally not eligible to register and participate in the EU-US Privacy Shield, the AXA Group has continued to rely on standard contractual clauses when transferring data to non-AXA non-EU companies, and binding corporate rules when transferring personal data between companies within the AXA Group. We currently believe that we can continue using such mechanisms to transfer data to the US and to other non-EU jurisdictions and add supplementary measures as required. In July 2023, the European Commission announced a final adequacy decision for the EU-US Data Privacy Framework (the "EU-US DPF"), a data transfer mechanism that replaces the invalidated EU-US Privacy Shield. As with the EU-US Privacy Shield, the EU-US DPF is limited to entities subject to the investigatory and enforcement powers of the US Federal Trade Commission or Department of Transportation, though other US statutory bodies recognized by the EU may be included in future annexes of the EU-US DPF. Because of this, the AXA Group believes that it may continue to rely on standard contractual clauses and binding corporate rules as data transfer mechanisms to transfer data from the EU to the United States and other non-EU jurisdictions. For further information concerning transatlantic data transfers, please see the paragraph "The evolving and complex regulatory environment surrounding data protection and transfer worldwide could increase our costs and adversely impact our business" in Section 5.1 "Risk Factors" of this Annual Report.

Information and Communication Technology (ICT)

In February 2020, EIOPA finalized its "Guidelines on outsourcing to cloud service providers", which national supervisors have been enforcing since January 2021. In addition, on October 8, 2020, EIOPA issued an additional set of guidelines, the "Guidelines on information and communication technology security and governance", aimed at promoting the operational resilience of the digital operations of insurance and reinsurance undertakings. Both sets of guidelines provide guidance to national competent authorities and insurance and reinsurance undertakings on the information and communication technology ("ICT") security and governance requirements envisaged under Solvency II, and have applied since July 1, 2021. AXA Group has tracked the progress of both sets of guidelines, provided feedback to EIOPA and confirmed the alignment of its practices or strategy with the guidelines.

Regulation 2022/2254/EU of December 14, 2022 on digital resilience for the financial sector ("DORA") was adopted by the European institutions and will come into effect in January 2025. DORA is designed to establish a comprehensive framework on digital operational resilience for EU financial institutions, including insurance and reinsurance undertakings and intermediaries, credit institutions, investment firms, alternative investment fund managers and UCITS management companies. This framework is aimed at enhancing the ICT Risk Management conducted by financial institutions, establishing a thorough testing of ICT systems, increasing supervisors' awareness of cyber risks and ICT-related incidents faced by financial institutions, as well as introducing powers for competent supervisory authorities to oversee risks stemming from financial institutions' dependency on ICT third-party service providers. DORA also creates a consistent incident reporting mechanism in order to strengthen supervisory effectiveness.

Obligations under DORA are detailed by regulatory technical standards ("RTS") and implementing technical standards ("ITS"), aiming at harmonizing requirements and facilitating implementation. On June 19, 2023, the ESAs published the first batch of draft RTS and ITS, providing details around, among other things, ICT security tools, policies and procedures, policies on the use of third-party ICT services concerning critical or important functions, criteria for the classification of ICT-related incidents, and register of agreements with third-party ICT service providers. Those draft RTS and ITS were open to public consultation from June 19, 2023 until September 11, 2023. On January 17, 2024, the ESAs published the first set of final drafts of RTS and ITS and submitted them to the European Commission for adoption.

On December 8, 2023, the ESAs launched a public consultation on the second batch of policy mandates under DORA, which includes four draft RTS, one set of draft ITS and two sets of guidelines. These policy instruments aim to harmonize the legal framework in areas such as major ICT-related incident reporting, digital operational resilience testing, ICT third-party Risk Management and oversight over critical ICT third-party providers. This public consultation will run until March 4, 2024. The ESAs expect to submit these draft RTS, ITS and guidelines to the European Commission by June 17, 2024 for adoption.

Financial Data Access (FIDA)

On June 28, 2023, the European Commission published a regulatory proposal for the Financial Data Access ("FIDA") framework[1]. The purpose of FIDA is to establish rules relating to the **(i)** access, sharing and use of certain categories of customer data in financial services and **(ii)** authorization and operation of financial information service providers. Once finalized, FIDA is expected to create a framework for controlled and consent-based sharing of financial data, such as financial data contained in insurance-based investment products and non-Life insurance products, and therefore to expand the open banking data-sharing obligations (which currently apply only to payments accounts data) to nearly all financial services data. The vote of the Committee on Economic and Monetary Affairs (ECON) of the European Parliament is expected to take place on March 21, 2024.

Artificial Intelligence

Artificial intelligence act

On April 21, 2021, the European Commission published its proposal for a regulation on artificial intelligence (the "AI Act")[2], which follows a risk-based approach and aims to achieve four objectives: **(i)** ensuring that artificial intelligence ("AI") systems placed and used in the European Union market are safe and comply with existing laws on rights and values of the European Union, **(ii)** ensuring legal certainty to facilitate investment and innovation in AI, **(iii)** enhancing governance and enforcement of existing laws on fundamental rights and safety requirements applicable to AI systems and **(iv)** facilitating the development of a single market for AI.

A provisional agreement was reached on December 9, 2023 between the Council of the European Union and the European Parliament. The provisional agreement amends the AI Act with the following main new elements: **(i)** rules on high-impact, general-purpose AI models and high-risk AI systems that can cause systemic risks, **(ii)** a revised system of enforcement powers, **(iii)** extension of the list of prohibitions and **(iv)** a fundamental rights impact assessment by high-risk system providers prior to putting an AI system into use. The provisional agreement was published on February 2, 2024 by the Council of the European Union. On February 13, 2024, the Committee on Internal Market and Consumer Protection (IMCO) and the Committee on Civil Liberties, Justice and Home Affairs (LIBE) of the European Parliament voted in favor of the provisional agreement on the AI Act.

The final text of the AI Act still needs to be formally adopted by both the Council of the European Union and the European Parliament. The AI Act is expected to apply starting from 2026.

(1) Proposal for a regulation of the European Parliament and of the Council on a framework for Financial Data Access and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010, (EU) No 1095/2010 and (EU) 2022/2554, dated June 28, 2023 (COM(2023) 360 final).

(2) Proposal for a regulation of the European Parliament and of the Council laying down harmonized rules on artificial intelligence (artificial intelligence act) and amending certain union legislative acts dated April 21, 2021 (COM(2021) 206 final).

Artificial intelligence liability directive

On September 28, 2022, the European Commission published its proposal for a directive on adapting non-contractual civil liability rules to AI (the "AI Liability Directive")[(1)], which aims to improve the functioning of the European Union market by laying down uniform requirements for certain aspects of non-contractual civil liability for damage caused with the involvement of AI systems. At this stage, a decision of the parliamentary committee is still pending with respect to the AI Liability Directive.

Executive compensation

Solvency II sets out the remuneration policy principles and governance requirements to be implemented by European insurers and specifies that the companies subject to Solvency II must adopt a written remuneration policy compliant with a number of principles set out in Delegated Regulation (EU) 2015/35 dated October 10, 2014 (as amended, the "Solvency II Regulation") which promotes sound and effective Risk Management and does not encourage risk-taking that exceeds the risk tolerance limits of the Company. In this context, AXA has reviewed and formalized its existing Group remuneration policy, identified the individuals responsible for managing and having an impact on the Group's overall risk profile, and defined a consistent approach to manage remuneration of individuals in charge of control functions. AXA's Compensation, Governance & Sustainability Committee is in charge of overseeing the design of the remuneration policy and remuneration practices, their implementation and operation.

Since 2008, there have been a variety of proposals with respect to executive compensation practices at financial institutions including from the FSB and other regulatory bodies. Certain of these proposals have been embodied in regulation or legislation, while others remain best practice recommendations.

In 2009, the FSB published the "Principles for Sound Compensation Practices", together with implementation standards. Among the matters covered in these standards and principles are a variety of mechanisms (including minimum recommended deferrals of cash bonuses, greater use of long-term equity grants rather than cash as a form of compensation, minimum vesting/deferral periods, and performance criteria for vesting of long-term awards) that are designed to ensure an appropriate alignment of interests between **(i)** Executive Management and certain employees (such as traders) who can have a potentially significant impact on the nature and duration of risks incurred, **(ii)** the Company and **(iii)** shareholders. The FSB's principles were supplemented by additional guidance published by the FSB in 2018, which has been developed in the form of recommendations regarding improvements in compensation practices and tools that could be used to reduce misconduct risk and address misconduct incidents.

In addition, on April 7, 2020, EIOPA published an opinion on the supervision of remuneration principles in the insurance sector. This opinion is based on EIOPA's views that the remuneration principles defined in the Solvency II Regulation are high-level and leave considerable discretion to undertakings and supervisory authorities, and aims at ensuring that consistent practices be applied in the application of the remuneration principles included in the Solvency II framework. As a result, EIOPA's opinion sets out guidance to national supervisory authorities on how to challenge the application of certain remuneration principles, and focuses on employees identified as potential higher profile risk-takers including, subject to certain variable compensation thresholds, **(i)** members of the administrative, management or supervisory body of the undertaking, **(ii)** Executive Directors who effectively run the undertaking, **(iii)** key function holders within the meaning of the Solvency II regulations (*i.e.*, Risk Management, compliance, internal audit and actuarial), and **(iv)** employees whose professional activities have a material impact on the undertakings' risk profile. EIOPA has indicated that it will begin monitoring the application of this opinion by national supervisory authorities two years after its publication (*i.e.*, after April 7, 2022). As of December 31, 2023, no further guidance from national supervisory authorities has been published.

These principles and standards are reflected in a variety of regulations and legislative initiatives that have been enacted over the past few years in various jurisdictions where the Group does business. While these restrictions do not apply uniformly to the Group across the various jurisdictions where it does business, the Group has largely aligned its global executive compensation practices with these standards and principles, and conducts regular reviews of its compensation practices and policies in light of these standards as well as applicable legal and regulatory requirements. The application of these principles and standards may vary among the different actors in the financial sector (such as banks, insurers, asset managers, private equity funds and hedge funds) and across the various jurisdictions where the Group does business, which may give rise to certain competitive issues for the Group, including by affecting the Group's ability to attract and retain top-rate talents.

Evolution of accounting standards

Until year-end 2022, policyholders' liabilities were accounted for according to IFRS 4, which generally allowed the use of a wide variety of accounting practices for insurance contracts, reflecting different national accounting requirements, and the continuation of accounting policies applied prior to conversion to IFRS. On May 18, 2017, the International Accounting Standards Board ("IASB") issued the IFRS 17 - Insurance Contracts, which replaced IFRS 4, finalizing a project of the IASB to develop a single and consistent approach to the accounting for insurance contracts. In particular, IFRS 17 requires insurance obligations to be accounted

(1) Proposal for a directive of the European Parliament and of the Council on adapting non-contractual civil liability rules to artificial intelligence (AI Liability Directive) dated September 28, 2022 (COM(2022) 496 final).

for using current values, instead of historical costs. Following amendments issued by the IASB on June 25, 2020, the updated IFRS 17 became effective for annual periods beginning on or after January 1, 2023. The amended version of IFRS 17 was adopted by the European Union on November 19, 2021 with an exemption, used by the Group, setting forth that a company may choose not to apply the annual cohort requirement prescribed in IFRS 17 to certain groups of contracts under certain circumstances. The Group has begun applying IFRS 17 as from January 1, 2023 with a transition date at January 1, 2022, corresponding to the beginning of the Annual Reporting period immediately preceding the date of initial application, and restating retrospectively the comparative period corresponding to the consolidated financial statements for the year ending December 31, 2022.

In parallel with IFRS 17, the Group is applying (from January 1, 2023 onward) IFRS 9 - Financial Instruments. The published effective date of IFRS 9 was January 1, 2018. However, given the interaction between financial assets and insurance liabilities, the IASB issued amendments to IFRS 4 allowing, under certain conditions, entities issuing insurance contracts within the scope of IFRS 4 to defer the implementation of IFRS 9 until the effective date of IFRS 17, but no later than January 1, 2023, so that qualifying insurers could apply both standards for the first time simultaneously. The Group was eligible for this temporary exemption and decided to apply it.

The adoption of IFRS 17 and IFRS 9 resulted in significant accounting changes. The nature and effects of these changes are disclosed in the Note 1.2.1.1 IFRS 17 - Insurance Contracts and IFRS 9 - Financial Instruments within the Section 6.6 Notes to the consolidated financial statements.

Climate and sustainable finance-related regulatory initiatives

There are various initiatives at the French, EU and international levels with respect to climate change and sustainable finance, which generally aim at proposing reforms to and potential changes affecting investment activities, disclosure requirements and requirements relating to the inclusion of **(i)** Environmental, Social and Governance ("ESG") considerations in insurance and Asset Management products and advice and **(ii)** climate change in stress testing.

Disclosure requirements with respect to climate change and sustainable finance

French national framework for non-financial reporting requirements for companies

In France, the national framework for non-financial reporting requirements for companies (including financial institutions) has been successively strengthened by **(i)** article 173-VI of Law No. 2015-992 dated August 17, 2015, on the energy transition for green growth ("article 173") and **(ii)** article 29 of Law No. 2019-1147 dated November 8, 2019 on energy and climate ("article 29") and the decree implementing article 29 published on May 27, 2021.

Article 173 imposes increased transparency obligations on investors (including institutional investors), requiring them to disclose how they incorporate ESG objectives, including the specific consideration of climate risk, into their investment strategies and the measures implemented to support the energy and ecological transition.

Article 29 maintains the current disclosure framework under article 173 and strengthens certain of its provisions, particularly with respect to the publication of risks related to climate change and biodiversity erosion. The decree implementing article 29 published on May 27, 2021, provides a framework for extra-financial reporting by market participants, which will include certain entities of the AXA Group, and defines how ESG qualitative information and the means implemented to support the energy and ecological transition are to be presented. The instruction n°2022-I-24 published by the ACPR on December 14, 2022 provides additional guidance about, and includes templates with respect to, the disclosure requirements set forth above.

French national framework for greenhouse gas emissions reporting requirements

Since 2012, companies (including financial institutions) with a registered office located in France and employing more than 500 employees have been required to prepare, establish and publish a report on greenhouse gas emissions ("GHG emissions") (*bilan des émissions de gaz à effet de serre* (BEGES)). This report (the "GHG Emissions report") had to include a summary of actions planned to reduce such GHG emissions. Between 2012 and 2022, the GHG Emissions report covered only Scope 1 GHG emissions and Scope 2 GHG emissions.

The framework for establishing the GHG Emissions report has been enhanced, notably by article 28 of Law No. 2019-1147 dated November 8, 2019 on energy and climate ("article 28") and Decree No. 2022-982 dated July 1, 2022. Article 28, which entered into force in November 2020, replaced the summary of actions expected to reduce GHG emissions included in the GHG Emissions report with a transition plan presenting the goals, means and measures expected to be implemented in order to reduce GHG emissions. Decree No. 2022-982 dated July 1, 2022, applicable as from January 1, 2023, among other things **(i)** introduced consolidation rules according to which a consolidated GHG Emissions report (including, for the avoidance of doubt, a consolidated transition plan) could be published for all companies within the same group subject to this disclosure requirement (*i.e.*, companies (including financial institutions) with a registered office located in France and employing more than 500 employees) and **(ii)** broadened the scope of the GHG emissions to be included in the GHG Emissions report to include Scope 3 GHG emissions.

European framework for EU Climate Transition Benchmarks

Regulation (EU) 2019/2089 amending the EU Benchmark Regulation in connection with the EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for the benchmarks was adopted on November 27, 2019, and seeks to, among other things, ensure the integrity of low-carbon benchmarks.

European framework for non-financial reporting requirements for companies – SFDR

At the European Union level, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the Sustainable Finance Disclosure Regulation, or "SFDR") was adopted on November 27, 2019. The SFDR sets out harmonized rules for financial market participants, which includes certain AXA Group entities, on transparency with respect to the integration of sustainability risks, the consideration of adverse sustainability impacts of market participants' processes and the provision of sustainability-related information of certain financial products.

On April 6, 2022, the European Commission adopted a delegated regulation supplementing the SFDR with respect to RTS for the content and presentation of disclosure requirements under the SFDR, which was published in the Official Journal of the European Union as the Commission Delegated Regulation (EU) 2022/1288 on July 25, 2022. The Joint Committee of the ESAs published a set of questions and answers regarding the RTS on November 17, 2022. The RTS became applicable as of January 1, 2023. On October 31, 2022, following a final report by the Joint Committee of the ESAs, the European Commission adopted amendments to the RTS to require financial market participants to disclose the extent to which their portfolios are exposed to gas and nuclear-related activities (Commission Delegated Regulation (EU) 2023/363).

On December 4, 2023, the Joint Committee of the ESAs published a final report recommending amendments to the RTS, including, among other things, adding new social indicators, streamlining the framework for the disclosure of principal adverse impacts of investment decisions on the environment and society and introducing new product disclosures regarding "greenhouse gas emissions reduction" targets. The European Commission is expected to study the draft RTS and decide whether to adopt them within a period of three months following the publication of this report.

European framework for non-financial reporting requirements for companies – Taxonomy Regulation

Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation") was adopted on June 18, 2020. The Taxonomy Regulation applies, in particular, to undertakings (such as the Company) that are required to publish a non-financial statement. The Taxonomy Regulation establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable for the purposes of establishing the degree to which an investment is environmentally sustainable.

Commission Delegated Regulation (EU) 2021/2139 dated June 4, 2021 supplements the Taxonomy Regulation by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to other environmental objectives. Commission Delegated Regulation (EU) 2021/2139 was successively amended by **(i)** Commission Delegated Regulation (EU) 2022/1214 dated March 9, 2022, regarding economic activities in certain energy sectors and **(ii)** Commission Delegated Regulation (EU) 2023/2485 dated June 27, 2023 supplementing the technical screening criteria for certain activities that were not initially identified as eligible.

Commission Delegated Regulation (EU) 2021/2178 dated July 6, 2021 supplements the Taxonomy Regulation by, among other things, specifying the content and presentation of the information to be disclosed in a non-financial statement. Commission Delegated Regulation (EU) 2021/2178 was further amended by **(i)** Commission Delegated Regulation (EU) 2022/1214 dated March 9, 2022, regarding certain specific public disclosures and **(ii)** Commission Delegated Regulation (EU) 2023/2486 dated June 27, 2023, which supplements the Taxonomy Regulation by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any other environmental objectives, and which amends Commission Delegated Regulation (EU) 2021/2178 regarding specific public disclosures for those economic activities.

European framework for non-financial reporting requirements for companies – CSRD

On April 21, 2021, the European Commission published its proposal for a directive on corporate sustainability reporting (the "CSRD") which, with respect to corporate sustainability reporting, amends the Accounting Directive, Directive 2004/109/EC (the Transparency Directive, as amended), Directive 2006/43/EC and Regulation (EU) No. 537/2014.

The CSRD (Directive (EU) 2022/2464 dated December 14, 2022) was published in the Official Journal of the European Union on December 16, 2022 and entered into force on January 5, 2023. The CSRD introduced, among other things, new sustainability-related reporting requirements for companies, including **(i)** the principal risks the issuer faces with respect to sustainability matters and how the issuer manages those risks, **(ii)** the resilience of the issuer's business model and strategy in light of risks related to sustainability matters, **(iii)** the opportunities that sustainability matters may present for the issuer, **(iv)** the issuer's plan(s) to ensure that its business model and strategy are compatible with the transition to a sustainable economy and with the global warming limit of 1.5°C set by the Paris Agreement, an international climate change agreement that entered into force on November 4, 2016, **(v)** a description of the targets set by the issuer related to sustainability matters and the progress the issuer has made towards achieving those targets, **(vi)** the role of the administrative, management and supervisory bodies with regards to sustainability matters, and **(vii)** the due diligence process(es) implemented by the issuer with respect to sustainability matters.

On July 31, 2023, the European Commission adopted the delegated act specifying the European sustainability reporting standards (ESRS) for use by all companies subject to the CSRD. The ESRS cover a range of environmental, social, and governance issues, including climate change, biodiversity and human rights, and provide information for investors to understand the sustainability impact of the companies in which they invest. They also take account of discussions with the International Sustainability Standards Board (ISSB) and the Global Reporting Initiative (GRI) in order to ensure interoperability between EU and global standards.

On December 22, 2023, such delegated act was published in the Official Journal of the European Union[1]. It entered into force on December 25, 2023 and became applicable starting on January 1, 2024. The CSRD and Commission Delegated Regulation (EU) 2023/2772 apply to AXA as from January 1, 2024, with respect and for the financial years beginning on January 1, 2024.

In France, the CSRD has been transposed notably by **(i)** Order No. 2023-1142 of December 6, 2023 relating to the publication and certification of information with respect to sustainability matters, and requirements with respect to environmental, social and corporate governance matters of commercial companies and **(ii)** Decree No. 2023-1394 dated December 30, 2023.

European framework for non-financial reporting requirements for companies – CSDD Directive

On February 23, 2022, the European Commission published its proposal for a directive on corporate sustainability due diligence (the "CSDD Directive"). The CSDD Directive aims at, among other things, improving corporate governance practices to better integrate Risk Management and mitigation processes of human rights and environmental risks and impacts into corporate strategies, and improve access to remedies for those affected by adverse human rights and environmental impacts of corporate behavior.

On December 1, 2022, the Council of the European Union agreed on its position and published a compromise text, with proposed amendments to the CSDD Directive which result, among other things, in narrowing the scope of the CSDD Directive by increasing the net revenue and employee thresholds, rejecting the European Commission's proposal that due diligence should fall under the directors' fiduciary duty of care and leaving to each EU member state the decision as to whether the obligations set forth in the CSDD Directive should apply to companies in the financial sector.

Following the publication by the European Parliament of its agreed-upon position regarding the CSDD Directive on June 1, 2023, the Council of the European Union and the European Parliament reached a provisional agreement on December 14, 2023, which, among other things, frames the scope of the CSDD Directive, clarifies the liabilities for non-compliant companies, defines the different penalties, and completes the list of rights and prohibitions that companies should respect. The provisional agreement reached between the Council of the European Union and the European Parliament was submitted to the vote of the Council of the European Union on February 28, 2024. The qualified majority at the Council of the European Union was not reached. The procedure with respect to the CSDD Directive is still unknown at this stage.

Task Force on Climate-related Financial Disclosures (TCFD)

The Group supports and implements the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The Group publishes voluntary information in line with these recommendations, which include, among others, recommendations with respect to:

- disclosure of actual and potential impacts of climate-related risks and opportunities on the Group's businesses, strategy, and financial planning;
- disclosure of governance on climate risks and opportunities; and
- disclosure of metrics and targets used to assess and manage climate risks and opportunities.

Requirements relating to the inclusion of Environmental, Social and Governance considerations in insurance and Asset Management products and advice

On April 30, 2019, EIOPA issued a technical opinion to the European Commission with respect to the integration of sustainability risks and factors in the delegated acts under the Solvency II Directive and Directive (EU) 2016/97 dated January 20, 2016, on insurance distribution (as amended, "IDD"). On September 30, 2019, EIOPA issued its opinion on sustainability under Solvency II framework.

Based on the public consultation conducted by the European Commission between June 2020 and July 2020, the European Commission adopted on April 21, 2021, Delegated Regulation (EU) 2021/1257 amending the regime for the integration of sustainability factors, risks and preferences into the product oversight and governance requirements for insurance undertakings and insurance distributors and into the rules on conduct of business and investment advice for insurance-based investment products. Delegated Regulation (EU) 2021/1257 became applicable on August 2, 2022.

At the international level, the IAIS completed in January 2021 a public consultation on a draft Application Paper on the supervision of climate-related risks in the insurance sector, developed to support insurance supervisory authorities in their efforts to integrate climate-related risks into their respective supervisory frameworks.

Requirements in connection with climate change in stress testing

The ACPR conducted an initial climate pilot exercise that incorporated certain climate change scenarios and assumptions into stress testing, the first results of which were published in May 2021. Pursuant to these first results, the exposure of French financial institutions to the sectors that are most impacted by the risks related to the ecological transition (as identified in the climate pilot exercise) was relatively limited. In February 2022, the ACPR published a report analyzing the evolution of measures taken by the industry in addressing climate risks. Further, the ACPR and the AMF published joint reports monitoring French financial institutions' climate commitments in November 2021 and November 2022, noting that the implementation of those commitments remains insufficient. On July 6, 2023, the ACPR announced the launch of its second climate stress test covering the insurance sector and published the assumptions and expectations of such stress test. The results will be the subject of

(1) Commission Delegated Regulation (EU) 2023/2772 dated July 31, 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards.

a public report expected to be published in May 2024 presenting the market-wide impacts of the scenarios.

For further information on climate change, please refer to Section 4.3 "Climate change and biodiversity loss" of this Annual Report.

Reform and potential changes to reference rates and indices (benchmarks)

Reforms to interest rate, equity, foreign exchange rate and other types of indices (also known as "benchmarks") have been recently enacted, and regulatory authorities have also proposed further reforms to and potential changes affecting benchmarks. In particular, Regulation (EU) 2016/1011 dated June 8, 2016 (as amended, the "EU Benchmark Regulation"), which entered into force on January 1, 2018, as well as the EU Benchmark Regulation as incorporated into UK law as from January 1, 2021 (the "UK Benchmark Regulation" and, together with the EU Benchmark Regulation, the "Benchmark Regulation") imposed additional requirements on the provision of financial market-related benchmarks, the contribution of input data to a benchmark and the use of benchmarks within the EU and the UK.

Several interbank market benchmarks have since been designated as critical benchmarks under the Benchmark Regulation, including LIBOR, EURIBOR and EONIA, and their related benchmark methodologies made subject to review. Certain critical benchmarks have been discontinued, including EONIA, which ceased to be published on January 3, 2022, and LIBOR (publication of most LIBOR settings ceased on December 31, 2021, and publication of most USD LIBOR settings ceased on June 30, 2023). In this context, Regulation (EU) 2021/168 amending the EU Benchmark Regulation was published on February 10, 2021, and allows the European Commission to impose a statutory replacement for certain critical benchmarks, whose cessation might result in significant disruption to the operation of financial markets in the EU. This new statutory benchmark would replace other benchmarks used in contracts and financial instruments, which **(i)** have not been renegotiated before the date of cessation of the benchmark, and **(ii)** contain either no contractual replacement (or so-called "fallback provision"), or a fallback provision which is deemed unsuitable be supervisors. The European Commission has designated statutory replacements for EONIA and CHF LIBOR. The FCA has also exercised certain powers under the UK Benchmark Regulation to compel the publication of **(i)** the 3-month GBP LIBOR settings on the basis of a changed or "synthetic" methodology until end-March 2024, after which publication will cease permanently and **(ii)** the 1-, 3- and 6-month USD LIBOR settings on the basis of a changed or "synthetic" methodology until end-September 2024, after which publication will cease permanently.

Because these reforms affected the whole financial services sector, the transition to new benchmarks created industry-wide risks. AXA conducted a Group-wide project to manage this transition and manage the impacts of benchmark changes, as well as implications for our capital models, Risk Management efforts, investment strategies and product design, among others.

Evolution of the regulatory and litigation environment

The Group's insurance, reinsurance, asset management and banking operations are subject to an increasing number of legislative and regulatory initiatives designed to increase consumer protection in the sector of financial services. In the European Union, initiatives related to the financial sector include in particular the IDD, MiFID II and the PRIIPs Regulation. Similar initiatives are under review (or in the course of implementation) in other jurisdictions where the Group operates, and these initiatives are likely to continue to expand, resulting in increased operational compliance costs to meet regulatory expectations.

Consumer protection

The IDD superseded the Insurance Mediation Directive and is designed to improve consumer protection by ensuring that all distributors of insurance products operate on a level playing field. The main provisions of the IDD relate to enhanced professional requirements (*e.g.*, continuing training and development for distributors), conduct of business rules, conflicts of interest (relating to fees, commissions and bonuses), increased disclosure and transparency and extensive product governance requirements. It also includes additional requirements for the sale of insurance products with investment elements in order to ensure that policyholders receive a similar level of protection as buyers of retail investment products regulated under MiFID II (*e.g.*, when providing advice, distributors have to assess whether the insurance-based investment product is suitable for the customer).

The IDD entered into force on October 1, 2018, while MiFID II and the PRIIPs Regulation entered into force at the beginning of January 2018.

Anti-money laundering, anti-corruption and international sanctions compliance

Financial crime compliance programs of financial institutions (anti-money laundering, anti-corruption and international sanctions compliance) continue to be a major focus for regulatory and law enforcement authorities, with increasingly significant penalties imposed for compliance failures. In particular, French Law No. 2016-1691 dated December 9, 2016 on transparency, the fight against corruption and modernization of the economy, known as "Sapin II", which was introduced in June 2017, included new requirements for all large French companies to establish internal procedures to prevent and detect acts of corruption and influence peddling committed in France and abroad. Sapin II also established a new French anti-corruption agency (*Agence française anticorruption*), which was given strengthened supervisory and enforcement powers.

Furthermore, Orders No. 2020-1342 of November 4, 2020 and No. 2020-115 of February 12, 2020, enhanced the requirements for French financial institutions, including the reinforcement of internal procedures to implement asset-freezing measures and prevent and detect acts of corruption committed in France and abroad, while strengthening the supervisory and enforcement powers of supervisory authorities. In addition, French Law No. 2022-401 dated March 21, 2022 amended certain provisions of Sapin II to improve the protection of whistleblowers and became effective on September 1, 2022.

On July 20, 2021, the European Commission presented a package of legislation to strengthen the European Union's anti-money laundering and counter-terrorist financing regime (the "AML Package"), which consisted of **(i)** a regulatory proposal establishing a new anti-money laundering authority in the European Union, which would have the ability to impose sanctions and penalties[1], **(ii)** a proposal to update existing rules on information accompanying transfers of funds, which aims to make transfers of crypto-assets more transparent and fully traceable[2], **(iii)** a regulatory proposal on anti-money-laundering requirements for the private sector[3] and **(iv)** a proposal for a directive on anti-money-laundering mechanisms[4].

On May 31, 2023, Regulation (EU) 2023/1113 of the European Parliament and of the Council on information accompanying transfers of funds and certain crypto-assets was adopted. This regulation establishes rules **(i)** with respect to the information on payers and payees accompanying transfers of funds, and on the information on originators and beneficiaries accompanying transfers of crypto-assets, for the purposes of preventing, detecting and investigating money laundering and terrorist financing and **(ii)** on internal policies, procedures and controls to ensure implementation of restrictive measures.

On December 13, 2023, the Council of the European Union and the European Parliament reached a provisional agreement with respect to the regulatory proposal establishing a new anti-money laundering authority in the European Union. The provisional agreement was published on February 14, 2024 by the Council of the European Union. The text of the provisional agreement will be presented to representatives of EU member states, and to the European Parliament for approval. If approved, the Council of the European Union and the European Parliament then will have to formally adopt the proposed amendments.

On January 18, 2024, the Council of the European Union and the European Parliament reached a provisional agreement with respect to the proposal for a regulation on anti-money-laundering requirements for the private sector and the proposal for a directive on anti-money-laundering mechanisms. The provisional agreements were published on February 12, 2024 and February 13, 2024, respectively, by the Council of the European Union. The text of the provisional agreements will be presented to representatives of EU member states, and to the European Parliament for approval. If approved, the Council of the European Union and the European Parliament then will have to formally adopt the proposed amendments.

In light of these and other initiatives with respect to compliance requirements, Management believes that the complexity and risks for international financial institutions like AXA in this area will likely continue to increase, and that compliance costs will also increase accordingly.

Litigation environment

The litigation environment in which the Group operates also continues to evolve. In continental Europe, the introduction of class actions, including in France in 2014, has, and is likely to continue to, increase litigation risks and costs for insurers, asset managers and other financial institutions. Most recently, the adoption of Directive (EU) 2020/1828 dated November 25, 2020, on representative actions for the protection of the collective interests of consumers at the EU level aims at enabling qualified entities to seek remedy through representative actions against infringements of provisions of EU law in a variety of areas (including data protection and financial services), in order to provide an effective and efficient way of protecting the collective interests of consumers. This directive was required to be transposed by EU member states by December 25, 2022, for a scheduled application date of June 25, 2023. A bill to transpose this directive was introduced before the National Assembly on December 15, 2022[5] and adopted. It was transmitted to the Senate on March 9, 2023 for review[6].

(1) Proposal for a regulation of the European Parliament and of the Council establishing the authority for anti-money laundering and countering the financing of terrorism and amending Regulations (EU) No 1093/2010, (EU) 1094/2010, (EU) 1095/2010 dated July 20, 2021 (COM(2021) 421 final).

(2) Proposal for a regulation of the European Parliament and of the Council on information accompanying transfers of funds and certain crypto-assets (recast) dated July 20, 2021 (COM(2021) 422 final).

(3) Proposal for a regulation of the European Parliament and of the Council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing dated July 20, 2021 (COM(2021) 420 final).

(4) Proposal for a directive of the European Parliament and of the Council on the mechanisms to be put in place by the Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and repealing Directive (EU) 2015/849, dated July 20, 2021 (COM(2021) 423 final).

(5) Proposal of Law n°639 on the legal regime for group actions registered at the Presidency of the National Assembly on December 15, 2022.

(6) Proposal of Law n°420 on the legal regime for group actions adopted by the National Assembly registered at the Presidency of the Senate on March 9, 2023.

In addition, the litigation environment has been evolving in the context of the opioids crisis in the United States, attention to PFAS, the ongoing war in Ukraine and the COVID-19 pandemic. With respect to the COVID-19 pandemic, holders of property and casualty insurance policies increasingly seek coverage for losses caused by the governmental actions and measures implemented to contain the spread of COVID-19, such as lockdown measures. A number of lawsuits have been and may be introduced against insurers, such as AXA, in multiple jurisdictions.

For additional information, please see “The Group and our businesses are subject to extensive regulation, regulatory supervision, adverse judicial decisions, and emerging legal, regulatory, and reputational risks in the various jurisdictions in which we operate” and “We have been and may become in the future subject to lawsuits, regulatory investigations and/or other proceedings which may affect our business, brand, reputation, relations with regulators and/or results of operations” in Section 5.1 “Risk Factors” and Section 5.8 “Other material risks – Regulatory risks” of this Annual Report.

AXA Group Tax Policy

Both as a multinational company and as a provider of investments and savings products, the AXA Group follows a responsible and transparent approach on tax issues.

The taxes AXA pays are an important part of its wider economic and social impact and play a key role in the development of countries where it operates [(1)]. AXA regards it as a critical element of its commitment to grow in a sustainable, responsible and socially inclusive way.

AXA also squares its responsibilities as a co-operative, compliant taxpayer in each and every country in which it operates, with the need to support competitive business growth – serving all its stakeholders including investors, suppliers and employees. We seek an open dialogue with our stakeholders, including relevant tax authorities, our shareholders and regulators.

This group tax policy is shared and agreed with the Group Audit Committee once a year.

TAX ASPECTS IN RELATION TO AXA AS A MULTINATIONAL COMPANY

The AXA Group’s approach to tax issues

In the countries where it operates, AXA is both a taxpayer and a tax collector, given that many specific taxes are levied on insurance and reinsurance policies and collected from our customers as part of the insurance, reinsurance and Asset Management revenues while others are remitted to the various state and federal administrations around the world.

The tax function is organized within the Group to ensure full compliance with all tax legislation in the countries where AXA operates. In addition to the Group Tax Department based in France, all key operational entities/countries/geographic zones have a tax team in charge of ensuring that tax regulations are well understood and fully satisfied by the entities.

As a part of the global internal risk assessment, a specific tax internal control program is implemented. These controls must be reported and documented by each team in scope to ensure full compliance. There is a yearly update made to the Group Audit Committee around tax topics with a specific focus on ongoing tax audits and litigation.

A Tax Code of Ethics, agreed between Group Tax Department and local tax teams, highlights the key principles guiding the actions of the various tax teams:

- to remain up to date with respect to applicable laws and regulations;
- to comply with tax laws and regulations;
- to maintain a good relationship with the local tax authorities; and
- not to engage in aggressive tax driven transactions that could compromise the good reputation of the Group, or otherwise put the Group at risk.

Within the objective of keeping good relationship with tax authorities, the AXA Group may seek, when necessary, certainty in advance from tax authorities to confirm an applicable tax treatment based on full disclosure of all relevant facts and circumstances.

The satisfaction of this Code of Ethics is a prerequisite of the activities performed by all AXA tax teams and gives rise to an annual certification by each head of tax, which is provided to the Group Tax Department. In addition, a bi-annual tax review process of each key entity or business line is performed by the Group Tax Department in connection with each local team. During these reviews, specific attention is given to tax audits and associated tax risks as well as market positions on tax matters

(1) The list of the Group’s main subsidiaries and participating interests is available in Appendix III “AXA parent company financial statements” of this Annual Report. The legal organizational chart of the Group is also published on the Company’s website (www.axa.com).

that may impact AXA. These reviews offer a global framework for the tax teams to identify, analyze, control, and report tax risks.

Lastly, an International Tax Committee composed of various senior tax executives within AXA tax teams meets every quarter to ensure consistency in approach on some technical topics, as well as agreements on guidelines, when necessary, connected to specific items.

As an international group operating in several countries, the AXA Group is subject to various tax regimes and regulations and takes into account any changes in tax law. AXA is specifically vigilant about the changes that could result in higher tax expenses and payments, higher compliance costs or that may affect the AXA Group's tax liability, return on investments and business operations. In particular, please see the paragraph "Changes in tax laws, regulations or interpretations or uncertainties in the interpretation of certain tax laws may result in adverse consequences to our business and our results of operations" in Section 5.1 "Risk Factors" of this Annual Report.

When considering how AXA entities structure commercial arrangements, tax implications are analyzed in parallel with other consequences such as capital efficiency and legal and regulatory aspects when deciding between potential alternative arrangements.

AXA has no licensed insurance or operating business activities in the countries specifically identified as non-cooperative jurisdictions[(1)] under French and European rules, except in Panama and in Russia. The presence in these jurisdictions is purely driven by operational purposes. In Panama, AXA still holds two non-consolidated operating companies (one providing assistance services to local customers, and the other delivering health claim services) employing circa 40 people.

In Russia, AXA holds a minority financial investment in Reso Garantia, a Russian insurance company.

More globally, AXA does not use non-cooperative jurisdictions to avoid taxes on operational activities performed elsewhere.

Any presence in countries in which AXA operates with tax rates lower than France are driven by business operations. Since the acquisition of the XL Group in September 2018, AXA has a material presence and substance in Bermuda with nearly 200 employees working for AXA XL there. Despite the fact that Bermuda has historically been a low-tax jurisdiction, it is a center of expertise and one of the key locations of the worldwide reinsurance market. It is not considered as a non-cooperative jurisdiction according to the French and European Union laws. This presence is mainly driven by local capital management regulation enabling flexibility on the required capital for reinsurance activities and AXA supports the Economic Substance legislation enacted in this country. It should be noted that Bermuda enacted at the end of 2023 a tax reform to create a corporate tax at 15% as from January 1, 2025. This situation will in no way change how the AXA Group is managed on the tax side. AXA will continue to tax its operations in the various countries where operational profits are made.

Disclosure on tax matters and information on taxes connected with the Group's activities in each country

The consolidated financial statements are prepared in compliance with IFRS standards (as disclosed in Section 6.6 – Note 1 "Accounting principles" of this Annual Report). Accounting for income taxes recognizes both the current tax consequences of transactions and events and the future tax consequences of the future recovery or settlement of the carrying amount of the entity's assets and liabilities, as required by IAS 12 (see Section 6.6 – Note 1.17.1 "Income taxes" of this Annual Report).

The Consolidated Financial Statements present the reconciliation between the theoretical tax charge and the effective tax charge under IFRS. All differences are fully explained (see Section 6.6 – Note 17 "Tax" of this Annual Report). It should be noted that in many jurisdictions where AXA operates, the income and capital gains on savings products benefit from a favorable tax treatment, also when such products are included in Life insurance products. This leads to a lower effective tax rate for Life insurance companies.

In addition to the details reported around the Group effective tax rate, AXA reports substantial information on the impacts of any change in local tax regulations on its business, as well as details of the tax burden per line of business and per country. AXA's income tax expenses/benefits are extensively disclosed in the Annual Report and are broken down by business segment and country. For each, a dedicated paragraph provides a comment about the line related to Tax Income (see Section 2.3 "Activity report" of this Annual Report).

(1) The list of non-cooperative jurisdictions under French tax rules is given by a ministerial decree dated February 12, 2010 as last amended by a ministerial decree dated February 16, 2024, and is composed of the following countries: American Samoa, Anguilla, Antigua and Barbuda, the Bahamas, Belize, Fiji, Guam, Palau, Panama, Russia, Samoa, Seychelles, Trinidad and Tobago, the Turks and Caicos Islands, the United States Virgin Islands and Vanuatu. Pursuant to article 238-0 A of the French Code général des impôts, this list is updated at least once a year and any update must include the states and jurisdictions on the blacklist set out in Annex I to the conclusions adopted by the Council of the European Union on December 5, 2017, as updated from time to time. On February 20, 2024, the Council of the European Union adopted a revised list of non-cooperative jurisdictions, which is composed of the American Samoa, Anguilla, Antigua and Barbuda, Fiji, Guam, Palau, Panama, Russia, Samoa, Trinidad and Tobago, the United States Virgin Islands and Vanuatu.

Since 2019, AXA has been annually reporting a Tax Transparency report where it discloses a lot of information around its tax footprint in its key geographies, as well as key principles of its tax policy. This report is available on the AXA website (www.axa.com) at the end of the AXA Group Tax Policy page. AXA updates this report annually and the most recent version was issued in May 2023.

TAX ASPECTS OF ACTIVITIES AND PRODUCTS OFFERED BY THE GROUP

Activities of the Group

The Group's activities are subject to strict regulations and rigorous control in each territory in which AXA operates. In addition to these regulations, AXA has developed a set of detailed internal standards that applies to all Group entities that are managed or controlled by AXA, regardless of the activities undertaken by the entity or its ownership structure.

According to these internal standards, Chief Executive Officers must ensure that staff are fully conversant, and comply with applicable laws, mandatory Codes of Conduct, rules and regulations (including applicable tax laws and regulations) relevant to their area of operations.

This means that local senior management must appreciate the tax implications of the activities in their entity. The main considerations are:

- compliance with the taxation of employees in the territory in which they are employed;
- compliance with the taxation of business undertaken in the territory (including levies and sales taxes); and
- cross-border tax issues.

A specific focus on transfer pricing is made in application of these standards, to ensure that the pricing of our intra-group activities is consistent with the OECD "arm's length" principle as well as with local transfer pricing rules to pay adequate tax on profits where the value is created.

In particular, Chief Financial Officers must ensure that insurance and reinsurance policies entered into represent a true transfer of risk and that their status as insurance or reinsurance contracts could not be subject to challenge. Business between Group companies must be transacted at market prices where a market price exists, or in the absence of market prices, must be supported by formally documented justification for the charge made.

Products offered by the Group

AXA products are not designed to allow or encourage tax evasion. The Group has set up a validation framework to ensure that new products undergo a thorough approval process before they go to market.

The local decision to launch a new product must result from a documented approval process that complies with the AXA Group's standards in terms of product features, pricing, asset-liability management and aspects related to legal, compliance, regulatory, accounting and reputation.

Moreover, AXA has established strict policies regarding its cross-border activities and knowledge of its customers, in order to ensure that our products and services are not misused for money laundering or tax evasion purposes and are governed by specific rules according to which cross-border Life insurance proposals must be presented to the Group Tax and Compliance Departments for validation.

While all Group entities must in any case comply with local regulations, the Group Tax Department can veto a product if this product is not compliant with internal rules.

Pursuant to Directive (EU) 2018/822, AXA may, as a provider of investments and savings products, have tax reporting obligations with respect to certain cross-border products it designs or implements. In particular, certain investments and savings products with no particular tax motive may be reportable under the above-mentioned Directive.

Bylaws

Certain material provisions of applicable French law, in force at the filing date of this Annual Report, and of the Company's Bylaws are summarized below. Copies of AXA SA's Bylaws are available at the Paris Trade and Companies Register (*Registre du commerce et des sociétés du Tribunal de commerce de Paris*) and on the Company's website (www.axa.com).

CORPORATE PURPOSE

Pursuant to article 3 of its Bylaws, AXA SA's corporate purpose is generally to:

- acquire all types of ownership interests in any French or foreign company or business, including insurance companies;
- all reinsurance operations of any kind, the transfer and retrocession of risks of all kinds, or the takeover in any form of reinsurance contracts or commitments;
- all financial operations as well as operations on personal or real estate properties, contributions to companies;
- acquire, manage and sell all listed or unlisted shares and securities, or any other financial instruments as well as any personal or real estate properties, or rights, shares or securities, whether listed or unlisted, that are related to such properties; and
- perform all industrial, commercial, financial, personal or real estate property transactions, directly or indirectly, related to any of the foregoing or to any similar or related purpose.

MEMBERS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS

In addition to French law provisions, AXA SA's Bylaws and the terms of reference of the Board of Directors include a number of specific provisions concerning members of the Board of Directors and corporate officers, including the following:

Compensation

The corporate officers of the Company receive compensation in the amount and on conditions set by the Board of Directors, upon proposal of the Compensation, Governance & Sustainability Committee.

Members of the Board of Directors receive a fixed annual directors' fee, the maximum overall amount of which is determined by the Shareholders' Meeting and apportioned by the Board of Directors among its members, pursuant to the rules set forth in the terms of reference of the Board of Directors. Notwithstanding the above, the terms of reference of the Board of Directors provide that no directors' fee shall be paid to corporate officers.

For further information, please see Part 3 "corporate governance" of this Annual Report.

Age limit

Notwithstanding the term of office for which the Chairman of the Board of Directors is appointed, his/her functions shall terminate, at the latest, at the end of the Ordinary Shareholders' Meeting convened to approve the financial statements of the preceding fiscal year and held during the year the Chairman reaches the age of 70.

Notwithstanding the term of office for which the Chief Executive Officer is appointed, his/her functions shall terminate at the latest at the end of the Ordinary Shareholders' Meeting convened to approve the financial statements of the preceding fiscal year and held during the year the Chief Executive Officer reaches the age of 65. The same rule applies for the Deputy Chief Executive Officers.

An individual aged 70 or older may be appointed or reappointed to the Board of Directors exclusively for a two-year term of office. His/her term of office can be renewed only once.

When the number of Board members aged 70 or older exceeds one-third of the directors in office, the oldest director is deemed to have resigned automatically unless any member of the Board of Directors aged 70 or older voluntarily resigns within three months.

When the permanent representative of a legal entity member of the Board of Directors reaches 70 years old, the legal entity is deemed to have resigned automatically unless it designates a new representative within three months.

Shareholding

In accordance with the Afep-Medef Code and regardless of any statutory obligation of holding shares, the directors, with the exception of directors representing employees, shall personally be shareholders of the Company and own a significant number of shares in the Company; if they do not own such shares at the time they are first appointed, they shall use their directors' fees to acquire AXA shares. Accordingly, the Board of Directors has set for each Board member, whether an individual or a permanent representative of a legal entity to whom directors' fees were paid, the objective of holding, within two years after first being appointed, a number of shares in the Company, the value of which, on the basis of the closing price of the AXA share on December 31 of the preceding fiscal year, shall correspond to an amount at least equivalent to the gross director's fees earned in respect of the previous fiscal year. The shares purchased for the purpose of this holding objective will be held in registered form.

For additional information regarding the Board of Directors and corporate officers of the Company, please see Part 3 "corporate governance" of this Annual Report.

RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO THE SHARES

Voting rights

Each AXA share entitles its holder to one vote at every AXA SA's Shareholders' Meeting, subject to the provisions regarding double voting rights described below. On May 26, 1977, the Shareholders' Meeting decided that each ordinary share fully paid up and held in registered form by the same person for at least two full fiscal years entitled its holder to double voting rights with respect to such share.

In the event of a capital increase by capitalization of existing reserves, profits or premiums, shares granted for free to any shareholder holding shares entitled to double voting rights will also carry double voting rights.

The rights of the holders of double voting rights may only be modified or cancelled upon the decision of an Extraordinary Shareholders' Meeting and after authorization by a special meeting of the holders of these rights.

With the exception of double voting rights, there is currently only one class of shares with equal rights for all shareholders.

Dividends

Upon proposal by the Board of Directors of AXA SA, the shareholders of AXA SA may decide to allocate all or part of distributable profits to special or general reserves, to carry them forward to the next fiscal year as retained earnings, or to allocate them to the shareholders as dividends. If AXA SA has earned a distributable profit since the end of the previous fiscal year, as reflected in an interim balance sheet certified by its Statutory Auditors, the Board of Directors may distribute interim dividends to the extent of the distributable profit without prior approval of the shareholders. AXA SA's Bylaws require AXA SA to distribute any dividends between its shareholders in proportion to their share in the capital.

Under the provisions of AXA SA's Bylaws, the actual dividend payment date is decided by the Board of Directors.

AXA SA's Bylaws provide that the Shareholders' Meeting may grant each shareholder the choice to receive dividends in either cash or additional ordinary shares.

Pre-emptive rights

Under French law, shareholders have preferential subscription rights to subscribe, on a *pro rata* basis, additional ordinary shares (and/or convertible, exchangeable or other securities giving a claim, directly or indirectly, to AXA SA ordinary shares). This subscription right is transferable and normally trades separately during the subscription period for a capital increase. Issuing additional shares without preferential subscription rights requires the approval of two-thirds of the shareholders attending or represented at an Extraordinary Shareholders' Meeting.

Liquidation rights

If AXA SA is liquidated, the assets remaining after it pays its debts, liquidation expenses and all prior claims will be used to repay AXA SA's shareholders up to the amount of the liquidation balance and the par value of the shares held by each shareholder. Any surplus will be divided among all shareholders, subject to rights arising, if any, from different classes of shares, in proportion to the rights they own in the Company's share capital.

MODIFICATION OF SHAREHOLDERS' RIGHTS

Under French law, shareholders of a French public company (*société anonyme*) have the power to amend AXA SA's Bylaws. Such an amendment generally requires the approval of two-thirds of the shareholders attending or represented at an Extraordinary Shareholders' Meeting. However, no such Extraordinary Shareholders' Meetings may decide **(i)** to increase the liability of the shareholders in respect of the Company or a third party; or **(ii)** to reduce the individual rights vested in each shareholder (such as voting rights, right to distributable profits of the Company, right to sell one's shares and right to sue the Company).

SHAREHOLDERS' MEETINGS

Shareholders are convened, meet and deliberate in accordance with applicable French laws and AXA SA's Bylaws.

A notice of meeting must be published in the *Bulletin des annonces légales obligatoires* ("BALO"), at least 35 days before any Shareholders' Meeting (or 15 days in certain specific cases), and must indicate, in particular, the agenda and the proposed resolutions.

At least 15 days (or six days in certain cases) prior to the date set for the meeting on first call, and at least 10 days (or four days in certain cases) before any second call, the Company shall send a final notice containing all the information requested by law by mail to all registered shareholders who have held shares for more than one month prior to the date of this final notice and publish a final notice in a bulletin of legal notices, as well as the BALO.

All shareholders are entitled to attend these meetings, either in person or by proxy, provided that they show valid proof of ID and share ownership as specified under French law. This ownership is justified by a book entry showing the number of shares in the name of the shareholder (or the intermediary for the account), on the second business day preceding the meeting at 0:00 am, Paris time (France), either in the registered share accounts kept by the Company or in the bearer share accounts kept by a qualified intermediary.

In accordance with the provisions of Article L.22.10-10 5° of the French Commercial Code, the conditions for the participation to Shareholders' Meetings are detailed in article 23 of AXA SA's Bylaws, which is expressly incorporated by reference herein.

In addition, the information referred to in Article L.22-10-11 of the French Commercial Code is made public in the corporate governance report approved by AXA SA's Board of Directors' and attached to the Management Report (*Rapport de gestion*) of the Board of Directors included in this Annual Report. For further information, please refer to Appendix VI "Corporate governance report – Cross Reference Table" to this Annual Report.

ANTI-TAKEOVER PROVISIONS

There are no French anti-takeover statutes similar to the anti-takeover statutes enacted by certain states in the United States and other jurisdictions. However, a number of French law provisions, in particular those resulting from Law No. 2014-384 dated March 29, 2014 (*visant à reconquérir l'économie réelle*), from Law No. 2019-486 dated May 22, 2019 (*relative à la croissance et la transformation des entreprises*), known as "PACTE", or from certain provisions of Directive 2004/25/EC dated April 21, 2004 on takeover bids (which was implemented in France in 2006), may have certain anti-takeover effects. In the case of AXA, the relevant provisions include, among other things, the existence of AXA shares with double voting rights, which are described above, and specific notification requirements applicable when holdings exceed specified thresholds, as described below.

French law generally requires mergers and certain consolidations to be approved by two-thirds of the shareholders attending or represented at the Extraordinary Shareholders' Meeting convened to decide on such matters.

NOTIFICATION REQUIREMENTS WHEN HOLDINGS EXCEED SPECIFIED THRESHOLDS

Pursuant to article 7 of AXA SA's Bylaws, any person, acting alone or jointly, who comes to hold, directly or indirectly, through companies it controls within the meaning of article L.233-3 of the French Commercial Code, a number of shares representing 0.5% of the Company's share capital or voting rights, shall notify the Company by registered letter with acknowledgment of receipt within five days from the threshold crossing. This notification shall detail the total number of shares and voting rights held as well as the total number of securities giving a deferred claim to the share capital and the potential voting rights attached thereto.

The notification shall be repeated in the conditions stated above each time an additional fraction of 0.5% of the share capital or voting rights is crossed upward or downward.

In the event of failure to comply with the notification requirements described above, shares exceeding the fraction that should have been notified will be deprived of voting rights at the Shareholders' Meetings if, at such meetings, the notification failure has been recorded and if one or more shareholders jointly holding at least 5% of the share capital so request. Loss of voting rights shall be applicable in all Shareholders' Meetings that would be held up until two years following proper notification.

CHANGES IN CAPITAL

The Company's share capital may be modified only under the conditions stipulated by the legal and regulatory provisions in force. The provisions of the Bylaws or the terms of reference of the Board of Directors of AXA SA shall not prevail over changes in the law governing the Company's share capital.

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APPENDICES

APPENDIX I MANAGEMENT'S ANNUAL EVALUATION OF INTERNAL CONTROL OVER FINANCIAL REPORTING

The AXA Group's Internal Control Over Financial Reporting (ICOFR) is a process designed under the supervision of the Group Chief Financial Officer (CFO) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements.

Since its delisting from the New York Stock Exchange (NYSE) in March 2010 and its deregistration with the United States Securities and Exchange Commission (SEC) in June 2010, the Group has maintained an annual Internal Financial Control (IFC) program designed to evaluate the effectiveness of AXA Group's ICOFR. AXA's Statutory Auditors provide a reasonable assurance report on AXA Group's ICOFR each year.

The IFC program is based on the Group Internal Control Standard and the Group Internal Control Policy, which include additional specific requirements for the IFC framework.

(a) IFC framework

The IFC framework is based on the "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). It is designed to define the IFC scope, governance, and principles in order to ensure consistency and quality in AXA Group's financial reporting.

(A.1) IFC SCOPE

The IFC program includes primarily the entities which are individually significant to consolidated financial position or results of operations, as well as the entities which provide significant services to AXA and/or its consolidated subsidiaries (the "Group").

(A.2) IFC GOVERNANCE

Management, including the Group Chief Executive Officer (CEO), is responsible for establishing and maintaining adequate ICOFR.

The IFC program is steered by the Group IFC Committee chaired by the Group CFO and involves the Planning Budgets Results Central (PBRC) Department, other relevant AXA departments, and representatives from each in-scope entity. The IFC program and the conclusion of management as to the effectiveness of AXA Group's ICOFR are also reviewed by AXA's Audit Committee.

(A.3) IFC PRINCIPLES

AXA Group's ICOFR includes policies and procedures that provide reasonable assurance that:

- the maintenance of records accurately and fairly reflect the transactions and dispositions of Group assets;
- the transactions are recorded as necessary to permit the preparation of financial statements in accordance with the applicable generally accepted accounting principles;
- the receipts and expenditures are being made only in accordance with the authorization of management and directors of the Group; and
- unauthorized acquisition, use or disposition of Group assets that could have a material effect on the Group's financial statements would be prevented or detected in a timely manner.

In order to assess the effectiveness of ICOFR, financial reporting risks are initially identified at Group level with a focus on identifying those risks that may result in a material misstatement of Consolidated Financial Statements not being prevented or detected in a timely manner. This top-down and risk-based approach enables to identify in-scope entities and processes.

In line with the COSO framework, AXA Group's ICOFR is organized around the following key process categories: Entity-Level Controls (ELC), IT ELC, Financial Statement Closing Process, Business Processes, and IT General Controls.

For every key process category, the in-scope entities **(i)** document the significant processes and/or controls, as well as the rationale of how the associated risk of material misstatement due to error or fraud can be reduced to an acceptable level, **(ii)** test the design and operational effectiveness of key controls based on the test plans elaborated with insight into risks, and **(iii)** remediate identified control deficiencies.

Outstanding control deficiencies are consolidated at Group level to evaluate their impact on Consolidated Financial Statements, compensating controls and other qualitative factors. This evaluation process is designed to identify any control deficiencies that may rise to the level of a material weakness. A material weakness is a deficiency or a combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected on time.

(A.4) IFC CERTIFICATION

At each year-end, the in-scope entities are required to perform an evaluation of their ICOFR as part of an internal certification process. This process involves formal sign-off by the entity's process owners and culminates with a formal management report from the entity's CFO or another senior executive officer stating their conclusion as to the effectiveness of the entity's ICOFR.

This internal certification process across all in-scope entities is designed to assist AXA's management in its evaluation of AXA Group's ICOFR and to support its conclusion as to the effectiveness of AXA Group's ICOFR.

(b) Management's annual evaluation on ICOFR based on the IFC framework

Management conducted an evaluation of the effectiveness of AXA Group's ICOFR in accordance with the IFC framework as described above. Based on this evaluation, management concluded that AXA Group's ICOFR was effective as of December 31, 2023.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective may not prevent or detect misstatements and can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or if the degree of compliance with the policies or procedures deteriorates.

(c) Report of the Statutory Auditors on ICOFR

PricewaterhouseCoopers Audit and Ernst & Young Audit have performed audit procedures in order to be able to obtain reasonable assurance as to whether management's conclusion as to the effectiveness of AXA Group's ICOFR based on the IFC framework is fairly stated.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Ernst & Young Audit
Tour First, TSA 14444
92037 Paris-La Défense

Report of the Statutory Auditors on internal control over financial reporting

To the Board of Directors of AXA,

In our capacity as Statutory Auditors of AXA and in accordance with your request, we hereby present to you our report on internal control over financial reporting of AXA and its subsidiaries as at December 31, 2023, the objective of which is to express a reasonable assurance opinion as to whether the statement of AXA's Management on the effectiveness of internal control over financial reporting, as included in the annual assessment report on internal control over financial reporting, was prepared, in all material respects, in accordance with the criteria set out in the IFC (Internal Financial Control) framework, as described in the annual assessment report on internal control over financial reporting set forth on pages 508 and 509 of the Universal Registration Document (the "IFC Framework").

AXA's Management is responsible for ensuring effective internal control over financial reporting and for preparing a statement on the results of its assessment of the effectiveness of internal control over financial reporting as at December 31, 2023.

For companies, internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements disclosed in accordance with IFRS accounting principles. The assessment of the effectiveness of internal control over financial reporting is based on criteria set out in the IFC Framework.

Our independence is defined by the requirements set out in Article L. 821-28 of the Commercial Code, the Code of deontology for statutory auditors and the IESBA Code of ethics (International Code of Ethics for Professional Accountants (including Independence Standards)).

Furthermore, we apply the International Standard on Quality Management 1 which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our role, in response to AXA's request, is to express a reasonable assurance opinion as to whether the statement of AXA's Management on the effectiveness of internal control over financial reporting, was prepared, in all material respects, in accordance with the criteria set out in the IFC Framework.

We conducted our work in accordance with professional standards and ISAE 3000 (revised). These standards require that we design and perform procedures which enable us to obtain reasonable assurance that the statement of AXA's Management on the effectiveness of internal control over financial reporting, is fairly presented in all material respects. Our work consisted in obtaining an understanding of the internal control procedures over financial reporting, assessing the risk regarding the existence of any material weakness, testing and assessing the design and operational effectiveness of internal control on a risk by risk basis, and where relevant performing any other procedures that we considered necessary. We believe that the evidence we have obtained is sufficient and appropriate to express a reasonable assurance opinion.

Due to the limitations inherent to internal control over financial reporting, the procedures related thereto may not always prevent or detect misstatements. Furthermore, the assessment of their effectiveness in respect of any future periods, is subject to the risk that the controls may become inadequate as a result of changes in conditions or in the event that the degree of compliance with the principles or procedures were to deteriorate.

In our opinion, Management's statement on the effectiveness of internal control over financial reporting as at December 31, 2023 was prepared, in all material respects, in accordance with the criteria set out in the IFC framework.

Neuilly-sur-Seine and Paris-La Défense, March 18, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit — Bénédicte Vignon, Grégory Saugner

ERNST & YOUNG Audit — Olivier Durand, Patrick Menard

APPENDIX II STATEMENT OF THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I, the undersigned, hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no material omission likely to render it misleading or inaccurate.

I confirm that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and fairly present the assets and liabilities, the financial position and the profit or loss of the Company and its consolidated subsidiaries, and that the Management Report (*Rapport de gestion*) of the Board of Directors presented in page 563 fairly presents the evolution of the business, results and financial position of the Company and its consolidated subsidiaries, and describes the principal risks and contingencies facing the Group.

Paris, March 18, 2024

Mr. Thomas Buberl

Chief Executive Officer of AXA

APPENDIX III AXA PARENT COMPANY FINANCIAL STATEMENTS

BOARD OF DIRECTORS' REPORT

NET INCOME

AXA SA's net income for the financial year ended December 31, 2023, was a profit of €5,828 million compared to €2,809 million for the previous financial year.

It includes the technical result of non-Life insurance, the technical result of Life insurance and the non-technical result.

Technical result of non-Life insurance amounted to €394 million compared to €357 million in 2022.

- The technical results on Property and Casualty treaties decreased by €274 million compared to the 2022 financial year.
- This deterioration was more than offset by the increase in investment income allocated to non-Life insurance for €295 million explained by the sharp increase in investment income.

Technical result of Life insurance amounted to €30 million in 2023 compared to a loss of €84 million for the previous year due to the non-recurrence of the provision of €92 million recorded in 2022 following the deviation of claims observed on a Life insurance treaty.

Non technical result amounted to €5,404 million increasing by €2,868 million of which:

- net investment income amounted to €5,460 million increasing by €2,610 million of which:
  - €2,115 million of dividends from subsidiaries amounting to €6,460 million, compared to €4,345 million in 2022,
  - €727 million of positive impact with the cumulative effect of higher provisions releases on investments and lower allowances to provisions;
- non-technical income and expenses showed a deficit of €427 million compared to €606 million in 2022, a favorable trend of €179 million mainly explained by lower net allocations and reversals for the foreign exchange risk provision totaling €244 million.
- corporate income tax amounted to €396 million, of which €632 million of tax receivables on members of the French tax consolidation group, partially offset by a provision of €236 million for the possible repayment of tax savings on subsidiaries belonging to the French tax consolidation group as well as the tax payable by the Group.

BALANCE SHEET

The total balance sheet as of December 31, 2023, amounted to €90,152 million compared to €89,257 million as of December 31, 2022.

Assets

Intangible assets amounted to €315 million. This mainly includes the AXA brand, valued at €308 million.

Investments amounted to €74,074 million compared to €71,812 million at the end of 2022. The increase of €2,262 million is mainly explained by:

- **investments in subsidiaries** amounted to €66,745 million compared to €66,428 million at the end of 2022. An increase of €318 million mainly explained by the capitalization of AXA UK Plc to finance the acquisition of Laya Healthcare Limited for a bid price of €650 million, and a decrease in investment receivables of €276 million due to the repayment of a loan granted to AXA Mediterranean Holding SAU;
- **other investments** amounted to €4,725 million compared to €3,427 million, an increase of €1,297 million mainly due to growth of €804 million by the government and private corporate bond portfolio of at the holding activity, and growth of €755 million in reinsurance investments;
- **cash receivables deposited with cedants as collateral** for technical provisions ceded to AXA SA amounted to €2,497 million, an increase of €644 million from €1,852 million in 2022, mainly due to the renewal of the Property and Casualty quota-share reinsurance treaties implemented in 2022;
- **land and buildings** amounted to €108 million, corresponding to investments in real estate funds covering the reinsurance activity.

Share of assignees and retroceding companies in technical reserves amounted to €6,417 million, of which €5,931 million for non-Life technical provisions reserves retroceded to external or internal reinsurers of AXA Group.

Other receivables were €2,120 million and mainly included receivables from technical reinsurance counterparties for €1,677 million, down by €208 million mainly due to the share of losses on Property and Casualty quota-share reinsurance treaties.

Cash amounted to €2,026 million, down by €1,003 million following the increase of the investment's portfolio described above as well as the financing of new investments in subsidiaries.

Marketable securities portfolio amounted to marketable securities of €1,155 million and represent 43.9 million of AXA shares acquired by the Company to meet its obligations under share-based compensation plans and eliminate the dilutive effect of the capital increase reserved for employees.

Regularization assets accounts amounted to €4,044 million of which €3,445 million related to the deferred recognition of net foreign exchange losses in line with statutory hedge accounting principles more than offset by unrealized gains on equity investments in subsidiaries.

Liabilities

Shareholders' equity before net income for the period and after the payment of the dividends relating to the prior fiscal year decreased by €2,105 million, of which €2,505 million due to capital reductions related to the share buyback program, partly offset by €347 million in respect of the capital increase reserved for employees and €54 million following the exercise of stock options.

Subordinated debts amounted to €16,078 million compared to €17,126 million in 2022, down by €1,048 million due to repayments of €1,954 million made during the period, partly offset by the issuance of subordinated debt for €1,000 million.

Gross technical reserves amounted to €10,095 million at the end of 2023 including non-Life claims reserves for €9,371 million, up by €1,847 million, mainly due to the reserves accepted on the renewal of Property and Casualty quota-share reinsurance treaties for €1,090 million.

Provisions for risks and charges amounted to €1,013 million at the end of 2023 compared to €1,054 million in 2022, down by €41 million, mainly including €447 million of provision for the possible repayment of tax savings to subsidiaries belonging to the French tax consolidation group, €59 million provision for unrealized losses on forex derivatives, and €97 million for unrealized capital losses on interest rate derivatives not eligible for hedge accounting.

Liabilities for cash deposits received from retroceding companies amounted to €2,211 million, up by €528 million, representing the increase in the provisions for ceded claims which these counterparties are obliged to post.

Other liabilities amounted to €18,678 million compared to €18,795 million at end of 2022, and mainly include:

- **financial liabilities** to Group subsidiaries of €12,366 million;
- **bonds related to Group entities** of €2,465 million;
- **senior debt** of €2,100 million, up by 750 million and €500 million of commercial paper;
- liabilities **arising from reinsurance transactions** of €1,002 million, up by €65 million.

Regularization liabilities accounts amounted €1,248 million compared to €1,477 million at end of 2022, reflecting €456 million in accrued interest, €125 million in premiums on options received, €204 million in unrealized foreign exchange losses, and €301 million in prepayments and accrued expense on financial instruments.

Other information

In accordance with article L.225-102 of the French Commercial Code (*Code de commerce*), disclosures related to the Company's executive compensation appear in Part 3, Section 3.2 "Executive compensation and share ownership" of this Annual Report.

Payment terms

In accoordance with the terms of article L.441-6-1 and D.441-6 of the French Commercial Code, companies disclose their settlement periods.

Pursuant to the circular of the French Insurance Federation of May 29, 2017, the information in the tables below does not include transactions related to reinsurance contracts.

	Payment delay group					
Invoices issued during the period and not paid at the closing date	**0 day**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**More than 91 days**	**Total (1 day and more)**
Number of invoices concerned	53	24	14	2	120	160
Total Amount VAT included of invoices concerned *(in Euro)*	12,531,920	2,811,325	9,585,605	1,487,576	13,449,983	27,334,489
Percentage of revenue VAT included of the period	4,36%	0,98%	3,34%	0,52%	4,68%	9,52%

Invoices received and not paid at the closing date	Payment delay group					
	0 day	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total (1 day and more)
Number of invoices concerned	11	6	1	-	1	8
Total Amount VAT included of invoices concerned *(in Euro)*	650,638	403,659	3,145	-	1,014	407,818
Percentage of the total amount of purchases VAT included of the period	0,09%	0,06%	0,00%	0.00%	0.00%	0,06%

Payment delay used for these calculations is French legal delay (30 days after the invoice issuing day).
These tables do not exclude any invoices related to disputed or unrecorded debts and receivables.

Acquisition of equity interests

In 2023, the Company did not acquire any equity interests within the meaning of article L.233-6 of the French Commercial Code.

FINANCIAL RESULTS OF THE COMPANY OVER THE PAST FIVE YEARS

	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
1 – Closing balance sheet summary					
a) Capital – Ordinary shares *(in Euro thousand)*	5,536,522	5,538,112	5,545,392	5,385,555	5,198,732
b) Ordinary shares *(numbers in thousand)*	2,417,695	2,418,389	2,421,569	2,351,771	2,270,189
c) Bonds convertible into ordinary shares *(numbers in thousand)*	-	-	-	-	-
2 – Income statement summary *(in Euro thousand)*					
a) Gross revenues before sales tax [(a)]	6,010,771	4,089,095	3,672,261	5,933,866	6,719,400
b) Pre-tax income from continuing operations, before depreciation, amortization and releases	4,492,907	2,358,739	2,238,714	3,311,191	5,164,183
c) Income tax expense/benefit	909,286	581,868	664,513	335,624	396,092
d) Net after-tax income after depreciation, amortization and releases	4,301,307	4,236,224	2,819,328	2,808,812	5,828,368
e) Net dividend distribution	1,739,857	3,458,297	3,729,216	3,998,011	4,494,974
3 – Per share data *(in Euro)*					
a) After tax income, before depreciation, amortization and releases	1.57	1.50	0.94	1.56	2.50
b) After tax income, after depreciation, amortization and releases	1.78	1.75	1.16	1.19	2.57
c) Net dividend per share [(b)]	0.73	1.43	1.54	1.70	1.98

(a) Before 2022, gross revenues only concern holding activity (dividends mainly). From 2022, gross revenues correspond to the gross of reinsurance written premiums, dividends are from now on recorded in investments income.
(b) Dividend proposed at year end 2023 is based on 2,270,188,806 outstanding ordinary shares and submitted to the Shareholders' Meeting of April 23, 2024.

BALANCE SHEET

Assets

(in Euro thousand)	December 31, 2023	December 31, 2022
Intangible assets	**315,056**	**318,618**
Land and Buildings	107,665	104,878
Investments in affiliated undertakings and in undertakings with which a participating interest exists	66,745,369	66,427,779
Other Investments	4,724,651	3,427,385
Receivables for cash deposited with ceding companies	2,496,523	1,852,416
Investments	**74,074,209**	**71,812,459**
Investments representing the technical provisions for Unit-Linked policies		
Unearned premium reserves (non-Life)	125,246	142,198
Life insurance reserves		
Claims reserves (Life)	191,132	156,682
Claims reserves (non-Life)	5,930,649	5,103,328
Profit-sharing and rebates reserves (Life)		
Profit-sharing and rebates reserves (non-Life)		
Equalization reserves		
Other technical reserves (Life)	180,476	187,607
Other technical reserves (non-Life)	(10,361)	(13,612)
Technical reserves for Unit-Linked policies		
Share of assignees and retroceding companies in technical reserves	**6,417,143**	**5,576,203**
Receivables on reinsurance transactions	1,676,828	1,885,188
Sundry receivables	442,677	458,197
Called unpaid capital		
Receivables	**2,119,506**	**2,343,385**
Tangible operating assets	967	981
Bank current accounts and cash	2,026,494	3,029,841
Treasury shares	1,154,587	2,024,029
Other assets	**3,182,048**	**5,054,851**
Accrued not due interest and rental income	110,970	81,553
Deferred Acquisition Costs		
Other prepayments and accrued income	3,932,623	4,070,348
Regularization assets accounts	**4,043,593**	**4,151,901**
TOTAL ASSETS	**90,151,554**	**89,257,417**

Liabilities

(in Euro thousand)	December 31, 2023	December 31, 2022
Share capital	5,198,732	5,385,555
Capital premiums	17,204,200	19,121,923
Revaluation reserve	6	6
Other reserves	6,035,048	6,051,032
Retained earnings	6,563,035	7,525,561
Net year income	5,828,368	2,808,812
Shareholders' Equity	**40,829,388**	**40,892,890**
Subordinated liabilities	**16,077,752**	**17,126,182**
Unearned premium reserves(non-Life)	160,796	169,679
Life insurance reserves		
Claims reserves (Life)	287,007	251,192
Claims reserves (non-Life)	9,371,089	7,523,773
Profit-sharing and rebates reserves (non-Life)		
Equalization reserves		
Other technical reserves (Life)	275,890	285,406
Other technical reserves (non-Life)		
Gross technical reserves	**10,094,782**	**8,230,049**
Technical reserves for Unit-Linked policies		
Other non technical provisions	1,012,507	1,053,899
Liabilities relating to cash deposits from retroceding companies	**2,210,806**	**1,682,769**
Liabilities arising from reinsurance transactions	1,001,806	937,238
Bond issues	2,464,833	3,440,368
Amounts due to credit institutions		
Other liabilities	15,211,255	14,417,040
Other liabilities	**18,677,895**	**18,794,646**
Regularization liabilities accounts	**1,248,424**	**1,476,983**
TOTAL LIABILITIES	**90,151,554**	**89,257,417**

INCOME STATEMENT

Technical account non-Life insurance

(in Euro thousand)	Gross transactions	Assignments and retrocessions	Net transactions at December 31, 2023	Net transactions at December 31, 2022
Premiums	6,635,748	(1,739,147)	4,896,600	4,406,760
Change in unearned premiums and outstanding risks	5,597	(13,665)	(8,068,134)	11,625
Earned premiums	**6,641,345**	**(1,752,812)**	**4,888,532**	**4,418,385**
Allocated investment income	**466,634**		**466,634**	**171,377**
Other technical income	**3,252**		**3,252**	**164**
Benefits and costs paid	(3,419,194)	969,147	(2,450,047)	(1,759,560)
Claims provision expenses	(1,864,383)	844,500	(1,019,884)	(1,090,980)
Claims expenses	**(5,283,577)**	**1,813,646**	**(3,469,931)**	**(2,850,540)**
Income (expenses) from other technical reserves				
Profit-sharing	**1,546**	**(1,547)**	**(1)**	**21**
Acquisition costs	(1,661,535)		(1,661,535)	(1,517,977)
Administration costs	(11,219)		(11,219)	(11,868)
Commissions received from reinsurance		184,187	184,187	158,309
Acquisition and administration costs	**(1,672,755)**	**184,187**	**(1,488,568)**	**(1,371,537)**
Other technical expenses	**(5,879)**		**(5,879)**	**(10,631)**
Change in the equalization provision				
NON-LIFE INSURANCE TECHNICAL INCOME	**150,566**	**243,473**	**394,040**	**357,240**

A

Technical account Life insurance

(in Euro thousand)	Gross transactions	Assignments and retrocessions	Net transactions at December 31, 2023	Net transactions at December 31, 2022
Premiums	83,653	(53,522)	30,131	31,314
Investment income	29,784		29,784	21,046
Other investment income	1,368		1,368	252
Profits from investments	6,671		6,671	6,476
Investment income	**37,822**		**37,822**	**27,774**
Other technical income	**5**		**5**	**234**
Benefits and costs paid	(22,027)	13,264	(8,763)	(17,653)
Claims reserves expenses	(44,226)	41,048	(3,178)	(13,448)
Claims expenses	**(66,253)**	**54,312**	**(11,942)**	**(31,101)**
Income (expenses) on other technical reserves	**(6,267)**	**4,129**	**(2,138)**	**(92,472)**
Profit-sharing	**(10,358)**	**3,062**	**(7,297)**	**(1,320)**
Acquisition costs	(3,721)		(3,721)	(4,219)
Administration costs	(1,323)		(1,323)	(1,650)
Commissions received from reinsurance		2,367	2,367	2,446
Acquisition and administration costs	**(5,044)**	**2,367**	**(2,677)**	**(3,422)**
Internal and external investment management and financial costs	(5,102)		(5,102)	(4,670)
Other investment expenses	(744)		(744)	(3,052)
Losses on disposal of Investments	(6,426)		(6,426)	(6,663)
Investment expenses	**(12,271)**		**(12,271)**	**(14,385)**
Other technical expenses	**(1,464)**		**(1,464)**	**(935)**
Investment income transferred				
LIFE INSURANCE TECHNICAL INCOME	**19,823**	**10,347**	**30,170**	**(84,314)**

Non-technical account

(in Euro thousand)	Net transactions at December 31, 2023	Net transactions at December 31, 2022
Net technical income from non-Life insurance	**394,040**	**357,240**
Net technical income from Life insurance	**30,170**	**(84,314)**
Investment income	6,920,440	4,749,584
Other investment income	317,156	56,830
Gains on disposal of investments	1,561,357	1,461,573
Investment income	**8,798,964**	**6,267,987**
Allocated income from investments		
Internal and external investment management costs and interests	(1,183,141)	(1,053,995)
Other investment expenses	(172,422)	(688,833)
Losses on disposal of investments	(1,504,461)	(1,503,620)
Investment expenses	**(2,859,984)**	**(3,246,448)**
Investment income transferred	**(478,980)**	**(171,379)**
Other non-technical income	**81,690**	**78,296**
Other non-technical expenses	**(508,499)**	**(684,423)**
Exceptional income	3,508	45,297
Exceptional expenses	(28,358)	(88,945)
Net exceptional income	**(24,850)**	**(43,648)**
Employee profit-sharing	**23**	**(172)**
Income taxes	**396,092**	**335,673**
NET PROFIT FOR THE YEAR	**5,828,368**	**2,808,812**

OFF-BALANCE SHEET COMMITMENTS

Commitments received and given *(in Euro thousand)*	December 31, 2023 Affiliated companies	December 31, 2023 Other	December 31, 2023 Total	December 31, 2022 Total
Commitments received	**18,242**	**9,242,241**	**9,269,483**	**8,614,858**
Letters of credit and deposits	-	433,636	433,636	226,836
Credit facilities (authorized but not drawn)	-	8,009,925	8,009,925	7,868,000
Endorsements, securities and credit guarantees received	-	40,771	40,771	34,600
Commitments to buy back shares and bonds from Group entities	18,242	757,909	776,152	485,423
Commitments given	**7,223,091**	**3,441,582**	**10,664,673**	**11,146,261**
Credit facilities (authorized but not drawn)	561,200	9,249	570,449	563,245
Endorsements, securities and credit guarantees given	6,605,071	3,214,836	9,819,907	10,415,558
Securities pledged as collateral by AXA SA to cedants entites	56,819	12,893	69,712	73,219
Commitments given on uncalled financial assets	-	204,605	204,605	94,238
Outstanding forward and option contracts (notional)	**1,298,419**	**34,739,001**	**36,037,420**	**43,016,997**
Swaps	***1,298,419***	***16,359,949***	***17,658,367***	***24,542,025***
Interest rate asset swap (notional)	-	15,056	15,056	15,056
Credit Default Swap (CDS)	-	238,277	238,277	191,946
Interest rate swaps	-	7,270,923	7,270,923	12,548,459
Cross Currency swaps	1,289,301	4,655,036	5,944,337	7,288,314
Foreign Exchange swaps	9,118	4,180,657	4,189,775	4,498,250
Options	***-***	***18,379,052***	***18,379,052***	***18,414,533***
Foreign Exchange Options	-	18,379,052	18,379,052	18,414,533
Equity options	-	-	-	-
Index options	-	-	-	-
Swaption	-	-	-	-
Foreign exchange Forward	***-***	***-***	***-***	***60,439***

Notes to the financial statements

Net income

AXA SA's corporate income after tax for the financial year ended December 31, 2023, was a profit of €5,828 million compared to €2,809 million for the previous financial year.

1. SIGNIFICANT EVENTS

Significant changes are commented on in the tables included in this appendix.

2. CHANGE IN METHOD AND PRESENTATION

No change in method or presentation was made during the 2023 financial year.

3. INFORMATION ON POST-CLOSING EVENTS

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

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

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

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

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

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

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

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

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

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

Under the share repurchase agreement [5] announced on February 23, 2024, shares will be bought back commencing on February 26, 2024, and ending at the latest on August 5, 2024. On each day during the purchase period, the price per share to be paid by AXA [6] will be determined on the basis of the volume-weighted average share price.

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

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

(2) As determined under Solvency II.

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

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

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

(6) The purchase price will not exceed the maximum purchase price approved at the applicable Shareholders' Annual General Meeting.

AXA announced cash tender offers for two series of subordinated notes

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

- GBP 350,000,000 Fixed to Floating Rate Undated Deeply Subordinated Notes issued on July 6, 2006 [(1)], and
- GBP 723,925,000 Undated Deeply Subordinated Resettable Notes issued on November 7, 2014 [(2)].

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

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

4. ACCOUNTING PRINCIPLES, RULES AND METHODS

4.1 General principles

AXA SA's 2023 annual financial statements were prepared, in accordance with the accounting provisions set out in Title IV of Book III of the French Insurance Code and the regulation of the French Accounting Standards Authority (*Autorité des normes comptables* – ANC) No. 2015-11 of November 26, 2015 modified.

4.2 Reinsurance activity within AXA SA

The Company is the AXA Group's internal reinsurer and reinsures exclusively the Group's insurance entities ("cedants"), both for Property and Casualty and Life risks.

Accepted operations concern transactions whereby AXA SA, the reinsurer, agrees to assume a portion of the risks underwritten by AXA's entities.

The retrocessions correspond to the transfer of risks by AXA SA to other market players, whether internal or external to the AXA Group.

Assumed reinsurance is recognized by the Company upon receipt of the accounts transmitted by the ceding company. In accordance with the provisions of article 152-1 of ANC Regulation No. 2015-11 of November 26, 2015, accounts not received from the ceding company at the end of the financial fiscal are estimated. When the Company becomes aware of a foreseeable loss, it is provisioned.

Retroceded reinsurance premiums are recognized in proportion to the period in which the reinsurance coverage is provided.

Estimates of commissions receivable or payable are recognized in the income statement with a counterpart entry in accruals assets or liabilities.

Where the treaties so provide, the Company must make deposits with the assignees so that they can have a guarantee on their ceded technical reserves.

The reinsurance premium paid by the ceding company to the reinsurer only constitutes a basic premium intended to cover the reinsurance capacity. As claims occur, the ceding company must pay an additional premium called "reinstatement premium" which corresponds to the renewal of the portion of the capacity absorbed by the claim and up to the limit of the annual guarantee.

If a reinsurance asset is impaired, the Company reduces the carrying value accordingly and recognizes this impairment loss in the income statement. A reinsurance asset is impaired if there is tangible evidence, following an event occurring after the initial recognition of the reinsurance assets, that the Company may not receive all amounts due to it under the terms of the treaty, and the impact of this event on the amounts to be received from retroceding companies by the Company can be reliably estimated.

4.3 Principles of presentation of the financial statements

NON-LIFE AND LIFE INCOME STATEMENTS

Pursuant to article 410-1 of ANC Regulation No. 2015-11 of November 26, non-Life activities in the non-Life income statement include the reinsurance of bodily injury related to accidents and illness.

ALLOCATION OF EXPENSES BY TYPE

The general expenses of the reinsurance activity, after having been previously recognized by type in class 9 financial statements, are cleared for allocation to expense accounts by type and in Life/non-Life technical income statements.

Two cases are provided for:

- either the expense can be allocated directly to a type of expense;
- or the expense cannot be allocated directly, and distribution and distribution keys are used.

General expenses allocation keys are updated every year to reflect the categories defined by the Insurance Accounting Plan: acquisition costs, claims settlement costs, administration expenses, investment management costs and other technical expenses.

Expenses relating to the holding company's activity are individualized and allocated in full and unequivocally to non-technical expenses without the application of a distribution key.

INVESTMENT INCOME AND EXPENSES

Net investment income relating to the portfolio of assets covering the holding company and reinsurance operations is recorded in the non-technical income statement.

According to the terms specified in article 337-11 of the ANC Regulation 2015-11, net investment income is allocated between technical and non-technical results, based on the relative weight of equity and technical provisions. A portion of the financial result allocated to technical provisions is transferred to the technical income statement (Life and non-Life), in proportion to the technical provisions and equity.

(1) *Fixed rate of 6.6862% until the first call date on July 6, 2026.*

(2) *Fixed rate of 5.453% until the first call date on March 4, 2026.*

FOREIGN CURRENCY TRANSACTION TREATMENT

In accordance with the provisions of article R.341-7 of the French Insurance Code, foreign currency transactions carried out by the Company are recognized in their original currency. These transactions are converted into euros at the prices known on the inventory date.

The Company applies the rules relating to the accounting treatment of foreign currency transactions of companies governed by the French Insurance Code in accordance with ANC Regulation 2015-11.

Foreign exchange balance sheet position applicable to receivables and payables denominated in foreign currencies

At the end of each fiscal year, foreign currency items shown in the balance sheet must be translated into euros by breaking down transactions as follows:

- transactions involving assets or liabilities generating a so-called structural foreign exchange position, mainly investments in subsidiaries and the financing of these in foreign currencies;
- transactions generating an operational foreign exchange position concerning other transactions in foreign currencies.

Translation differences are valued as the difference between the exchange rate of the currency concerned on the day of the transaction (historical rate) and the closing rate. Translation differences in structural foreign exchange positions are recognized in the balance sheet while translation differences in operational foreign exchange positions are recognized in foreign exchange income.

Foreign exchange off-balance sheet positions applicable to Forward Financial Instruments (FFIs)

Differences between the off-balance sheet foreign exchange positions of Forward Financial Instruments (FFIs) and the corresponding exchange value accounts represent unrealized foreign exchange gains or losses. They are recorded on the balance sheet in a “translation adjustments” account as opposed to the “Accruals related to financial instruments account”, according to the underlying strategy.

The treatment of the “translation adjustments” account aims to respect the symmetry of treatment with that of exchange differences on the underlying items:

- when the FFIs is linked to a structural element, the “translation adjustments” account is maintained in the balance sheet until the date on which the structural element is realized;
- when the FFIs is part of an investment strategy, the “translation adjustments” account is maintained on the balance sheet until the date of the investment;
- when the FFIs is linked to an operating item, as part of a divestment or yield strategy, or when the FFIs is linked to a non-structural financial debt, the “translation adjustments” account is recorded in income.

Differences in interest on forward foreign exchange transactions, or carry-forwards, are recognized on a staggered basis over the effective term of the hedged transaction.

PENSION COMMITMENTS

As part of the update to pension commitments, an assessment was made of the additional reserves to be established to cover commitments under defined-benefit pension plans, in accordance with ANC Recommendation No. 2013-02. Method 1 defined by this recommendation has been applied: the cost of past services is spread out in the income statement over the vesting period of the rights, and the expected return on the assets is retained as part of the expense for the period. The option retained by the Company is to not record any provisions in the balance sheet.

5. PRESENTATION OF THE ACCOUNTS

BALANCE SHEET – ASSETS

5.1 Intangible assets

Intangible assets mainly include the AXA brand.

5.2 Investments

Investments include land and buildings, investments in affiliated companies and in companies in which there is a shareholding link, and other investments as well as receivables for cash deposited with ceding companies that are related to the reinsurance business.

LAND AND BUILDINGS

They include shares in real estate companies (SCIs).

INVESTMENTS IN AFFILIATED COMPANIES AND IN COMPANIES WITH WHICH THERE IS A SHAREHOLDING LINK

- **Affiliated companies**

  French or foreign companies meeting the conditions in French Commercial Code articles L.233-16 and L.233-18 to be fully consolidated in the entity to which the insurance or reinsurance company belongs, under the full consolidation method according to the same terms, except for companies that are not insurance or reinsurance companies and which may not be consolidated pursuant to French Commercial Code article L.233-19 1 ° or 2 ° of II.

- **Companies with which the reinsurance undertaking has a participating interest**

  Undertakings other than related parties in which the insurance company directly or indirectly holds a stake within the meaning of article 20 of the Decree of November 29, 1983, or which directly or indirectly hold such a stake in the insurance company; in accordance with this article and with French Commercial Code article L.233-2, equity stakes of at least 10% of the share capital is presumed to be participating interests.

  In the context of the holding company, participating interests are defined as shareholdings representing at least 10% of the issuing company’s share capital and those whose long-term ownership is deemed useful to the Company.

Financial assets are measured at acquisition cost or transfer cost. At the balance sheet date, the acquisition cost is compared to the fair value, and the lower of these two values is then recognized in the balance sheet.

The fair value of these investments corresponds to their value in use and is determined by management either on the basis of stock market prices, shareholders' equity (including unrealized gains) or the subsidiary's outlook. Estimating value in use of these securities requires the management judgement in choosing valuation approaches, depending on the investments involved, and in determining the data and assumptions used to estimate expected earnings when these are considered into the valuation. For the Life business, the methods used to estimate value in use changed following the first-time application of IFRS 17. Value in use is now determined on the basis of shareholders'equity according to IFRS, to which the value of future profits estimated on the basis of the margins on contractual services determined according to IFRS 17, and the profitability of future contracts estimated on the basis of multiples of the present value of expected profits on contracts underwritten during one year, are added.

For Property and Casualty business the value in use approach relies on the earnings of the strategic plan approved by management discounted using a risk adjusted rate. Cash flows are extrapolated using sustainable perpetual growth rates assumed to be achievable over the long term to derive a terminal value.

Pursuant to article 242-2 of Regulation ANC No. 2015-11, transactions involving structural investments in subsidiaries in foreign currencies are considered as transactions in euros and are frozen in euros at the historical exchange rate, and no translation differences are recognized subsequently.

OTHER INVESTMENTS

Bonds and other fixed-income securities

Bonds and other fixed-income securities are recorded at the acquisition value, excluding accrued interest. The difference between the purchase price and the redemption value, premium or discount, is amortized in income over the remaining period until the redemption date, according to the effective interest rate method, pursuant to the provisions of article 122-1 of ANC Regulation No. 2015-11 of November 26, 2015.

Unrealized losses arising from the difference between the carrying value (considering the premium/discount) and the realizable value of the corresponding securities are not subject to a reserve. Nevertheless, when there is a reason to consider that the debtor will not be able to meet its commitments, either for the payment of interest or for the repayment of the principal, an impairment must be recognized in the inventory.

Shares and other variable-income securities

Shares and other variable-income securities are recorded at their acquisition cost, excluding fees. The realized value at the end of the fiscal year is determined in accordance with ANC Regulation No. 2015-11 of November 26, 2015 and corresponds, for listed securities, to the stock market price on the day of the inventory and, for unlisted securities, at the market value determined on the basis of the net position.

When the realizable value is more than 20% lower than the acquisition cost for more than six consecutive months, it is proceeded by an analysis of the permanent nature of the impairment. A reserve for impairment is recognized line by line for securities subject to long-term impairment. The reserve is measured as the difference between the net book value and the realizable value corresponding to the market value at the closing date.

RECEIVABLES FOR CASH DEPOSITED WITH CEDING COMPANIES

This item covers the deposits that the Company must make with the ceding companies when the treaties so provide, so that they can benefit from a guarantee on their ceded technical reserves.

5.3 Share of assignees and retroceding companies in technical reserves

The share of assignees and retroceding companies in the technical reserves represents all the technical reserves retroceded on the market or through internal reinsurance operations.

This item includes Life and non-Life insurance unearned premiums reserves, claims reserves and other technical reserves.

UNEARNED PREMIUM RESERVES

Reserves for unearned premiums recognize the portion, calculated on a *pro-rata* basis, of premiums written and unearned recorded as balance sheet liabilities relating to the period between the inventory date and the treaty's next due date or, by default, its term.

CLAIMS RESERVES

This item recognizes claim reserves in respect of retrocessions and corresponds to the retroceded portion of claims reserves in respect of acceptances recorded as a balance sheet liability.

OTHER TECHNICAL RESERVES

This item includes the provision for counterparty risk which is deducted from the reinsurers' portion of technical reserves, and which comprises reinsurers' default risk based on their credit rating.

It also includes the reserve for increasing risks in the Life reinsurance which represents the retroceded share of the difference in the present values of the liabilities respectively taken by the reinsurer and the insurer.

5.4 Receivables

RECEIVABLES ON REINSURANCE TRANSACTIONS

These receivables mainly include premiums to be written and the debit balances of the reinsurers and Group's ceding insurance companies.

SUNDRY RECEIVABLES

This item mainly includes a corporate income tax receivable.

5.5 Other assets

TANGIBLE OPERATING ASSETS

Tangible assets are recognized at their acquisition cost or at their contribution value. Buildings are amortized on a straight-line basis over 50 years and development work is depreciated on a straight-line basis over five or ten years as appropriate.

TREASURY SHARES

This item corresponds to AXA shares held by the Company, all allocated for hedging or cancellation purposes.

Securities are recorded in the accounts at their acquisition cost according to their destination.

The application of regulations (ANC No. 2014-03 chapter "titre VI, chapitre II, Section 4 "Plans d'options d'achat ou de souscription d'actions et plans d'attribution d'actions gratuites aux salariés") relating to the accounting treatment of stock options, subscription or purchase, and performance shares/units (free shares granted to employees) leads the Company to record a provision.

5.6 Regularization assets accounts

INTEREST AND RENT NOT YET DUE

This item records accrued interest on investments and financial hedges.

OTHER ACCRUED INCOMES

These items mainly include:

- foreign exchange losses realized through Forward Financial Instruments relating to hedging transactions on investments in affiliated undertakings subject to the definition of structural assets and deferred until the disposal of investments in affiliated undertakings;
- foreign currency translation adjustments on perpetual debt from structural investments in affiliated undertakings;
- option premiums paid.

BALANCE SHEET – LIABILITIES

5.7 Shareholder's equity

Shareholders' equity consists of share capital, reserves, and net income for the year before appropriation.

5.8 Subordinated liabilities

This item includes Fixed-term Subordinated Notes and Undated Subordinated and Super Subordinated Notes, for which there is no contractual obligation to deliver cash or any other financial asset.

The issue costs of the various loans are amortized over the term of the loans. Interests on financial debts are recognized in financial charges, and the share of accrued interest not yet due in regularization liabilities accounts.

5.9 Gross technical reserves

- **Claims reserves are** defined in accordance with article R.343-7 of the French Insurance Code as the "estimated value of the principal expenses and costs, both internal and external, necessary for the settlement of all incurred and unpaid losses, including capital constituting annuities not yet payable by the Company."

  Article R.347-7 of the French Insurance Code specifies that policy benefits reserves correspond to the "present value of the Company's commitments with regard to the capital constituting annuities charged to it." Gross policy benefits reserves are provided by the entities. In the same way as for the other reserves, the conditions of reinsurance treaties are applied to obtain the retroceded and net policy benefits reserves.

  Claims reserves also include the reserve for claims handling costs, which is intended to cover the future handling costs incurred by the Company to manage and settle outstanding claims.

  Reserves for non-Life and Life claims include estimated provisions on a case-by-case basis, for co-insurance and reinsurance acceptances (including legal expenses). Reserves are established based on data transmitted by the ceding companies and supplemented by actuarial estimates using historical statistics and information provided by underwriters.
- **Unearned premium reserves** recognized for all current contracts, the portion – calculated on the gross written premiums and estimated on the remaining premiums to be written – which relates to the period between the inventory date and the next premium due date or, by default, the term of the contract.
- **Other technical reserves** mainly include the reserve for increasing risks in the Life reinsurance which corresponds to the difference in the present values of the liabilities respectively taken by the reinsurer and the insurer.

5.10 Other non-technical provisions

This item mainly includes provisions in respect of the Company's subsidiaries for the risk of repayment of tax savings made under the French tax consolidation scheme and provisions for unrealized capital losses on options and interest rate derivatives not eligible for hedge accounting.

The Company is the head of a tax consolidation group which provides that tax savings are recognized directly in the Company's financial statements. In this respect, a provision for the risk of reimbursement of tax savings is recognized when there is a high probability that the subsidiaries will become profitable again, considering expected future that they reported for the elaboration of future taxable incomes that they reported for the elaboration of the Group's strategic plan.

5.11 Liabilities relating to cash deposits from retroceding companies

This item includes cash deposits received from retroceding companies as collateral for a portion of the technical reserves ceded under the terms of the treaties.

5.12 Other liabilities

This item mainly includes:

- **financial debts** to the Group's subsidiaries;
- **bonds** with Group entities;
- **senior debt** and **short-term securities (commercial paper)**;
- **liabilities arising from reinsurance operations**.

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5.13 Regularization liabilities accounts

These accounts mainly comprise foreign currency translation adjustments on liabilities relating to structural debts, accrued interest not yet due and premiums on options received.

OFF BALANCE SHEET COMMITMENTS

Pledged securities and letters of credit to cover reinsurance operations

The off-balance sheet commitments relating to the reinsurance business are intended to cover claims reserves to be paid in accordance with the terms provided in the treaties. These are deposits made either in the form of pledged securities received from reinsurers on behalf of the Company and its ceding companies, or letters of credit issued by banks to reinsurers for the benefit of the Company.

Securities pledged by reinsurers as collateral for their commitments are valued at market value at the closing date and are recorded in off-balance sheet. The Company ensures that the value of these pledged securities is in line with accepted risks and that additional payments are made in the event of a decrease in the value of the securities or an increase in claims.

Commitment given as part of the holding company's activity

- Commitments given consisted mainly of financial guarantees granted to Group entities or banks granting credit facilities to entities of the Group;
- The credit facilities authorized but not drawn for the benefit of entities of the Group represent the liquidity capacity that the holding company puts available for some Group's companies.

Commitments received as part of the holding company's activity

- The commitments received mainly consist of authorized but undrawn credit facilities obtained from banks.

Commitments on financial instruments received and given

Forward Financial Instruments are financial transactions whose main purpose is to protect financial items against market movements, mainly *via* swaps.

Forward Financial Instruments (FFIs) are accounted for as commitments given or received for their notional amount in separate accounts depending on the nature of the transaction to which the strategy belongs.

Premiums relating to option contracts or similar contracts shall be recorded in the balance sheet, in an regularization assets or liabilities accounts depending on if the amount is paid or received.

- In the case of FFIs used as part of yield strategies, income and expenses relating to FFIs, whether received or settled or unrealized, are recognized in the income statement on a straight-line basis over the expected life of the strategy and calculated as accrued interests. The results obtained by the method chosen do not differ significantly from those that would result from the use of the effective interest rate (EIR);

  Yield strategies mainly cover internal or external debts.

- For other strategies, all flows recorded on these transactions are recorded in regularization accounts.

  Other transactions are mainly related to currency derivatives that protect a portion of the group's net value in strategic foreign currencies as well as significant cash flows.

  In the case of foreign currency FFIs, they are recorded in accordance with point 4.3.

At each cut-off date, the unrealized losses on each FFIs, resulting from the comparison of the market value of the FFIs and the overall book value of the FFIs including all the items recorded in the balance sheet of the Company and relating to this FFIs, give rise to the constitution of another non-technical provision. Unrealized gains are not recognized in the income statement.

The presentation of the appendix does not omit the existence of a significant commitment or one that may become so in the future.

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APPENDICES
APPENDIX III AXA PARENT COMPANY FINANCIAL STATEMENTS

6. NOTES TO THE BALANCE SHEET

BALANCE SHEET – ASSETS

6.1 Movements in assets

Table 1: Movements in intangible assets, land and buildings, ownership interests in affiliated companies and companies with which there is a shareholding link, bonds, debentures and receivables with these companies

		Transfers and movements of the financial year					Depreciation and amortization								
										Transfers and movements of the financial year					
Nature of the asset *(in Euro thousand)*	**Gross amount at the start of the year**	**Entries**	**Contributions**	**Exits**	**Transfers**	**Gross amount at year end**	**At the start of the year**	**For the financial year**	**Provisions reversals**	**Contributions**	**Exits**	**Transfers**	**Accumulated amount at year end**	**Net amount recorded in the balance sheet 31/12/2023**	**Net amount recorded in the balance sheet 31/12/2022**
I/ Intangible assets	**375,753**	**-**	**-**	**-**	**-**	**375,753**	**57,135**	**3,562**	**-**	**-**	**-**	**-**	**60,697**	**315,056**	**318,618**
Land and buildings (including "under construction")	104,941	4,486	-	-	-	109,428	63	1,699	-	-	-	-	1,762	107,665	
Ownership interests in affiliated companies (account 250) [b]	66,724,226	-	788,665	402,545	75,000	67,185,346	1,280,417	153,849	58,484	-	123,368	-	1,252,414	65,932,932	64,724,604
Ownership interests in companies with which the Company has a participating interest (account 260 and 261)	1,102,082	-	63	-	-	1,102,144	553,738	3,676	863	-	-	-	556,551	545,594	548,344
Bonds, debentures and claims of all kinds on the same companies (accounts 25 and 26 except 250, 260 and 261) [a]	1,834,714	644,573	-	-	-	2,479,287	-	-	-	-	-	-	-	2,479,287	1,834,714
Loans	380,000	378,500	-	547,500	-	211,000	-	-	-	-	-	-	-	211,000	380,000
II/ Assets	**70,145,963**	**1,027,559**	**788,728**	**950,045**	**75,000**	**71,087,205**	**1,834,219**	**159,224**	**59,347**	**-**	**123,368**	**-**	**1,810,728**	**69,276,478**	**67,592,540**
III/ Total of others investments (table 2)														**4,797,730**	**4,219,172**
TOTAL INVESTMENTS RECORDED IN ASSETS														**74,074,209**	**71,811,712**

(a) Note: for redeemable bonds, this table does not take into account the amortization of discounts and premiums.

(b) The gross amount at the beginning of the start of the year related to Ownership interests in affiliated companies (account 250) published in 2022 at €66,006,323 million was reviewed in 2023 to €66,724,226 million to comply with the terms of Articles Art. 330-1 and Art. 330-2 of ANC Regulation No. 2015-11 of November 26, 2015, relating to the definition of related companies and companies with a participating interest, as recalled in paragraph 5.2 of this report.

Table 2: Movements in intangible assets, land and buildings, ownership interests in affiliated companies and companies with which there is no shareholding link, bonds, debentures and receivables with these companies

Nature of the asset *(in Euro thousand)*	Gross amount recorded in the balance sheet at year end	Movements of the financial year		Movements of the financial year		Dep. And provisions at year end	Net amount recorded in the balance sheet at year end
		Impair-ment	Provi-sions	Alloca-tions	Rever-sals		
Financial investments (account 23)							
Equities and other UCITS	493,739	-	104,800	-	104,142	658	493,081
Bonds	3,531,206	-	-	-	-	-	3,531,206
Loans	55,692	-	-	-	-	-	55,692
Deposits	643,846	-	-	-	-	-	643,846
Securities with no shareholding link	73,906	-	1	-	1	-	73,905
TOTAL	**4,798,389**	**-**	**104,801**	**-**	**104,143**	**658**	**4,797,730**
Investments representing technical reserves for Unit-Linked policies (account 24)	-	-	-	-	-	-	-
Variable income securities other than UCITS	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-
Units of UCITS holding exclusively fixed income securities	-	-	-	-	-	-	-
Units of other UCITS	-	-	-	-	-	-	-
Units and shares of unlisted real estate companies	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total other investments	**4,798,389**	**-**	**104,801**	**-**	**104,143**	**658**	**4,797,730**
Bonds, debentures and claims of all kinds on affiliated undertakings or undertakings with which a participating interest exists (see table I)	-	-	-	-	-	-	69,276,478
TOTAL INVESTMENTS RECORDED IN ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**74,074,209**

6.2 Investments

6.2.1 SUMMARY STATEMENT OF INVESTMENTS

Table 3: Summary

	December 31, 2023			December 31, 2022		
	Value			Value		
Nature of investments *(in Euro thousand)*	Gross	Net	Fair	Gross	Net	Fair
1/ Real estate investments and current real estate investments	109,428	107,665	100,429	104,941	104,878	112,646
2/ Shares and other variable income securities other than UCITS units	68,372,638	66,563,039	76,637,206	68,265,670	66,326,740	76,009,000
3/ UCITS units other than those referred to in 4	482,498	482,473	484,485	167,931	167,906	181,637
4/ UCITS units holding exclusively fixed-income securities	-	-	-	-	-	-
5/ Bonds and other fixed-income securities	3,531,206	3,480,965	3,450,851	2,583,822	2,576,504	2,455,833
6/ Mortgage loans	-	-	-	-	-	-
7/ Other loans and similar	266,692	266,692	266,336	435,370	435,370	435,120
8/ Deposits with ceding companies	3,073,133	3,145,567	3,147,659	2,131,082	2,131,678	2,119,667
9/ Deposits other than those referred to in 8 and cash guarantees and other investments	50,000	50,000	50,359	61,838	61,838	61,838
10/ Assets representing Unit-Linked policies	-	-	-	-	-	-
11/ FFIs	-	-	-	-	-	-
FFI Performance strategies	38,258	38,258	(64,037)	45,000	45,000	(105,000)
FFI Exchange strategies	103,382	103,382	334,972	172,000	172,000	535,000
FFI other transactions	(151,323)	(151,323)	(145,604)	(146,000)	(146,000)	(353,000)
TOTAL (LINES 1 TO 11)	**75,875,912**	**74,086,718**	**84,262,656**	**73,821,655**	**71,875,915**	**81,452,742**
o/w TOTAL FFIs	(9,683)	(9,683)	125,331	71,000	71,000	77,000
o/w TOTAL Investments	75,885,595	74,096,401	84,137,325	73,750,655	71,804,915	81,161,652
o/w	-	-	-	-	-	-
Estimated values according to article R.343-9	6,539,699	6,561,861	6,533,881	4,650,000	4,644,000	4,511,000
Estimated values according to article R.343-10	69,346,254	67,534,899	77,603,085	69,100,000	67,161,000	76,855,000
Estimated values according to article R.343-13	-	-	-	-	-	-
Estimated values according to article R.343-11	-	-	-	-	-	-
Other forward and option contracts	(9,683)	(9,683)	125,331	71,000	71,000	77,000
o/w	-	-	-	-	-	-
Values attributable to the representation of technical reserves other than those referred to below	7,248,973	7,202,123	7,176,666	4,919,000	4,912,000	4,806,000
Securities securing liabilities to pension funds or covering managed investment funds	-	-	-	-	-	-
Securities deposited with cedants (o/w securities deposited with cedants for which the Company has given a joint and several guarantee)	5,201	72,453	69,244	78,455	77,813	72,718
Values allocated to special technical reserves for other business in France	-	-	-	-	-	-
Other allocations or no allocation	68,621,737	66,812,142	77,016,746	68,824,000	66,886,000	76,575,000

Note: Fair value of investments in subsidiaries corresponds to the fair value retained for the Solvency II balance sheet valuation.

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6.2.2 DERIVATIVES INSTRUMENTS

Table 4: Off balance sheet commitments – derivative instruments

(in Euro thousand)	Value	Contracts by maturity date	Contrats by strategy	Contracts by market	Contracts by market risks	Contracts by type of instruments
Currency forward purchase (notional)	180,771	From 0 to 1 year	Yield	OTC transaction	Foreign exchange risk Currency forward purchase against Euros to be delivered	Swaps
Currency forward sale (notional)	24,065	From 0 to 1 year	Yield	OTC transaction	Foreign exchange risk Currency forward sale against Euros to be received	Swaps
CDS	68,277	From 0 to 1 year	Yield	OTC transaction	Interest rate risk	Swaps
Interest rate asset swap (notional)	15,056	More than 5 years	Yield	OTC transaction	Interest rate risk	Swaps
Foreign exchange Forward	-					
Swaps						
Interest rate swaps	-	From 0 to 1 year	Yield	OTC transaction	Interest rate risk	Interest rate guarantee agreements
Interest rate swaps	625,000	From 1 to 5 years	Yield	OTC transaction	Interest rate risk	Interest rate guarantee agreements
Interest rate swaps	875,000	More than 5 years	Yield	OTC transaction	Interest rate risk	Interest rate guarantee agreements
Interest rate swaps	160,000	From 0 to 1 year	Other operation	OTC transaction	Interest rate risk	Interest rate guarantee agreements
Interest rate swaps	1,500,150	From 1 to 5 years	Other operation	OTC transaction	Interest rate risk	Interest rate guarantee agreements
Interest rate swaps	4,110,773	More than 5 years	Other operation	OTC transaction	Interest rate risk	Interest rate guarantee agreements
Cross Currency swaps	-	From 0 to 1 year	Yield	OTC transaction	Currency and interest rate risk	Swaps
Cross Currency swaps	946,163	From 1 to 5 years	Yield	OTC transaction	Currency and interest rate risk	Swaps
Cross Currency swaps	1,072,764	More than 5 years	Yield	OTC transaction	Currency and interest rate risk	Swaps
Cross Currency swaps	35,000	From 0 to 1 year	Other operation	OTC transaction	Currency and interest rate risk	Swaps
Cross Currency swaps	3,064,706	From 1 to 5 years	Other operation	OTC transaction	Currency and interest rate risk	Swaps
Cross Currency swaps	620,868	More than 5 years	Other operation	OTC transaction	Currency and interest rate risk	Swaps
Foreign Exchange swaps	416,997	From 0 to 1 year	Yield	OTC transaction	Exchange risk	Swaps
Foreign Exchange swaps	3,772,777	From 0 to 1 year	Other operation	OTC transaction	Exchange risk	Swaps
Credit swap	170,000	From 1 to 5 years	Yield	OTC transaction	Interest rate risk	Interest rate guarantee agreements
Options						
Foreign Exchange Options	18,379,052	From 0 to 1 year	Other operation	OTC transaction	Foreign exchange risk Currency forward purchase/ sale against Euros	Options
OUTSTANDING TOTAL	**36,037,420**					

Nature of investments	Gains and losses on transactions settled during the year
Investment or divestment strategy	
Performance strategy	
Forward exchange rate	3,212
Swaps	8,765
Other operations	
Swaps	6,263
CCS Cross Currency Swap	(48,717)
Options	
Premiums	154,230
Payoff	(21,952)

- Yield strategies mainly cover internal or external debts.
- Other transactions are mainly related to currency derivatives that protect a portion of the Group's net value in strategic foreign currencies as well as significant cash flows. The latter generate two types of impacts: a foreign exchange result for currency swaps and the recognition of premiums for options.

Table 5: Correspondence between assets and the summary statement of investments

(in Euro thousand)

Investments	75,885,595
Investments in UCITS	-
Total investments	**75,885,595**
To be deducted:	-
Amortization of redemption price differences	20,851
Reserves Equities and other UCITS	2,421
Reserves Private sector listed bonds	-
Other	1,808,965
To be added:	**-**
Differences in the redemption prices to be collected	43,043
Cash on deposit buildings	-
TOTAL SUMMARY STATEMENT OF INVESTMENTS	**74,096,401**

Table 6: Additional information

The balance not yet amortized or written back, corresponding to the difference in the redemption price of securities valued in accordance with article R.343-9 of the French Insurance Code, is as follows:

(in Euro thousand)	December 31, 2023	December 31, 2022
Redemption value	4,182,904	2,856,395
Net value	4,065,338	2,791,094
Unamortized balance	**117,566**	**65,300**

Table 7: Analysis of property rights (including assets representing variable capital contracts)

	December 31, 2023			December 31, 2022		
Nature of investments *(in Euro thousand)*	Gross value	Net value	Fair value	Gross value	Net value	Fair value
Operating buildings	-	-	-	-	-	-
Real rights	-	-	-	-	-	-
Shares in unlisted real estate or property companies	-	-	-	-	-	-
Other capital assets	-	-	-	-	-	-
Shares in unlisted real estate or property companies*	109,428	107,665	100,429	104,941	104,878	112,646
TOTAL	**109,428**	**107,665**	**100,429**	**104,941**	**104,878**	**112,646**

* *Including assets representing variable capital contracts.*

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Table 8: Subsidiaries and participating interests

(in Euro thousand)	Share capital	Other shareholders' equity	Percentage of capital held	Gross Book Value of securities held	Net Book Value of securities held	Loans and cash advances given by the Company still outstanding	Guarantees and commitments given by the Company under commitments made by subsidiary/ participation	Last closing revenues available [(a)]	Last closing result available	Dividend received	Closing date and other observations
A. DETAILED INFORMATION CONCERNING SUBSIDIARIES AND INVESTMENTS ACCOUNTING FOR IN EXCESS OF 1% OF AXA'S SHAREHOLDERS' EQUITY											
1) Subsidiaries (at least 50%-owned)											
AXA ASIA – SAS 21, avenue Matignon – 75008 Paris – France	8,401,354	58,447	100.00%	8,413,436	8,413,436	-	-	220,647	217,281	447,072	December 31, 2023
ARCHITAS LIMITED 20 Gracechurch Street – London EC3V 0BG – England	7	53,028	100.00%	76,851	76,851	-	-	16,122	14,373	16,924	December 31, 2023
AXA PARTNERS HOLDING SA (ex-AXA Assistance) 8-10 rue Paul Vaillant Courturier – 92240 Malakoff – France	344,952	10,560	100.00%	695,138	695,138	69,000	-	2,276,219	-	-	December 31, 2023
AXA CHINA – SA 23, Avenue Matignon – 75008 Paris – France	461,655	(683)	51.00%	235,448	235,448	-	-	-	620	-	December 31, 2023
AXA France VIE – SA 313 Terrasses de l'Arche – 92727 Nanterre – France	487,725	5,299,105	98.57%	2,548,734	2,548,734	-	320,000	19,386,352	2,222,871	749,614	December 31, 2023
AXA France IARD – SA 313 Terrasses de l'Arche – 92727 Nanterre – France	214,799	2,476,400	99.92%	1,805,826	1,805,826	-	-	8,354,705	1,224,337	1,013,903	December 31, 2023
AXA France PARTICIPATIONS -SAS 313 Terrasses de l'Arche – 92727 Nanterre – France	746,755	26,500	100.00%	746,755	746,755	-	-	-	1,193	-	December 31, 2023
AXA XL Group Ltd O'Hara House, One Bermudiana Road – Hamilton Bermuda HM 08 – Bermuda	-	19,838,875	100.00%	18,253,297	18,253,297	-	1,799,267	-	1,728,881	643,291	December 31, 2023
AXA GENERAL INSURANCE - Ltd Liability Company 4 Hangang-daero 71-gil – Seoul – South Korea	176,327	50,180	99.73%	293,773	279,075	-	-	604,276	5,955	-	December 31, 2023
AXA HOLDINGS BELGIUM – SA 1, place du trône- 1000 Bruxelles – Belgium	453,101	792,805	100.00%	4,493,243	4,493,243	-	-	430,043	437,059	333,882	December 31, 2023
AXA Investment Managers – SA Tour Majunga – La défense 9- 92800 Puteaux- France	52,843	1,280,649	64.98%	1,404,972	1,404,972	107,000	104,923	387,209	322,245	269,325	December 31, 2023
AXA HOLDINGS JAPAN – Kabusikigaisya NBF Platinium Tower 1-17-3 Shirokane – Minato-ku 108 – 8020 Tokyo – Japan	545,804	2,059,444	78.55%	2,261,181	2,261,181	-	-	358,203	358,513	262,940	December 31, 2023
AXA LIFE EUROPE -DAC Wolfe Tone House, Wolfe Tone Street -D01 HP90 Dublin-Ireland	99,960	875,794	100.00%	869,424	869,424	-	-	188,209	63,703	30,000	December 31, 2023
AXA MEDITERRANEAN HOLDING – SA Calle monseñor Palmer numéro 1 – Palma de Mallorca- Balearic Islands	211,477	4,127,836	100.00%	4,485,474	4,485,474	-	181,274	369,005	299,065	-	December 31, 2023

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.
(b) Consolidated data.
(c) The shareholders of RESO GARANTIA SA have approved the distribution of a dividend of €82m in 2023 payable to AXA SA as a shareholder. The actual collection of this dividend remains subject to legal restrictions related to the war in Ukraine.

APPENDICES
APPENDIX III AXA PARENT COMPANY FINANCIAL STATEMENTS

(in Euro thousand)	Share capital	Other shareholders' equity	Percentage of capital held	Gross Book Value of securities held	Net Book Value of securities held	Loans and cash advances given by the Company still outstanding	Guarantees and commitments given by the Company under commitments made by subsidiary/ participation	Last closing revenues available [(a)]	Last closing result available	Dividend received	Closing date and other observations
AXA Group OPERATIONS SAS	298,893	(152,785)	99.98%	496,406	210,326	35,000	10,000	449,521	64,218	-	December 31, 2023
81 Rue Mstislav Rostropovitch – 75017 Paris – France											
AXA UK PLC [(b)]	1,051,794	5,757,536	100.00%	6,389,934	6,389,934	-	1,384,802	-	7,428	612,282	December 31, 2023
20 Gracechurch Street – London EC3V 0BG – England											
AXA VERSICHERUNGEN AG – SA	181,462	4,734,627	100.00%	5,171,327	5,171,327	-	-	3,943,914	1,524,434	1,416,922	December 31, 2023
General Guisan-str,40 – CH-8401 Winterthur – Switzerland											
CFP MANAGEMENT – SAS	1,300	12,289	100.00%	139,808	15,931	-	-	-	5,882	2,341	December 31, 2023
21, Avenue Matignon – 75008 Paris – France											
COLISÉE RÉ – SA	95,436	106,261	100.00%	619,892	150,018	-	-	3,236	1,694	19,368	December 31, 2023
61 Rue Mstislav Rostropovitch, 750017 Paris – France											
AXA NEXT – SAS	47,420	22,945	100.00%	110,720	35,134	-	-	4,219	1,916	-	December 31, 2023
21, Avenue Matignon – 75008 Paris – France											
SOCIETE BEAUJON – SAS	9,738	145,569	99.95%	254,897	66,545	-	1,098,318	7,886	(88,762)	-	December 31, 2023
21, Avenue Matignon – 75008 Paris – France											
AXA KONZERN AG – SA	79,840	2,287,606	74.37%	3,572,889	3,572,889	-	-	710,245	763,995	410,672	December 31, 2023
Colonia Allee, 10-20 – 51067 Koln – Germany											
KOLNISCHE VERWALTUNGS – SA	13,498	(88,798)	76.98%	1,121,697	1,121,697	-	-	141,476	139,672	107,980	December 31, 2023
Marie-Curie Strasse 8 51377 Leverkusen – Germany											
LOR PATRIMOINE – SAS	59,035	2,064	100.00%	59,043	59,043	-	-	93	50	-	December 31, 2023
21, Avenue Matignon – 75008 Paris – France											
AXA CLIMATE – SAS	65,848	29,291	100.00%	84,900	84,900	-	-	29,000	16,000	-	December 31, 2023
61 Rue Mstislav Rostropovitch, 750017 Paris – France											
2) Participations interests (10 to 50% of shareholders'equity)											
BAO MINH INSURANCE CORPORATION	44,944	53,507	16.65%	53,256	15,883	-	-	176,448	166,364	356	December 31, 2023
26 Ton That Dam Street Nguyen Thai Binh Ward – District 1- 70000 Ho Chi Minh City – Vietnam											
AXA EB PARTNERS – SAS	44,234	(23,528)	100.00%	54,830	5,035	-	-	3,532	(15,129)	-	December 31, 2023
313 Terrasses de l'Arche – 92727 Nanterre – France											
LOR MATIGNON – SAS	8,538	131,177	27.78%	56,695	56,695	-	-	17	(5,877)	-	December 31, 2023
Tour Majunga – La défense 9 -92800 Puteaux – France											
RESO GARANTIA -SA [(c)]	40,543	147,634	38.61%	700,000	347,674	-	-	-	181,998	-	December 31, 2023
6 Nagorny Proezd – bld 9, 3rd Floor, Office 1 – 117152 Moscow – Russia											
DHP – SAS	10,200	20,792	36.87%	163,015	0	-	-	1,843	12,122	-	December 31, 2023
21 avenue Matignon- 75008 Paris – France											
Subtotal A	**14,249,482**	**50,135,127**		**65,632,863**	**63,871,885**	**211,000**	**4,898,584**	**38,062,420**	**9,672,101**	**6,336,870**	

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.
(b) Consolidated data.
(c) The shareholders of RESO GARANTIA SA have approved the distribution of a dividend of €82m in 2023 payable to AXA SA as a shareholder. The actual collection of this dividend remains subject to legal restrictions related to the war in Ukraine.

A

(in Euro thousand)	Share capital	Other shareholders' equity	Percentage of capital held	Gross Book Value of securities held	Net Book Value of securities held	Loans and cash advances given by the Company still outstanding	Guarantees and commitments given by the Company under commitments made by subsidiary/participation	Last closing revenues available [(a)]	Last closing result available	Dividend received	Closing date and other observations
B. GENERAL INFORMATION ABOUT OTHER UNITS AND PARTICIPATING INTERESTS											
1) Subsidiaries not shown in Section A											
a) French subsidiaries (total)				24,162	915	-	-	-	-	9,193	
b) Foreign subsidiaries (total)				67,561	46,658	-	-	-	-	7,488	
2) Participating interests not shown in Section A											
a) in French companies (total)				-	-	-	-	-	-	-	
b) in foreign companies (total)				16,681	12,845	-	-	-	-	735	
TOTAL (A + B)				**65,741,268**	**63,932,302**	**211,000**	**4,898,584**	**38,062,420**	**9,672,101**	**6,354,286**	

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.
(b) Consolidated data.
(c) The shareholders of RESO GARANTIA SA have approved the distribution of a dividend of €82m in 2023 payable to AXA SA as a shareholder. The actual collection of this dividend remains subject to legal restrictions related to the war in Ukraine.

Table 9: Transactions with affiliated companies and companies with which the Company has a participating interest

	Affiliated companies			Companies with which there is a participating interest		
Nature of operations *(in Euro thousand)*	**Gross value**	**Provision**	**Net value**	**Gross value**	**Provision**	**Net value**
Investments:	-	-	-	-	-	-
Units, shares	67,185,346	1,252,414	65,932,932	1,102,144	556,551	545,594
Warrants, bonds	-	-	-	-	-	-
Other securities or deposits	2,479,287	-	2,479,287	-	-	-
Loans	211,000	-	211,000	-	-	-
TOTAL	**69,875,633**	**1,252,414**	**68,623,219**	**1,102,144**	**556,551**	**545,594**

6.3 Share of assignees and retroceding companies in technical reserves

The main items related to reinsurance business are presented as follows:

Balance Sheet *(in Euro thousand)*	**31/12/2023**	**31/12/2022**
Cessionaires and retrocessionaires share in technical provisions	**6,417,143**	**5,576,203**
Claims provisions (Life)	191,132	156,682
Claims provisions (non Life)	5,930,648	5,103,328
Provisions for unearned premiums (non Life)	125,246	142,198
Other technical provisions (Life)	180,476	187,607
Other technical provisions (non Life)	(10,361)	(13,612)
Receivable arising from cash deposits given to cedents	**2,496,523**	**1,852,416**
Receivables on reinsurance transactions	**1,676,828**	**1,885,188**
TOTAL ASSETS	**10,590,494**	**9,313,807**

- **Share of assignees and retroceding companies in technical reserves** amounted to €6,417 million, of which €5,931 million for non-Life technical provisions reserves retroceded to external or internal reinsurers of AXA Group;
- The increase in this item of €841 million is mainly due to the increase in reserves for retroceded claims in non-Life activities for €827 million, of which €623 million is due to an increase in claims on internal reinsurance operations;
- **Cash receivables deposited with cedants as collateral** for technical provisions ceded to AXA SA amounted to €2,497 million, an increase of €644 million from €1,852 million in 2022, mainly due to the renewal of the Property and Casualty quota-share reinsurance treaties implemented in 2022.

6.4 Receivables

Table 10: Table of breakdowns of receivables by residual value

Exercice	2023				2022
Residual duration *(in Euro milliers)*	Up to 1 year	From 1 year to 5 years	More than 5 years	Total	Total
RECEIVABLES	-	-	-	-	-
Receivables arising from direct insurance transactions	-	-	-	-	-
Premiums to be issued	-	-	-	-	-
Other receivables arising from direct insurance operations	-	-	-	-	-
Receivables arising from reinsurance operations (excluding provision for doubtful debts)	**1,679,920**	**-**	**-**	**1,679,920**	**1,887,987**
Provision for doubtful receivables arising from reinsurance operations	(3,092)	-	-	(3,092)	(2,799)
Other receivables	**234,308**	**189,375**	**18,995**	**442,678**	**458,197**
Personnel	711	-	-	711	543
Government, social security bodies and local authorities	72,685	147,264	18,995	238,944	353,015
Sundry debtors	160,912	42,111	-	203,023	104,639
TOTAL	**1,911,136**	**189,375**	**18,995**	**2,119,506**	**2,343,385**

- **Other receivables** were €2,120 million and mainly included receivables from technical reinsurance counterparties for €1,677 million, down by €208 million mainly due to the share of losses on Property and Casualty quota-share reinsurance treaties.

Table 11: Table of transactions with affiliated companies and companies with which the Company has a participating interest

	Affiliated companies			Companies with which there is a participating interest		
Nature of transactions *(in Euro thousand)*	Gross value	Provision	Net value	Gross value	Provision	Net value
RECEIVABLES	**-**	**-**	**-**	**-**	**-**	**-**
Receivables arising from direct insurance operations:	**-**	**-**	**-**	**-**	**-**	**-**
Premiums to be issued:	**-**	**-**	**-**	**-**	**-**	**-**
■ on policyholder	-	-	-	-	-	-
■ on intermediaries and co-insurers	-	-	-	-	-	-
Other receivables:	**-**	**-**	**-**	**-**	**-**	**-**
■ on policyholder	-	-	-	-	-	-
■ on intermediaries and co-insurers	-	-	-	-	-	-
Receivables arising from reinsurance operations	**856,077**	**-**	**856,077**	**-**	**-**	**-**
Other receivables	**33,553**	**-**	**33,553**	**-**	**-**	**-**
TOTAL	**889,629**	**-**	**889,629**	**-**	**-**	**-**

6.5 Regularization assets accounts

Table 12: Regularization assets accounts

(in Euro thousand)	December 31, 2023	December 31, 2022
ACCRUED INCOME		
Earned premiums not yet written (from cedents)	**796,552**	**727,353**
Personnel	**711**	**543**
Social security organizations	**-**	**-**
State	**238,944**	**353,015**
Miscellaneous- accrued income	**184,504**	**91,865**
TOTAL ACCRUED INCOME	**1,220,711**	**1,172,776**
ACCRUALS – ASSETS	-	-
Accrued not due interest and rental income	**110,970**	**81,553**
Deferred Acquisition Costs	**-**	**-**
Life	-	-
Non-Life	-	-
Other prepayments and accrued income (assets)	**3,932,622**	**4,070,113**
Deferred Acquisition Costs of buildings	-	-
Other deferred expenses	-	-
Difference on redemption prices receivable (assets)	92,724	62,731
Reinsurance technical assessments (assets)	93,791	94,235
Other accruals – derivatives	8,621	85,631
Other accruals- Assets	3,448,940	3,422,388
Unrealized foreign exchange losses	98,554	201,668
Option premiums paid	182,688	186,946
Prepaid expenses	7,306	16,749
TOTAL REGULARIZATION ASSETS ACCOUNTS	**4,043,593**	**4,151,901**

- **Regularization assets accounts** amounted to €4,044 million of which €3,445 million related to the deferred recognition of net foreign exchange losses in line with statutory hedge accounting principles more than offset by unrealized gains on equity investments in subsidiaries.
- **Option premiums** are mainly related to currency strategies aimed at **(i)** protecting a portion of the Group’s net inventory value in strategic currencies, and **(ii)** protecting significant cash flows.

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BALANCE SHEET – LIABILITIES

6.6 Share capital

The Company's share capital is represented by 2,270,188,806 shares with a par value of €2.29, giving a total value of €5,198,732,365.74 as at December 31, 2023. These shares were all entirely subscribed and paid with rights from January 1, 2023.

Table 13: Composition of the share capital

Movements of securities *(in Euro)*	Number	Nominal value	Share capital
Securities at the start of the year	2,351,770,945	2.29	5,385,555,464
Securities issued	16,317,885	2.29	37,367,957
Securities redeemed or cancelled	97,900,024	2.29	224,191,055
Securities at year end	2,270,188,806	2.29	5,198,732,366

Table 14: Composition of the treasury shares

(in Euro)	December 31, 2022	Increase	Decrease	December 31, 2023
Number of treasury shares	87,231,920	64,142,231	107,389,464	43,984,687
Average purchase cost	23.20	28.18	24.93	26.25
Nominal Value	2.29	2.29	2.29	2.29
Amount of negotiation fees	-	-	-	-

6.7 Movement in shareholders' equity

Table 15: Statement of change in shareholder's equity

(in Euro thousand)	December 31, 2022	December 31, 2023
Net income	2,808,812	5,828,368
Per share	1.19	2.57
Movement in shareholders' equity compared to opening balance	(2,597,024)	(63,501)
Per share	(1.10)	(0.03)
Proposed dividend [(a)]	3,998,011	4,494,974
Per share	1.70	1.98

(a) Proposed dividend at year-end 2023 is submitted to Shareholders' Meeting of April 23, 2024.

(in Euro thousand)	
EQUITY AT JANUARY 1, 2023	**40,892,890**
Capital increase for employees	346,556
Exercise of equity instruments	53,929
Shares buyback/cancellation	(2,505,031)
Dividends paid out	(3,787,323)
Net income for the period	5,828,368
EQUITY AT DECEMBER 31, 2023	**40,829,388**

- **Shareholders' equity** before net income for the period and after the payment of the dividends relating to the prior fiscal year decreased by €2,105 million, of which €2,505 million due to capital reductions related to the share buyback program, partly offset by €347 million in respect of the capital increase reserved for employees and €54 million following the exercise of stock options.

6.8 Subordinated liabilities

Table 16: Breakdown of subordinated debts by residual value

(in Euro thousand)	Value at December 31, 2023	Less than one year	1 to 5 years	More than 5 years
Undated subordinated debt	3,688,624	-	-	3,688,624
Undated subordinated Euro Medium Term Notes	1,760,790	-	-	1,760,790
Subordinated bonds 1.495% – 2041	1,000,000	-	-	1,000,000
Subordinated bonds 1.875% due 2042	1,250,000	-	-	1,250,000
Subordinated bonds 4.25% due 2043	1,250,000	-	-	1,250,000
Subordinated bonds 4,5% due 2046 ($)	769,474	-	-	769,474
Subordinated bonds 3,375% 2047	1,500,000	-	-	1,500,000
Subordinated bonds 5,125% due 2047 ($)	905,264	-	-	905,264
Subordinated bonds 3,337% due 2049	2,000,000	-	-	2,000,000
Subordinated bonds 5,625% due 2054 (£)	160,982	-	-	160,982
Redeemable subordinated bonds 8,60% due 2030 ($)	792,618	-	-	792,618
Subordinated EMTN	1,000,000	-	-	1,000,000
TOTAL	**16,077,752**	**-**	**-**	**16,077,752**
Accrued interests	276,750	276,750	-	-
TOTAL	**16,354,502**	**276,750**	**-**	**16,077,752**

Accrued interests are recorded in accruals – liabilities.

The perpetual subordinated notes are undated bonds. The Company has the option of deferring payment of the coupons under certain conditions. Nonetheless, the coupons must be paid when these conditions cease to be met or on redemption of the instruments. When payment is deferred for an extended period, the coupons remain payable by law. Similarly, in the absence of dividends being paid, unpaid coupons accumulated over the years will be recognized as payable upon liquidation, if any.

Subordinated perpetual debts are often accompanied by:

- early redemption (call) options, exercisable at the discretion of the Group, which give AXA SA the ability to repay the principal in advance, without penalty, on certain dates;
- interest rate step-up provisions from a certain date onwards.

Subordinated debts amounted to €16,078 million compared to €17,126 million in 2022, down by €1,048 million due to repayments of €1,954 million made during the period, partly offset by the issuance of subordinated debt for €1,000 million.

6.9 Technical reserves

The main items related to reinsurance business are presented as follows:

Balance Sheet *(in Euro thousand)*	**31/12/2023**	**31/12/2022**
Gross technical provisions	**10,094,782**	**8,230,049**
Claims provisions (Life)	287,007	251,192
Claims provisions (non Life)	9,371,089	7,523,773
Provisions for unearned premiums (non Life)	160,796	169,679
Other technical provisions (Life)	275,890	285,406
Liabilities on cash deposits from retrocessionaires	**2,210,806**	**1,682,769**
TOTAL LIABILITIES	**12,305,588**	**9,912,818**

- **Gross technical reserves** amounted to €10,095 million at the end of 2023 including non-Life claims reserves for €9,371 million, up by €1,847 million, mainly due to the reserves accepted on the renewal of Property and Casualty quota-share reinsurance treaties for €1,090 million.
- **Liabilities for cash deposits received from retroceding companies** amounted to €2,211 million, up by €528 million, representing the increase in the provisions for ceded claims which these counterparties are obliged to post.

6.10 Contingent liabilities

Table 17: Variation of other non-technical provisions

(in Euro million)	**December 31, 2022**	**Allocation for the year**	**Reversal for the year (reserve used)**	**Reversal for the year (reserve not used)**	**December 31, 2023**
Regulated reserves	44,806	-	-	-	44,806
Reserves for exchange losses	179,646	18,744	139,576	-	58,815
Provisions for taxes	1,161	-	908	-	253
Provisions for deferred taxes	442,156	186,908	5,890	-	623,174
Other non technical reserves	386,130	35,886	110,094	26,462	285,459
TOTAL	**1,053,899**	**241,538**	**256,467**	**26,462**	**1,012,507**

- **Provisions for risks and charges** amounted to €1,013 million at the end of 2023 compared to €1,054 million in 2022, down by €41 million, mainly including €447 million of provision for the possible repayment of tax savings to subsidiaries belonging to the French tax consolidation group, €59 million provision for unrealized losses on forex derivatives, and €97 million for unrealized capital losses on interest rate derivatives not eligible for hedge accounting.

6.11 Other liabilities

Table 18: Breakdown of liabilities by residual value

Financial year	2023				2022
Residual duration *(in Euro million)*	Up to 1 year	From 1 year to 5 years	More than 5 years	Total	Total
LIABILITIES					
Liabilities for cash deposits received from ceding companies	**2,210,806**	**-**	**-**	**2,210,806**	**1,682,769**
Liabilities arising from direct insurance operations	-	-	-	-	-
Liabilities arising from reinsurance operations	1,001,806	-	-	1,001,806	937,238
Bonds (including convertible bonds)	1,585,000	-	879,833	2,464,833	3,440,368
Liabilities towards credit institutions	-	-	-	-	-
Other liabilities	2,027,776	3,911,000	9,272,480	15,211,255	14,417,040
Other liabilities	**4,614,582**	**3,911,000**	**10,152,313**	**18,677,895**	**18,794,646**

- **Liabilities for cash deposits received from retroceding companies** amounted to €2,211 million, up by €528 million, representing the increase in the provisions for ceded claims which these counterparties are obliged to post.
- **Other liabilities** amounted to €18,678 million compared to €18,795 million at end of 2022, and mainly include:
  - **financial liabilities** to Group subsidiaries of €12,366 million;
  - **bonds** related to Group entities of €2,465 million ; a bond issued for €920 million in 2012 has been repaid at its maturity in March 2023;
  - **senior debt** of €2,100 million, up by 750 million and €500 million of **commercial paper**;
  - **Liabilities arising from reinsurance operations** of €1.002 million, up by €65 million.

Table 19: Table of transactions with affiliated companies and companies with which the Company has a participating interest

	Affiliated companies			Companies with which there is a participating interest		
Nature of transactions (in Euro million)	Gross value	Provision	Net value	Gross value	Provision	Net value
Liabilities						
Liabilities for cash deposits received from ceding companies:	1,892,071	-	1,892,071	-	-	-
Liabilities arising from direct insurance operations:	-	-	-	-	-	-
■ on policyholder	-	-	-	-	-	-
■ on intermediaries and co-insurers	-	-	-	-	-	-
Liabilities arising from reinsurance operations	235,948	-	235,948	-	-	-
Bonds (including convertible bonds)	-	-	-	-	-	-
Liabilities towards credit institutions	2,464,833	-	2,464,833	-	-	-
Other liabilities	12,366,057	-	12,366,057	-	-	-
TOTAL	**16,958,909**	**-**	**16,958,909**	**-**	**-**	**-**

6.12 Regularization liabilities accounts

Table 20: Regularization liabilities accounts

(in Euro million)	December 31, 2023	December 31, 2022
ACCRUED EXPENSES	**-**	**-**
Earned premiums to retrocede (to reinsurers)	**757,251**	**673,637**
Personnel	**-**	**-**
Accrued liabilities for paid leave	-	-
Accrued liabilities for employee profit-sharing	-	23
Other accrued expenses	204	520
Social security organizations	**-**	**-**
Social security charges on paid leave	-	-
Other accrued expenses	98	180
State	**-**	**-**
Tax charges on paid leave	-	-
Other accrued expenses	658	293
Shareholders, dividends to be distributed	-	-
Miscellaneous – accrued expenses	316,173	362,237
TOTAL ACCRUED EXPENSES	**1,074,384**	**1,036,891**
ACCRUALS – LIABILITIES	**-**	**-**
Accrued not due interest on debts	**455,851**	**407,100**
Estimated commission and brokerage	**-**	**-**
Other prepayments and accrued expense (liabilities)	**-**	**-**
Income to be deferred over several financial years	-	-
Amortization of differences in redemption prices (liabilities)	20,851	22,712
Reinsurance technical assessments (liabilities)	93,243	87,582
Other accruals – derivatives	300,621	309,318
Other accruals- Liabilities	49,256	45,475
Unrealized foreign exchange gains	203,964	303,679
Option premiums received	124,638	301,117
TOTAL REGULARIZATION LIABILITIES ACCOUNTS	**1,248,424**	**1,476,983**

- **Regularization liabilities accounts** amounted €1,248 million compared to €1,477 million at end of 2022, reflecting €456 million in accrued interest, €125 million in premiums on options received, €204 million in unrealized foreign exchange losses, and €301 million in prepayments and accrued expense on financial instruments.
- **Option premiums** are mainly related to currency strategies aimed at **(i)** protecting a portion of the Group's net inventory value in strategic currencies and **(ii)** protecting significant cash flows.

Table 21: Assets and Liabilities in foreign currencies

Foreign currencies *(in Euro thousand)*		31/12/2023		
		Asset	Liabilitie	Net
EUR	Euro	87,281,481	87,084,721	196,760
GBP	Pound Sterling	1,066,553	1,134,048	(67,495)
OTH	Other currencies	1,020,298	1,134,284	(113,986)
USD	US Dollar	587,858	527,060	60,799
CHF	Swiss Franc	86,829	159,456	(72,626)
MXN	Mexican Peso	75,403	82,812	(7,410)
SGD	Singapore Dollar	33,132	29,173	3,959
TOTAL		**90,151,554**	**90,151,554**	**-**

7. NOTES TO THE STATEMENT OF INCOME

7.1 Income and expenses from technical operations

Table 22: Breakdown by category

LIFE *(in Euro thousand)*	A – Categories 1 to 19 December 31, 2023	(Life activity) December 31, 2022
Item		
1 Earned premiums	83,653	93,244
2 Benefit expenses	(66,253)	(89,974)
3 Expenses for Life insurance reserves and other technical reserves	(6,267)	(277,122)
4 Adjustments on Unit-Linked policies		
A - Subscription balance	**11,133**	**(273,852)**
5 Acquisition costs	(3,721)	(4,219)
6 Other net management expenses	(2,781)	(2,352)
B - Net acquisition and management expenses	**(6,502)**	**(6,570)**
7 Net investment income	25,551	13,389
8 Profit sharing	(10,358)	(5,635)
C - Financial balance	**15,193**	**7,754**
9 Premiums given in substitution		
10 Substitute guarantors' share of benefit expenses		
11 Substitute guarantors' share of Life insurance and other technical provisions		
12 Substitute guarantors' share of profit sharing		
13 Commissions received from substitute guarantors		
D - Substitution balance		
14 Premiums ceded	(53,522)	(61,929)
15 Reinsurers' share of benefit expenses	54,312	58,873
16 Reinsurers' share of Life insurance and other technical provisions	4,129	184,650
17 Reinsurers' share of profit sharing	3,062	4,315
18 Commissions received from reinsurers	2,367	2,446
E - Reinsurance balance	**10,347**	**188,355**
Technical result (A + B + C + D + E)	**30,170**	**(84,314)**
Off account [(a)]		
19 Amount of redemptions		
20 Gross technical interest for the year		
21 Gross technical reserves at year end	562,897	536,597
22 Gross technical reserves at the start of the year	536,597	

NON LIFE *(in Euro thousand)*	B - Catégories 20 à 39 December 31, 2023	(Non Life activity) December 31, 2022
Item		
1 Earned premiums	6,641,345	5,840,809
1a - Premiums	6,635,748	5,840,623
1b - Change in unearned premiums	5,597	187
2 Benefit expenses	(5,283,577)	(3,974,345)
2a - Benefits and expenses paid	(3,419,194)	(2,939,723)
2b - Change in reserves for benefits and miscellaneous	(1,864,383)	(1,034,623)
A - Subscription balance	**1,357,768**	**1,866,464**
5 Acquisition costs	(1,661,535)	(1,517,977)
6 Other net management expenses	(13,846)	(22,334)
B - Net acquisition and management expenses	**(1,675,382)**	**(1,540,312)**
7 Net investment income	466,292	171,377
8 Profit sharing	1,546	(6,573)
C - Financial balance	**468,180**	**164,804**
9 Reinsurers' share of earned premiums	(1,752,813)	(1,422,424)
10 Reinsurers' share of benefits paid	969,147	1,180,162
11 Reinsurers' share of benefit expenses	844,500	(56,358)
12 Reinsurers' share of profit sharing	(1,547)	6,595
13 Commissions received from reinsurers	184,187	158,309
D - Reinsurance balance	**243,473**	**(140,304)**
Technical result (A + B + C + D)	**394,040**	**357,240**
Off account (a)		
14 Reserves for unearned premiums at year end	160,796	169,679
15 Reserves for unearned premiums at the start of the year	169,679	
16 Reserves for claims payable at year end	9,371,089	7,523,773
17 Reserves for claims payable at the start of the year	7,523,773	
20 Reserves for liquidity risk at year end		
21 Reserves for liquidity risk at the start of the year		
18 Other technical reserves at year end		
19 Other technical reserves at the start of the year		

(a) Opening stocks of reserves are valued at N-1 exchange rates.

Table 23: Commissions for direct insurance/reinsurance

Headings/Financial Years *(in Euro thousand)*	**December 31, 2023**	**December 31, 2022**
Life insurance	1,794	2,085
Non-Life insurance	1,640,145	1,506,479
TOTAL	**1,641,939**	**1,508,563**

Table 24: Breakdowns of gross premiums

Headings/Financial Years *(in Euro thousand)*	**December 31, 2023**	**December 31, 2022**
Accepted insurance premiums (France)	2,196,012	1,961,250
Accepted insurance premiums EEC (outside France)	2,749,621	2,459,515
Insurance premiums accepted outside the EEC	1,773,767	1,513,101
TOTAL	**6,719,400**	**5,933,866**

7.2 Investments income and expenses

Table 25: Financial income and expenses

Type *(in Euro thousand)*	**Financial income and financial expenses relating to investments in affiliated companies**	**Financial income and financial expenses on other investments**	**December 31, 2023**	**December 31, 2022**
Investment income	6,393,784	553,488	6,947,271	4,769,189
Income from real estate investments	-	2,718	2,718	1,441
Income from other investments	601,131	966,845	1,567,976	1,468,050
Other financial income (commissions, fees, interest, etc.)	181,852	136,671	318,523	57,082
TOTAL (ITEM II-2 OF THE "LIFE" PROFIT AND LOSS ACCOUNT), (ITEM III-3 OF THE NON-TECHNICAL PROFIT AND LOSS ACCOUNT)	**7,176,766**	**1,659,722**	**8,836,488**	**6,295,762**
Financial expenses (commissions, fees, interest, agios, etc.), (item II-9a «Life» and item III-5a non-technical net of investment management expenses)	(361,271)	(820,806)	(1,188,203)	(1,059,000)
a) total other investment income	-	-	-	-
b) total other investment expenses	(721,269)	(927,151)	(1,684,052)	(2,201,703)

7.3 Income tax

Table 26: Tax burden analysis

	December 31, 2023			**December 31, 2022**		
Tax *(in Euro thousand)*	**For the year**	**For previous years**	**Total**	**For the year**	**For previous years**	**Total**
Related to ordinary operations	372,009	24,083	396,092	253,968	81,705	335,673
Related to exceptional income and expenses	-	-	-	-	-	-
TOTAL	**372,009**	**24,083**	**396,092**	**253,968**	**81,705**	**335,673**

7.4 Executive remuneration

- During the 2023 financial year, attendance fees paid to members of the Board of Directors amounted to €2 million. Directors' fees allocated in 2023 and which will be paid in 2024 amount to €2.1 million.
- The total amount of sums paid as direct or indirect remuneration to the five highest paid people in the Company during the 2023 financial year amounts to €11,417,480.52.

Table 27: Options and performance shares or units granted to members of the Management Committee paid by the Company

	Year 2023		Year 2022	
(in Euro)	Value of options granted during the year	Value of performance shares and performance units granted during the year	Value of options granted during the year	Value of performance shares and performance units granted during the year
TOTAL	**-**	**5,450,566**	**-**	**4,435,986**

8. OTHER INFORMATION

Information on donations and sponsorship

The total amount of sums eligible for the tax reduction provided for in paragraphs 1 and 4 of article 238 *bis* and article 238 *bis* A0 of the General Tax Code for the financial year ending on December 31, 2023, amounts to €10,339,380.16. It consists of donations and commitments in support of sponsorship and initiatives carried out by the AXA Research Fund.

Information on transactions operated by related parties

None of the transactions operated by related parties, that are still outstanding at year end or that occurred during the course of the year, account for the distinctive characteristics of transactions to be disclosed in accordance with the ANC regulations n° 2014-03 (article 832-16).

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

ERNST & YOUNG Audit
Tour First, TSA 14444
92037 Paris-La Défense

Statutory Auditors' report on the financial statements

For the year ended December 31, 2023

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders' Meeting of AXA SA,

OPINION

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of AXA SA for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (*code de commerce*) and the French Code of ethics (*code de déontologie de la profession de commissaire aux comptes*) for statutory auditors for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.821-53 et R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

easurement of Investments in affiliated undertakings and in undertakings with which a participating interest exists
(See Notes 5.2 to the financial statements)

Key audit matter	How our audit addressed the matter
At December 31, 2023, investments in affiliated undertakings and in undertakings with which a participating interest exists represented €66 745 million, a significant balance sheet item. These investments are initially carried at acquisition cost or their contribution value. At the end of the fiscal year, an impairment allowance is recognized if the value at closing date is less than the acquisition cost. As described in note 5.2 to the financial statements, the value at closing date corresponds to the value in use and is determined by management on the basis of the share price, the equity value (including unrealized gains), or the future prospects of the subsidiary. Estimating the value in use of these types of investments requires a significant degree of judgment from management in terms of selecting the measurement methods, depending on the investment in question, and in determining which data and assumptions should be used to estimate the expected profits when these are taken into account in the valuation. In particular: ■ For the “Life” activities, the estimation method of the value in use has evolved since the first-time application of IFRS 17. The value in use is now determined based on equity according to the IFRS framework, to which the value of future profits is added. It is estimated based on the the residual contractual service margin services determined according to the IFRS 17 standard, and the profitability of future contracts estimated based on multiples of the present value of expected profits on contracts underwritten during a year; ■ For “Property and Casualty” activities, the estimation method of the value results from cash-flow projections based on the strategic plan approved by management, discounted using a risks adjusted rate. Beyond the strategic plan horizon, future cash-flows are extrapolated using long term growth rates deemed achievable, to derive a terminal value. ■ Given the inherent uncertainty involved in the use of forecasts (in terms of whether or not they will be achieved) and in the judgment required to assess value in use, we deemed the correct measurement of investments in affiliated undertakings and in undertakings with which a participating interest exists, particularly those based on forward-looking data, to be a key audit matter.	To assess the reasonableness of the estimated value in use of investments in affiliated undertakings and in undertakings with which a participating interest exists, based on the information provided to us, our audit work consisted primarily of controlling that the estimated values determined by management were based on an appropriate measurement method and assumptions, depending on the investment concerned. For the “Life” activities, we have: ■ Assessed the appropriateness of the methodology retained by Management ■ Checked the consistency of the data on the equity, the residual contractual service margin and the profitability of future contracts used for the value in use and the one of the audited consolidated financial statements. ■ Verified the accuracy of the value in use calculated; ■ For the other “Property and Casualty” activities notably, we have, on a sample of securities and on the basis of the projections for cash flow and operating cash flow for the businesses produced by the operational management teams: - Checked the consistency of the historical data used with the financial statements of the audited entities; - Checked that the assumptions are consistent with the economic environment at the closing date and at the date the financial statements were prepared; - Compared projections made in previous periods with actual results in order to assess the reliability of the estimates; - Verified the accuracy of the value in use calculated; - Checked that the value in use, which is based on projected cash flows, has been adjusted to account for debts. We also exmined the recording of other non technical reserves where the company is exposed to the losses of a subsidiary with negative equity. Finally, we assessed the adequacy of the disclosures in the financial statements.

Measurement of claims reserves for reinsurance contracts
(See Notes 4.2 and 5.9 to the financial statements)

Key audit matter	How our audit addressed the matter
The technical reserves of your company amount to €9 371 million for Non-life business and €287 million for Life business as at December 31, 2023. As described in notes 4.2 demand 5.9 of the financial statements, the amount of claims reserves corresponds to estimated value of the principal expenses and costs, both internal and external, necessary for the settlement of all incurred and unpaid losses, including capital constituting annuities not yet payable by the Company. The Non-life and life claim reserves include estimated reserves on a case-by-case basis of the co-insurance and reinsurance acceptances (including legal fees). They are established on the basis of data provided by the ceding compagnies and supplemented by actuarial estimates based on historical statistics and indications provided by underwriters. These estimates, based on reinsurance commitments or on statistical and actuarial bases, involve significant uncertainties and require a significant degree of judgment from management. In this context, we considered the measurement of claims reserves for reinsurance contracts to be a key audit matter.	In order to cover the risk relating to the measurement of claim reserves, we have implemented the following audit approach with our actuarial specialists: ■ We assessed the compliance of the methodology applied by AXA SA with current accounting standards and its application; ■ We evaluated and tested the design and operating effectiveness of the internal controls we deemed key to our audit and related to: - the management of claims and, in particular, the measurement of reserves on a case-by-case basis; - the calculation of the ultimate cost (assumptions, judgments, data, methodologies, compliance with the applicable accounting principles and methods), including second opinion supplied by Risk Management with respect to technical reserves; - the IT systems used to process the technical data and integration into the accounting system. For the treaties with mutualized risks on which AXA SA establishes its own estimate: ■ Our work also consisted in assessing the statistical methods and actuarial inputs applied, as well as of the assumptions used, with respect to the applicable regulations, and the economic and financial context of AXA SA; ■ We tested the reliability of the data used as the basis for the estimates; ■ We have, undertook an independent evaluation of these reserves for some insurance risk categories. ■ We have, notably on branches of activity where the estimation of claims provisions has a higher risk of uncertainty and judgment, evaluated the outcome of the accounting estimates made the previous years with a view to assessing the reliability of the process used by management to calculate these estimates; For the other treaties we have, verified an a sample basis, the reciprocity of the data recorded in the annual accounts of AXA SA with those of the ceding subsidiaries. Finally, we assessed the adequacy of the disclosures in the financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by law and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders with the exception of the point below:

Concerning the fair presentation and the consistency with the financial statements of the information on supplier payment terms referred to in Article D.441-6 of the French Commercial Code, we have the following matter to report: as explained in the management report, the information does not include reinsurance transactions because the Company considers that they do not fall within the scope of the disclosure requirement in accordance with the circular issued by the *Fédération Française de l'Assurance* dated 29 May 2017.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L. 22-10-10 et L.22-10-9 of the French Commercial Code (code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or allocated to the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled companies which are included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other Information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of presentation of the financial statements included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

Appointment of Statutory Auditors

We were appointed as statutory auditors of AXA SA by the Shareholders' Meetings held on February 28, 1989 (PricewaterhouseCoopers Audit) and on April 28, 2022 (ERNST & YOUNG Audit).

As at December 31, 2023, PricewaterhouseCoopers Audit and ERNST & YOUNG Audit were in the thirty-fifth and in the second year of total uninterrupted engagement, respectively.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code (*code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 à L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics for statutory auditors (code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Courbevoie, March 18, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit		ERNST & YOUNG Audit	
Bénédicte Vignon	Grégory Saugner	Olivier Durand	Patrick Menard

APPENDIX IV GLOSSARY

This glossary includes definitions of non-GAAP financial measures, or alternative performance measures ("APMs"), that Management believes are useful to understand the Group's business and analyze the Group's performance.

SCOPE

- **France** (insurance and banking activities, and holding);
- **Europe**, consisting of:
  - Switzerland (insurance activities),
  - Germany (insurance activities and holding),
  - Belgium & Luxemburg (insurance activities and holding),
  - United Kingdom & Ireland (insurance activities and holding),
  - Spain (insurance activities),
  - Italy (insurance activities), and
  - AXA Life Europe (insurance activities);
- **AXA XL (insurance and reinsurance activities and holding);**
- **Asia, Africa & EME-LATAM consisting of:**
  - Asia, consisting of:
    - Japan (insurance activities and holding),
    - Hong Kong (insurance activities),
    - Thailand (insurance activities),
    - Indonesia (insurance activities),
    - China (insurance activities),
    - The Philippines (insurance activities),
    - South Korea (insurance activities),
    - Malaysia (insurance activities held for sale until June 2021, and disposed on August 30, 2022),
    - India (Life activities and holding), and
    - Asia Holdings,
  - EME-LATAM, consisting of:
    - Brazil (insurance activities and holding),
    - Colombia (insurance activities),
    - Mexico (insurance activities),
    - Russia (Reso) (insurance activities), and
    - Türkiye (insurance activities and holding),
  - Africa:
    - Morocco (insurance activities and holding),
    - Nigeria (insurance activities and holding),
  - AXA Mediterranean Holdings;
- **AXA Investment Managers (including Architas);**
- **Transversal & Central Holdings, consisting of:**
  - AXA Assistance,
  - AXA Liabilities Managers,
  - AXA SA (including Group's internal reinsurance activity consequently to the merger with AXA Global Re on June 30, 2022), and
  - Other Central Holdings.

ALTERNATIVE PERFORMANCE MEASURES

Underlying Earnings

Underlying Earnings represent the Net Income Group share as disclosed in the table set forth on pages 44 to 47 of this Annual Report, before the impact of the following items net of absorption from technical liabilities, taxes, and minority interests:

- realized gains and losses as well as the change in impairment valuation on assets held directly and accounted through other comprehensive income with recycling or at the amortized cost;
- profit or loss on financial assets accounted at fair value through profit & loss, foreign exchange impacts on assets and liabilities as well as derivatives hedging assets and liabilities;
- impairments of goodwill, impairments, and amortization of other intangibles;
- integration costs related to newly acquired companies as well as restructuring costs related to productivity improvement plans; and
- exceptional operations (primarily changes in scope and discontinued operations).

Underlying Earnings per Share

Underlying Earnings per Share ("**Basic UEPS**") represent AXA's consolidated Underlying Earnings (net of financial charges related to undated and deeply subordinated debts recorded through shareholders' equity as disclosed in Section 6.6 – Note 11 "Shareholders' equity and minority interests" in this Annual Report) divided by the weighted average number of outstanding

A

ordinary shares over the period. Shares held by AXA and its subsidiaries (*i.e.* treasury shares) are deducted for the calculation of outstanding shares.

Fully Diluted Underlying Earnings per Share ("**Fully Diluted UEPS**") represent AXA's consolidated Underlying Earnings (net of financial charges related to undated and deeply subordinated debts recorded through shareholders' equity as disclosed in Section 6.6 – Note 11 "Shareholders' equity and minority interests" in this Annual Report) divided by the weighted average number of outstanding ordinary shares over the period, on a diluted basis (*i.e.* including the potential impact of all outstanding dilutive stock options being exercised, performance shares, and conversion of existing convertible debt into shares, provided that their impact is not anti-dilutive). Shares held by AXA and its subsidiaries (*i.e.* treasury shares) are deducted for the calculation of outstanding shares.

Combined Ratio (Applicable to Short-Term Business)

The Combined Ratio is the sum of the current accident year loss ratio net of reinsurance plus the prior accident year loss ratio net of reinsurance plus the expense ratio.

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

- discounted current year claims charge gross of reinsurance + discounted current accident year claims handling costs + discounted current accident year result of reinsurance ceded + change in loss component; to
- current year revenues gross of reinsurance.

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

- discounted prior accident year claims charge gross of reinsurance + discounted prior accident year claims handling costs + discounted prior accident year result of reinsurance ceded + variation of risk adjustment; to
- all year revenues gross of reinsurance.

Expense ratio is the ratio of:

- expenses (including attributable, non-attributable and non-insurance expenses), excluding commissions from assumed reinsurance business; to
- all year revenues gross of reinsurance.

Underlying Return on Equity

Underlying Return on Equity ("Underlying ROE") is calculated as the ratio of:

- Underlying Earnings net of interest charges related to undated and deeply subordinated debts (recorded through shareholders' equity as disclosed in Section 6.6 – Note 11 "Shareholders' Equity and Minority Interests" in this Annual Report); to
- the average of opening and closing shareholders' equity excluding other comprehensive income related to invested assets insurance and reinsurance contracts (as disclosed in Section 6.6 – Note 11 "Shareholders' equity and minority interests" in this Annual Report), as well as excluding undated and deeply subordinated debt (recorded through shareholders' equity, as disclosed in Section 6.6 – Note 11 "Shareholders' equity and minority interests" in this Annual Report).

Debt Gearing

Debt Gearing refers to the level of a company's debt related to its long-term capital, usually expressed as a percentage. Debt Gearing is used by Management to measure the financial leverage of the Group and the extent to which its operations are funded by creditors as opposed to shareholders. AXA's Debt Gearing is calculated by dividing gross debt (financing debt, as disclosed in Section 6.6 – Note 15 "Financing debt", and undated and deeply subordinated debts, as disclosed in Section 6.6 – Note 11 "Shareholders' equity and minority interests" in this Annual Report) by total capital employed (shareholders' equity excluding undated and deeply subordinated debts), gross debt and Contractual Service Margin (net of tax), as it represents the unearned profit to be recognized as services are provided to policyholders.

OTHER DEFINITIONS

Asset Management – Net inflows

Net inflows represent inflows of client money less outflows of client money. Net inflows are used by the Management to measure the impact of sales efforts, product attractiveness (mainly dependent on performance and innovation), and the general market trend in investment allocation.

Asset Management – Cost Income ratio

Underlying cost income ratio is the ratio of general expenses excluding distribution-related expenses to gross revenues excluding distribution fees received.

Assets under Management ("AuM")

Assets under Management are defined as the assets the management of which has been delegated by their owner to an asset management company such as AXA Investment Managers. AuM only include funds and mandates which generate fees and exclude double counting.

Average Assets Under Management ("Average AuM")

Average Assets under Management represent an annual measure of the assets during the period, taking into account net flows, market effect and foreign exchange to compute the year-to-date average. They also exclude assets held in joint venture companies which are consolidated under the equity method.

Comparable basis for Gross Written Premiums and Other Revenues, Present Value of Expected Premiums (PVEP) and NBV Margin

"On a comparable basis" means:

- data for the current period were restated using the prevailing foreign currency exchange rates for the same period of the prior year (**constant exchange rate basis**);
- data in one of the two periods being compared were restated for the results of acquisitions, disposals, and business transfers (**constant structural basis**) and for changes in accounting principles (**constant methodological basis**).

Contractual Service Margin ("CSM")

CSM represents a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit to be recognized as services are provided to policyholders.

CSM Release

CSM Release is the portion of CSM stock net of reinsurance at the end of the defined period flowing through profit and loss representing the estimated profit earned by the insurer for providing insurance services during the reporting period.

Economic Variance

Economic Variance corresponds to the variance of the year end CSM arising from changes in market conditions net of the Underlying Return on in-force.

Eligible Own Funds ("EOF")

Eligible Own Funds represents the surplus derived from a Solvency II balance sheet. EOF is defined as the excess of market value of assets over best estimate liabilities and risk margin as per Solvency II regulation.

Financial Result

Financial Result consists of investment income on assets backing Building Block Approach ("BBA") and Premium Allocation Approach ("PAA") contracts as well as assets backing shareholder's equity, net of the Insurance finance expenses ("IFE") defined as the unwind of the present value of future cash flows.

Gross Written Premiums and Other Revenues

Gross Written Premiums represent the insurance premiums collected during the period (including risk premiums, premiums from pure investment contracts with no discretionary participating features, fees and revenues, net of commissions paid on assumed reinsurance business). Other Revenues represent premiums and fees collected on activities other than insurance (*i.e.*, banking, services and Asset Management activities).

Long-Term Business

Long-Term Business refers to insurance activities measured using the Variable Fee Approach ("VFA") or the Building Block Approach ("BBA"), as well as Protection with Savings, even if the latter is measured using Premium Allocation Approach ("PAA"). Long-Term Business margin analysis includes CSM Release and Technical Experience.

New Business Value ("NBV")

NBV represents the value of newly issued contracts during the current year. It consists of the sum of **(i)** the New Business Contractual Service Margin, **(ii)** the present value of the future profits of Short-Term Business newly issued contracts during the period, carried by Life entities, considering expected renewals, and **(iii)** the present value of the future profits of pure investment contracts accounted for under IFRS 9, net of **(iv)** the cost of reinsurance, **(v)** taxes and **(vi)** minority interests.

NBV Margin

NBV Margin is the ratio of **(i)** New Business Value representing the value of newly issued contracts during the current year to **(ii)** Present Value of Expected Premiums (PVEP).

New Business Contractual Service Margin ("NB CSM")

NB CSM represents a component of the carrying amount of the asset or liability for newly issued insurance contracts during the period, representing the unearned profit to be recognized as insurance contract services are provided.

Present Value of Expected Premium ("PVEP")

PVEP represents the new business volume, equal to the present value at the time of issue of the total premiums expected to be received over the policy term. PVEP is discounted at the reference interest rate and PVEP is Group share.

Revenues

For Short-Term Business, revenues represent the portion of premiums earned during the defined reporting period as well as revenues from non-insurance activities.

Short-Term Business

Short-Term Business refers to insurance activities measured using the Premium Allocation Approach ("PAA") and services activities notably at AXA Assistance. Short-Term Business margin is analyzed using the Combined Ratio. Short-Term Business covers Property & Casualty, Health and Life Pure Protection when measured using the PAA. Bank and Asset Management activities are presented in the aggregate "Financial Results and Other" in the Group Earnings table.

Solvency II ratio

This ratio is calculated as per Solvency II and is equal to the total amount of the Group's Eligible Own Funds ("EOF") divided by the Group's Solvency Capital Requirement ("SCR"). The Solvency Capital Requirement, *i.e.*, the denominator of the Solvency II ratio, is set at a level to ensure that insurers and reinsurers are able to meet their obligations towards policyholders and beneficiaries over the next 12 months, with a 99.5% probability. The Solvency Capital Requirement can be calculated either based on the standard formula or an internal model.

The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200-year shock. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's Solvency and Financial Condition Report (SFCR) as of December 31, 2022, available on AXA's website (**www.axa.com**).

Technical Experience

Technical Experience consists of the impacts on the underlying earnings of **(i)** the difference between the expected and incurred cash flows of the defined period, **(ii)** the risk adjustment release, **(iii)** the changes in onerous contracts and **(iv)** the other long-term elements which are mainly composed of non-attributable expenses.

Underlying Return on in-force

Underlying Return on in-force represents the release of the time value of options and guarantees plus the unwind of CSM at the reference rate plus the underlying financial over-performance.

APPENDIX V MANAGEMENT REPORT (*RAPPORT DE GESTION*) OF THE BOARD OF DIRECTORS – CROSS REFERENCE TABLE

This Annual Report includes all the elements required to be included in the Management Report (*Rapport de gestion*) of the Board of Directors established pursuant to Articles L.225-100 *et seq.* and L.22-10-35 *et seq.* of the French Commercial Code (*Code de commerce*).

The following references to the Sections of this Annual Report correspond to the components of the Management Report (*Rapport de gestion*) as approved by the Board of Directors of the Company.

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APPENDIX VI CORPORATE GOVERNANCE REPORT – CROSS REFERENCE TABLE

This Annual Report includes all the elements required to be included in AXA's corporate governance report established pursuant to Articles L.225-37 *et seq.* and L.22-10-8 *et seq*. of the French Commercial Code (*Code de commerce*).

The following references to the Sections of this Annual Report correspond to the components of the corporate governance report as approved by the Board of Directors of the Company.

APPENDIX VII COMMISSION DELEGATED REGULATION (EU) 2019/980 OF MARCH 14, 2019 – CROSS REFERENCE TABLE

Universal Registration Document filed with the *Autorité des marchés financiers* (“AMF”) on March 18, 2024.

ANNEX 1 OF COMMISSION DELEGATED REGULATION (EU) 2019/980

Items				Pages
1.		**Persons responsible, third party information, experts’ reports and competent authority approval**		
	1.1	Indication of responsible persons		511
	1.2	Statement by responsible persons		511
	1.3	Statement or report attributed to a person as an expert		n/a
	1.4	Information obtained from third parties		n/a
	1.5	Statement of approval of the Registration Document by the competent authority		n/a
2.		**Statutory Auditors**		
	2.1	Names and addresses of the auditors, including membership in a professional body		465
	2.2	Resignation, removal or re-appointment of auditors		465
3.		**Risk factors**		236 to 257
4.		**Information about the issuer**		
	4.1	Legal and commercial name		486 and 503
	4.2	Place and number of registration, and legal entity identifier (LEI)		486
	4.3	Date of incorporation and length of Life		486
	4.4	Registered office, legal form, applicable law, country of incorporation, address and phone number of its registered office, and website		1 and 486 [(a)]
5.		**Business overview**		
	5.1	Principal activities		
		5.1.1	Nature of the operations and main activities	19 to 26 and 41 to 43
		5.1.2	New products and/or services	19 to 26
	5.2	Principal markets		48 to 56
	5.3	Important events in the development of the issuer’s business		28 to 40
	5.4	Strategy and objectives		4 to 7
	5.5	Degree of dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing process		n/a
	5.6	Basis for statements made by the issuer regarding its competitive position		37 to 40

(a) No information, document or material from the website of the Company (www.axa.com) or any other source shall form part of the Universal Registration Document, unless such information, document or material is expressly incorporated by reference into this Universal Registration Document.

ANNEX 2 OF COMMISSION DELEGATED REGULATION (EU) 2019/980

Pursuant to article 19 of Regulation (EU) 2017/1129, the following items are incorporated by reference into this Universal Registration Document:

- the following Sections of AXA's Universal Registration Document for the year ended December 31, 2022 (the "2022 URD"), the French version of which was filed with the AMF on March 21, 2023 under number D.23-0119 and is available on the AMF's website within the BDIF (https://bdif.amf-france.org/fr/details/D_23-0119):

(a) Section 2.1 "Operating Highlights" on pages 32 to 37,

(b) the report of the Board of Directors of AXA for the year ended December 31, 2022, including all Sections listed in Appendix VI "Board of Directors' report – Cross-Reference Table" on page 529, and

(c) Part 6 "Consolidated Financial Statements", which includes AXA's consolidated financial statements for the year ended December 31, 2022 and the Statutory Auditors' report thereon, respectively, on pages 290 to 441 and pages 442 to 447;

- the following Sections of AXA's Universal Registration Document for the year ended December 31, 2021 (the "2021 URD"), the French version of which was filed with the AMF on March 22, 2022 under number D.22-0129 and is available on the AMF's website within the AMF's Decisions and Financial Disclosures Database (the "BDIF") (https://bdif.amf-france.org/fr/details/D_22-0129):

(a) Section 2.1 "Operating Highlights" on pages 32 to 39,

(b) the report of the Board of Directors of AXA for the year ended December 31, 2021, including all Sections listed in Appendix VI "Board of Directors' report – Cross-Reference Table" on page 506, and

(c) Part 6 "Consolidated Financial Statements", which includes AXA's consolidated financial statements for the year ended December 31, 2021 and the Statutory Auditors' report thereon, respectively, on pages 290 to 440 and pages 441 to 446.

- the Bylaws of AXA SA, as amended from time to time, are available on the website of the Company (https://www.axa.com/en/about-us/governance-overview);

The non-incorporated parts of the 2021 and 2022 URDs are either not relevant for investors or covered elsewhere in this Universal Registration Document.

APPENDIX VIII ANNUAL FINANCIAL REPORT – CROSS REFERENCE TABLE

This Annual Report includes all the components of the Annual Financial Report (*Rapport Financier Annuel*) referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) as well as in Article 222-3 of the AMF General Regulation.

The following references to sections of this Annual Report correspond to the components of the Annual Financial Report.

Sections	Pages
Financial statements of AXA, the parent company	512 to 553
Consolidated financial statements of the Group	292 to 470
Management Report (*Rapport de gestion*) of the Board of Directors	563
Statement made by the person responsible for the Annual Financial Report	511
Report of the Statutory Auditors on the financial statements of AXA, the parent company	554 to 558
Report of the Statutory Auditors on the consolidated financial statements of the Group	471 to 477
Corporate governance report	564

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www.axa.com

on which you will find the aggregate regulated information published by our Company.

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