



**/ 2025**

**Solvency and  
Financial Condition  
Report**



**AXA WEALTH EUROPE**

# SOLVENCY AND FINANCIAL CONDITION REPORT

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- CERTAIN PRELIMINARY INFORMATION ABOUT THIS SFCR REPORT ..... 5
- BUSINESS AND PERFORMANCE ..... 9
  - A.1 BUSINESS..... 9
    - A.1.1 General Information..... 9
    - A.1.2 Information on the Company..... 9
    - A.1.3 Major Shareholders & related parties ..... 10
    - A.1.4 Business Overview ..... 11
    - A.1.5 Significant Business and Other Events ..... 12
  - A.2 UNDERWRITING PERFORMANCE ..... 13
    - A.2.1 Aggregate underwriting performance ..... 13
    - A.2.2 Underwriting performance by geographical area..... 13
    - A.2.3 Underwriting performance by product line..... 13
  - A.3 INVESTMENT PERFORMANCE ..... 14
    - A.3.1 Net investment result ..... 14
    - A.3.2 Gains and losses directly recognized in Equity ..... 15
    - A.3.3 Investments in securitization ..... 15
  - A.4 PERFORMANCE OF OTHER ACTIVITIES..... 16
    - A.4.1 Net income..... 16
    - A.4.2 Leasing arrangements ..... 16
  - A.5 ANY OTHER INFORMATION..... 17
- SYSTEM OF GOVERNANCE..... 18
  - B.1 General information on the system of governance ..... 18
    - B.1.1 Governance ..... 18
    - B.1.2 Remuneration policy..... 22
    - B.1.3 Directors’ fees ..... 24
    - B.1.4 Commitments made to executive officers ..... 24
    - B.1.5 Material transactions with shareholders, persons who exercise a significant influence and corporate officers or executives..... 25
    - B.1.6 Assessment of the adequacy of the system of governance..... 25
  - B.2 Fit and proper requirements..... 26
    - B.2.1 Fit and Proper assessment process for the persons who effectively run the undertaking and heads of key functions..... 26
  - B.3 Risk management system including the own risk and solvency assessment..... 27
    - B.3.1 Risk management system ..... 27
    - B.3.2 Own Risk and Solvency Assessment..... 29

B.4 Internal control system .....	31
B.4.1 Internal control system .....	31
B.5 Internal audit function .....	38
B.5.1 Internal audit function .....	38
B.6 Actuarial function.....	41
B.6.1 Actuarial function.....	41
B.7 Outsourcing.....	43
B.7.1 Outsourcing arrangements .....	43
B.8 Any other information.....	45
RISK PROFILE.....	46
/ Foreword.....	46
/ Solvency II capital position.....	47
C.1 Underwriting risk.....	49
C.1.1 Insurance Risk Exposure .....	49
C.1.2 Risk Control and Risk Mitigation .....	49
C.2 Market Risk.....	51
C.2.1 Market Risk Exposure.....	51
C.2.2 Risk Control and Risk Mitigation .....	51
C.2.3 Governance of Investment strategy and asset & liability management (ALM) .....	52
C.3 Credit Risk.....	54
C.3.1 Risk Control and mitigation .....	54
C.4 Liquidity risk .....	55
C.4.1 Liquidity position and risk management framework .....	55
C.5 Operational risk.....	56
C.5.1 General principles .....	56
C.6 Other material risk .....	57
C.6.1 Strategic risk.....	57
C.6.2 Reputation risk .....	57
C.6.3 Emerging risks .....	57
C.7 Any other information.....	59
VALUATION FOR SOLVENCY PURPOSES .....	60
/ Basis for preparation.....	60
D.1 Assets .....	62
D.1.1 Fair value measurement .....	62
D.1.2 Intangible assets .....	64
D.1.3 Property, Plant & Equipment held for own use.....	64
D.1.4 Investments and loans .....	64

D.1.5 Derivative instruments.....	65
D.1.6 Deferred taxes.....	65
D.1.7 Leasing arrangements.....	65
D.1.8 Assets held for index-linked and unit-linked funds.....	65
D.1.9 Other assets .....	66
D.2 Valuation of technical provisions and reinsurance recoverables .....	67
D.2.1 General principles .....	67
D.2.2 Best Estimate Liabilities .....	67
D.2.3 Statement on the use of the volatility adjustment.....	69
D.2.4 Statement on the use of the transitional measures for technical provisions.....	69
D.2.5 Risk margin.....	70
D.2.6 Reinsurance.....	70
D.3 Valuation of other liabilities.....	71
D.3.1 Contingent liabilities .....	71
D.3.2 Provisions other than technical provisions.....	71
D.3.3 Pension benefit obligations .....	72
D.3.4 Deferred taxes.....	72
D.3.5 Financial liabilities .....	72
D.3.6 Leasing arrangements.....	72
D.3.7 Other liabilities.....	72
D.4 Alternative methods for valuation.....	73
D.5 Any other material information.....	74
CAPITAL MANAGEMENT.....	75
E.1 Own funds .....	75
E.1.1 Capital Management Objectives .....	75
E.1.2 Information on the Capital Structure .....	75
E.1.3 Change in capital resources in 2025.....	75
E.1.4 Tiering analysis of capital .....	76
E.1.5 Reconciliation to Local GAAP Shareholders' equity .....	77
E.2 Solvency Capital Requirement and Minimum Capital Requirement.....	78
E.2.1 General principles.....	78
E.2.2 Solvency Capital Requirement (SCR) .....	78
E.2.3 Minimum Capital Requirement.....	79
E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement.....	80
E.4 Differences between the standard formula and any internal model used .....	80

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement.....	80
E.6 Any other information.....	80
ATTACHMENT.....	81

This report is the Solvency and Financial Condition Report (SFCR) of **AXA Wealth Europe** for the reporting period ended **December 31, 2025**, pursuant to article 51 of the Directive 2009/138/EC and articles 290 to 298 of the Delegated Regulation 2015/35.

## CERTAIN PRELIMINARY INFORMATION ABOUT THIS SFCR REPORT

### Presentation of the information

In this Report unless provided otherwise, (i) the “Company”, and/or “AXA Wealth Europe” refer to AXA Wealth Europe, a “société anonyme” organized under the laws of Luxemburg, which is an indirect subsidiary of AXA SA, the publicly traded parent Company of the AXA Group, and (ii) “AXA Group” and/or the “Group” refer to AXA SA together with its direct and indirect consolidated subsidiaries.

### SUMMARY

The European Union’s regulatory regime for European insurers became effective on January 1, 2016, following the adoption of the 2009 Solvency II Directive on the taking-up and pursuit of the business of insurance and reinsurance, as amended in 2014 by the 2014/51/EU Directive (“Omnibus II”). The Solvency II framework is based on three main pillars: (1) Pillar 1 consists of the quantitative requirements around own funds, valuation rules for assets and liabilities and 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) which will be used by the regulator as part of the supervisory review process; and (3) Pillar 3 focuses on enhanced reporting and disclosure requirements. The Solvency II framework covers, among other matters, valuation of assets and liabilities, the treatment of insurance groups, the definition of capital and the overall level of required capital.

### Key Figures

<i>(In Euro million except solvency ratio data)</i>	2025	2024
<b>Income Statement Data*</b>		
Total Revenues (Net of Reinsurance)	676,5	557,3
Operating income	-6,5	-4,6
Net investment results	157,5	139,7
Net income	-5,0	-3,4
<b>Balance Sheet Data**</b>		
Total assets	3 851,1	3 084,8
Available capital	85,8	64,5
<b>Capital Requirement Data**</b>		
Solvency Capital Requirement (SCR)	60,2	49,0
<b>Solvency II ratio **</b>	<b>143%</b>	<b>132%</b>

\*Local statutory GAAP figures

\*\* Solvency II figures

The main adjustments between local statutory GAAP and Solvency II are stated in section D - page 60

## Key Highlights

<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>ACTIVITY INDICATORS</b></p>	<p>AXA Wealth Europe was incorporated on 24 May 2016.</p> <p><b>Total Revenues</b> net of reinsurance amounted to € 676,5 million and increased by 21,4% compared to last year.</p> <p><b>Total operating income</b> amounted to € -6,5 million. The loss is mainly driven by acquisition costs, as the company is still in its development phase.</p> <p><b>Total net income</b> amounted to € -5,0 million, attributable to the negative operating income, which is partially offset by the positive impact of tax integration with the Luxembourg AXA companies.</p> <p>The General Meeting decided to allocate this negative result to retained earnings.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>SYSTEM OF GOVERNANCE</b></p>	<p>The system of governance organized by the Board of Directors is supported by 3 committees: the Executive Committee chaired by the CEO, the Audit Committee and the Remuneration Committee.</p> <p>In addition, dedicated committees and key functions (compliance, risk management, audit &amp; actuarial functions) are supporting the governance of the company:</p> <ul style="list-style-type: none"> <li>● the Audit Risk and Compliance Committee (ARC Committee) notably including the CEO (Chairman), the CFO, the CCO, the Compliance Officer and the CRO, and</li> <li>● the Investment and ALM committee.</li> </ul>

<b>RISK PROFILE</b>	<p>This section describes the elements of the risk profile and the process that allows following and monitoring this risk profile. The cartography of risks is defined by AXA Group and is followed by AXA Wealth Europe. Financial and insurance risks are assessed on the basis of the Standard Formula which is globally in adequacy with the risk profile of AXA Wealth Europe.</p> <p>The main items concerning the risk profile of AXA Wealth Europe are :</p> <p><b>Risks relating to the scope and nature of our business, the products we offer and our operations</b></p> <p>Insurance risks for Life and Saving businesses are covered through four major processes:</p> <ul style="list-style-type: none"> <li>• risks controls on new product via the local Product Approval Process framework,</li> <li>• profitability metrics monitoring for New Business and In Force portfolio,</li> <li>• optimization of reinsurance strategies in order to cap AXA Wealth Europe's peak exposures, thereby protecting its solvency by reducing volatility,</li> <li>• reviewing technical provisions.</li> </ul> <p><b>Risks relating to the financial markets and financial position</b></p> <p>Market risk for AXA Wealth Europe is limited in two ways:</p> <ul style="list-style-type: none"> <li>• Appetite for unit linked contracts, for which market risk is borne by the clients,</li> <li>• Financial reinsurance with AXA France for guaranteed rate contracts</li> </ul> <p><b>Risks relating to Operational losses</b></p> <ul style="list-style-type: none"> <li>• An update regarding the operational losses is presented each Quarter to the Audit Committee. Additionally, discussions in Executive Committee allow to define the priorities in terms of action plans to mitigate the operational risks of the company.</li> </ul> <p><b>Moreover, the solvency of AXA Wealth Europe is also monitored based on an alert level (local target capital) defined in accordance with the Group Risk Appetite framework (1 in 20 years normative shocks).</b></p>
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<b>VALUATION</b>	<p>AXA Wealth Europe’s Solvency II balance sheet is prepared as of December 31. The balance sheet is prepared in compliance with the Solvency II Regulation.</p> <p>Assets and liabilities are valued based on the assumption that the Company will pursue its business as a going concern.</p> <p>The Solvency II balance sheet only includes the value of business in force and therefore only presents a partial view of the value of the Company.</p> <p>Technical provisions are recognized with respect to all of insurance and reinsurance obligations towards policyholders and beneficiaries of insurance or reinsurance contracts. The value of technical provisions corresponds to the current amount that the Company would have to pay if it were to transfer its insurance and reinsurance obligations immediately to another insurance or reinsurance undertaking.</p> <p>Other assets and liabilities are recognized in compliance with IFRS standards and interpretations of the IFRS Interpretations Committee that are endorsed by the European Union before the balance sheet date with a compulsory date of January 1, 2016, provided that those standards and interpretations include valuation methods that are in accordance with the following market consistent valuation approach set out in Article 75 of the Solvency II Directive 2009/138/EC:</p> <ul style="list-style-type: none"> <li>• Assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction;</li> <li>• Liabilities shall be valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm’s length transaction (without adjustment to take account of the Company own credit standing).</li> </ul> <p>There is one material change to the valuation for Solvency purposes over the reporting period: we now have our own lapse rates (based on our historical datas, which are considered sufficient); before, we were using AXA France lapse rates</p>
<b>SOLVENCY</b>	<p><b>Solvency II ratio</b> as of December 31, 2025:</p> <p><b>Solvency II ratio</b> amounted to 143%.</p> <p><b>Eligible Own Funds</b> increased by €21,3 million to €85,8 million during the reporting period.</p> <p><b>Solvency Capital Requirement</b> increased by € 11,2 million to € 60,2 million during the reporting period.</p>

## A.1 BUSINESS

### A.1.1 General Information

AXA Wealth Europe was incorporated on 24 May 2016.

The company AXA Wealth Europe is owned by two shareholders:

- 10% by AXA Assurances Vie Luxembourg, an insurance company in Luxembourg. The shareholder of this company is AXA Luxembourg S.A., a financial holding company (SOPARFI)
- 90% by AXA France Vie S.A., an insurance company in France.

The Company belongs to the AXA Group, a worldwide leader in financial protection.

The financial statements of the Company are prepared and published in Local GAAP (Lux GAAP).

### A.1.2 Information on the Company

AXA Wealth Europe is a Luxembourgish société anonyme (a corporation) existing under the laws of Luxembourg. The Company's registered office is located at 1, place de l'Etoile, L-1479 Luxembourg, Luxembourg and its telephone number is +352 44 24 24 1.

#### **Supervisory authority**

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The "Commissariat aux Assurances" is the Luxembourg official body of supervision of the insurance sector. The legislature has entrusted to the "Commissariat aux Assurances" several missions, including the review of applications for approval of the business of insurance, reinsurance and insurance intermediaries (agents and brokers); prudential supervision of these same companies and people; assistance to international and European meetings for the development of common standards and the development of draft laws and regulations on the insurance industry and coordinate the efforts of the Government for orderly expansion of the activities of the insurance sector in the Grand-Duchy of Luxembourg.

The official organ has its offices at 11, rue Robert Stumper, L-2557 Luxembourg.

AXA Group is engaged in regulated business activities on a global basis through numerous operating subsidiaries and the Group's principal business activities of insurance and asset management are subject to comprehensive regulation and supervision in each of the various jurisdictions where the Group operates. Given that the AXA Group is headquartered in Paris, France, this supervision is based to a significant extent on European Union directives and on the French regulatory system. The AXA Group's principal supervisor is the French Autorité de Contrôle Prudentiel et de Résolution ("ACPR").

AUTORITE DE CONTROLE PRUDENTIEL ET DE RESOLUTION

4, place de Budapest – 75436 Paris Cedex, 9.

## Statutory auditors

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AXA Wealth Europe accounts are audited by Ernst & Young, société anonyme, 35E, avenue John F. Kennedy, L-1855 Luxembourg, represented by Brice Bultot, Partner.

Membership in a professional body:

Ernst & Young is registered as an independent auditor and their mission is carried out in accordance with the with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the “Law of 23 July 2016”) and with International Standards on Auditing (“ISAs”) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (“CSSF”) and the professional standards issued by the IRE (“Institut des réviseurs d’entreprises”).

## A.1.3 Major Shareholders & related parties

### Capital ownership

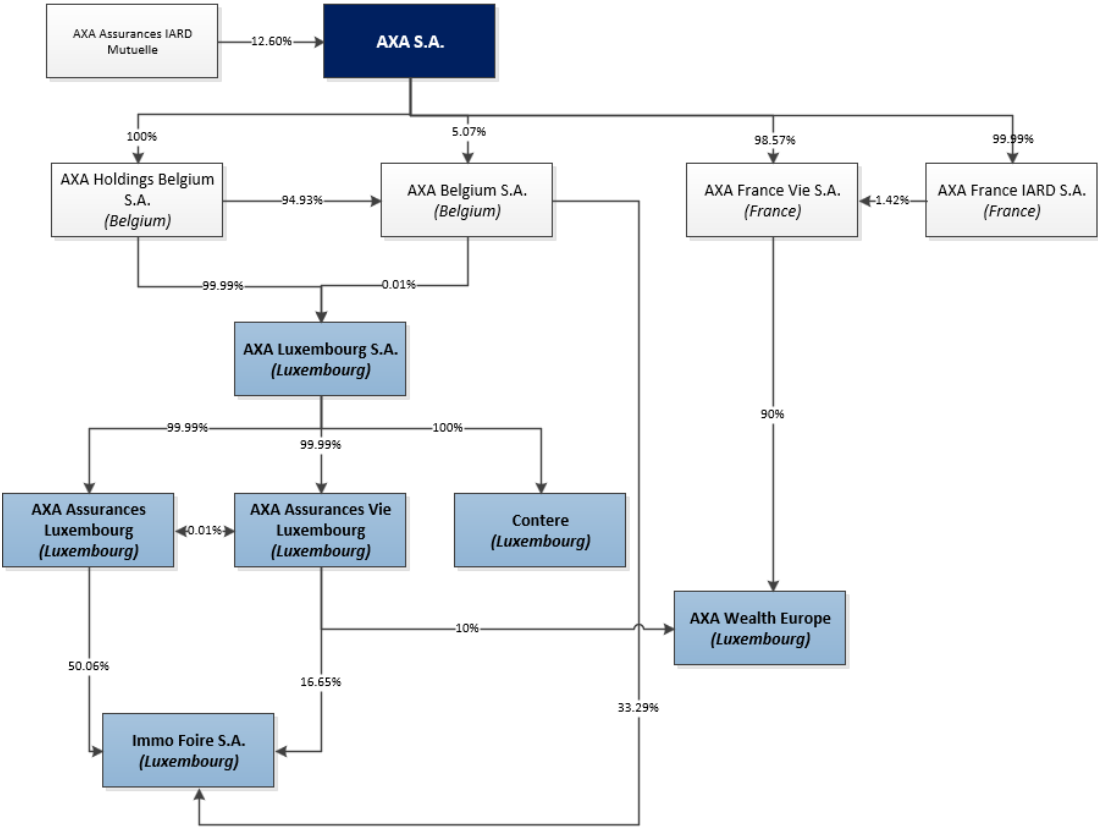
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The subscribed capital of the company AXA Wealth Europe amounts to € 14,7 million represented by 225 710 shares without par value and fully paid-up.

The table below summarizes the ownership of its issued outstanding ordinary shares as of December 31, 2025:

	Number of shares	% of capital ownership	% of voting rights
AXA France Vie S.A.	203 139	90%	90%
AXA Assurances Vie Luxembourg	22 571	10%	10%
<b>TOTAL</b>	<b>225 710</b>	<b>100%</b>	<b>100%</b>

Group structure



**A.1.4 Business Overview**

**MARKETS AND COMPETITION**

As of December 31, 2025, AXA Wealth Europe sells Investment and Savings products to Wealth clients in Luxemburg as well as predominately under European Union’s Freedom of Services directive in France, in Monaco and in Belgium. Other markets could be studied, and expansion will take place if, and when, it makes sense.

AXA Wealth Europe competes with other insurers domiciled in Luxembourg offering Investment and Saving products to Wealth clients across Europe. AXA Wealth Europe has established itself as a recognized player into the Wealth life insurance market, regularly within the Top 10 of the Luxembourgish life and savings insurers for French market.

**PRODUCTS AND SERVICES**

AXA Wealth Europe offers Investment & Saving products marketed to individual Wealth clients and holding companies.

The products offer multiple asset types such as: Guaranteed Euro Fund, Dedicated Internal Fund, Collective Internal Fund, External Unit-Linked Funds and Specialized Insurance Funds (only for the French, Monaco and Luxembourg markets).

## **DISTRIBUTION CHANNELS**

AXA Wealth Europe distributes its products through exclusive and nonexclusive channels. Proprietary channels include exclusive agents, salaried sales forces and direct sales. Non-proprietary channels include brokers, independent financial advisors, aligned distributors or wholesale distributors and partnerships.

AXA Wealth Europe's distribution strategy focuses on strengthening traditional channels and developing new ones, such as partnerships. The Company strengthened its competitive position by digitalizing standard processes such as online subscription and online onboarding which are now available

## **A.1.5 Significant Business and Other Events**

### **SIGNIFICANT ACQUISITIONS**

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The company AXA Wealth Europe has not acquired significant interest during the year ended December 31, 2025.

### **SIGNIFICANT DISPOSALS**

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The company AXA Wealth Europe made no significant disposals in 2025.

### **CAPITAL OPERATION**

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On September 25, 2025, a capital decrease took place for a total amount of € 3,4 million without cancellation of shares but through a reduction of the par value to offset the accumulated losses. On the same day, the share capital was increased by € 8,4 million through the issuance of 105,000 new shares with no par value.

### **OTHER EVENTS**

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Despite high inflation that has been occurring in recent years (slowing down and stabilizing in 2024 and 2025), the high level of debt of some European countries and the uncertain economic environment, exacerbated by geopolitical tensions (in particular the conflicts in Ukraine and Gaza), the Solvency II ratio remained resilient at a satisfactory level of 142.6% and above the Local Target Capital Level of the Company.

In this context, the Company continues to closely monitor its exposures, including the operational impacts of prolonged home office on its business, and the consequences of the deterioration in macroeconomic conditions on (i) retention and new business trends, (ii) inflation of claims burden, (iii) change in asset prices and financial conditions (interest rates in particular).

## A.2 UNDERWRITING PERFORMANCE

### A.2.1 Aggregate underwriting performance

#### Operating income and expenses

<i>(in Euro million except percentages)</i>	December 31, 2025	December 31, 2024
<b>Gross revenues</b>	<b>821,2</b>	<b>711,8</b>
Investment margin	0,1	0,0
Fees & revenues	29,3	22,7
Net technical margin	5,4	4,3
Expenses including commissions	-41,3	-31,7
Other operating	-	-
<b>Operating income</b>	<b>-6,5</b>	<b>-4,6</b>

**Fees & revenues** increased by € 6,6 million to € 29,3 million driven by business growth.

**Expenses** rose by € 9,5 million, reaching € 41,3 million, primarily due to increased commissions (€ 8,6 million) linked to overall business expansion.

### A.2.2 Underwriting performance by geographical area

The table below presents gross revenues by geographic region:

#### Gross revenues by geographical area

<i>(in Euro million except percentages)</i>	2025		2024	
France	778,7	95%	671,6	94%
Belgium	27,1	3%	26,8	4%
Luxembourg	7,1	1%	2,1	0%
Other countries of the European Union	7,0	1%	9,1	1%
Other	1,3	0%	2,2	0%
<b>TOTAL</b>	<b>821,2</b>	<b>100%</b>	<b>711,8</b>	<b>100%</b>

France is the primary geographical market of distribution for AXA Wealth Europe.

### A.2.3 Underwriting performance by product line

The table below presents gross revenues by major product line:

#### Gross revenues by product line

<i>(in Euro million except percentages)</i>	2025		2024	
<b>Individual Life</b>				
Savings – Wealth Management	821,2	100%	711,8	100%
- Unit Linked	672,3	82%	547,5	77%
- Guaranteed Euro Fund	148,9	18%	164,3	23%
<b>TOTAL</b>	<b>821,2</b>	<b>100%</b>	<b>711,8</b>	<b>100%</b>

## A.3 INVESTMENT PERFORMANCE

### A.3.1 Net investment result

Net investment result from the financial assets of the company AXA Wealth Europe was as follows:

(In Euro million)	December 31, 2025				
	Net investment income	Net realized gains and losses (°)	Change in investments impairment	Net investment result	Investment management expenses
Investment in real estate properties	-	-	-	-	-
Debt instruments	0,659	0,026	-	0,685	0,300
Equity instruments	-	-	-	-	-
Investment funds	-	-	-	-	-
Loans	0,069	-	-	0,069	-
Assets backing contracts where the financial risk is borne by policyholders	39,719	117,552	-	157,271	18,058
Other	-0,587	0,111	-	-0,476	-
<b>TOTAL</b>	<b>39,861</b>	<b>117,689</b>	-	<b>157,550</b>	<b>18,357</b>

(°) Net realized gains and losses and valuation of investments at market value through profit or loss

(In Euro million)	December 31, 2024				
	Net investment income	Net realized gains and losses (°)	Change in investments impairment	Net investment result	Investment management expenses
Investment in real estate properties	-	-	-	-	-
Debt instruments	0,606	-	-	0,606	0,247
Equity instruments	-	-	-	-	-
Investment funds	-	-	-	-	-
Loans	0,112	-	-	0,112	-
Assets backing contracts where the financial risk is borne by policyholders	36,898	102,847	-	139,745	15,043
Other	-0,829	0,040	-	-0,789	-
<b>TOTAL</b>	<b>36,787</b>	<b>102,887</b>	-	<b>139,674</b>	<b>15,290</b>

(°) Net realized gains and losses and valuation of investments at market value through profit or loss

**The net investment income** (€ 39,8 million) includes commissions and the financial margin on assets backing contracts, where the financial risk is borne by policyholders.

**Net realized gains and losses, and the valuation of investments at market value through profit or loss** (€ 117,7 million), include the mark-to-market of the assets backing contracts, where the financial risk is borne by policyholders.

**Investment management expenses** (€ 18,4 million) are related to internal administrative fees and assets manager fees.

**Net investment income** is presented net of impairment charges on directly owned investment properties, and net of amortization of debt instruments premiums/discounts.

All investment management fees are also included in the aggregate figure.

**Net realized gains and losses and valuation of investments at market value through profit or loss** consists mainly of adjustments relating to investments backing contracts where the financial risk is borne by policyholders which are offset by an adjustment of related policyholders' reserves, as there is a full pass through of the performance of held assets to the individual contract holder.

**The changes in investments impairment for financial assets** include impairment charges on investments, and releases of impairment only following revaluation of the recoverable amount. Write back of impairment following investment sales are included in the net realized capital gains or losses on investments aggregate.

### **A.3.2 Gains and losses directly recognized in Equity**

In the statutory accounts of AXA Wealth Europe, no gains or losses were directly recognized in equity.

### **A.3.3 Investments in securitization**

AXA Wealth Europe has no investments in securitization.

## A.4 PERFORMANCE OF OTHER ACTIVITIES

### A.4.1 Net income

The table below presents the net income of the company for the periods indicated.

<i>(in Euro million)</i>	December 31, 2025	December 31, 2024
<b>Gross revenues</b>	<b>821.2</b>	<b>711,8</b>
Fees & revenues	29.3	22,7
Net technical margin	5.4	4,3
Expenses including commissions	-41.3	-31,7
Other operating	-	-
Income tax expenses/benefits	1,5	1,1
Other income / expenses	-	-
<b>NET INCOME (LOSS)</b>	<b>-5,0</b>	<b>-3,4</b>

**Total net loss** amounted to € -5,0 million, primarily attributable to the operating income and partially offset by the positive impact of the tax integration with the Luxembourg AXA companies.

### A.4.2 Leasing arrangements

The Company AXA Wealth Europe has no material leasing arrangement.

## A.5 ANY OTHER INFORMATION

Not applicable

## **B** SYSTEM OF GOVERNANCE

### B.1 General information on the system of governance

#### B.1.1 Governance

##### Board of Directors

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##### ROLE AND POWERS

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AXA Wealth Europe operates with a Board of Directors with the roles of Management and Supervisory Board.

The Board determines (under the Luxembourgish law of 10<sup>th</sup> of August 1915 in relation to commercial companies) the strategic orientations of the Company's activities and ensures their implementation. Subject to the power specifically reserved to the Shareholders' Meeting under Luxembourgish law and within the limit of the Company's purpose, the Board is responsible for considering all material questions and taking all material decisions related to the Company and its business.

It exercises the following powers in particular:

The Board reviews and approves the Company's financial statements;

The Board ensures the Company's compliance with the local law, the regulation, and the prudential regulations;

The Board has the ultimate responsibility for the Internal Control and Risk Management Systems, monitoring in time their comprehensiveness, functionality and efficiency, including outsourcing activities;

The Board ensures that the risk management framework allows the Company to identify, assess and monitor, in a forward-looking approach, the risks the Company is exposed to, in order to maintain an adequate level of its solvency in a medium-long term view. The Board also takes into account the Company's risks management policy during the decision process;

The Board is also required to approve certain types of material transactions including acquisitions and the decision to start doing business in a country where the Company does not currently have a license to operate.

##### OPERATING PROCEDURES

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The guidelines governing the operation, organization and compensation of the Board of Directors and its Committees are set out in AXA Wealth Europe Articles of Association. The Articles of Association detail, in particular, the powers, missions and obligations of the Board of Directors and its Committees.

The Board meets as often as it deems necessary and at least 3 times per year. The Board members receive documentation concerning matters to be reviewed.

## **COMPOSITION OF THE BOARD**

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Pursuant to Article 12 of the Company's Articles of Association, the members of the Board of Directors are appointed by the Shareholders' Meeting, which shall determine the number of members and the duration of their term of office. The Shareholders' Meeting may revoke the members' mandate.

As of December 31, 2025, the Board of Directors was comprised of 5 members, of which 2 are independent.

The composition of the Board as of December 31, 2025, is: Aude Lemogne (Chairman and Independent Director), Octavie Dexant (Director (Executive Director "administratrice-déléguée"), Jérôme Vierling (Non-executive Director), Anne-Laure Beneteau (Non-executive Director) and Christophe Mugnier (Non-executive Director).

The Company has an Executive Committee and an Audit Committee which have the power to provide opinions, recommendations or propositions to the Board regarding important matters for the Company.

## **BOARD OF DIRECTORS' COMMITTEES**

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The Board of Directors has 2 specialized Committees: an Audit Committee and a Remuneration Committee.

The role, organization and operating procedures of each Committee are set forth in the Board of Directors' Rules of Procedure, the Board's Charter Committee Terms of Reference and in the Terms of Reference of each subcommittee.

Each Committee issues opinions, proposals or recommendations to the Board of Directors on matters within the scope of its responsibilities. Nevertheless, under Luxembourgish law, Board Committees do not have any formal decision-making power.

Each Committee is empowered to undertake or commission specific studies or reviews within the scope of its responsibilities. The Committees may request external consulting expertise if necessary. They may also invite external participants to attend their meetings.

Committee Chairman reports to the Board of Directors at the following Board meeting.

<b>Board of Directors' Committees</b>	<b>Principal responsibilities</b>	<b>Principal activities in 2025</b>
<p><b>Audit Committee</b>  <i>Composition on December 31, 2025:</i>  <i>The Audit Committee is composed of 3 permanent members of the Board of Directors of the entity. One of these 3 members is the chairman of the Committee. The invitees to the Committee are: CEO, CFO, CRO, Chief Compliance Officer, Internal Audit and External Audit.</i></p>	<p>The scope of the Audit Committee's responsibilities is set out in its Terms of Reference which are reviewed and approved each year by the Board of Directors.</p> <p>The Audit Committee assists in the oversight of the accomplishments of strategic plan objectives, Reliability and integrity of significant financial, managerial, and operating information, Compliance with policies, standards, procedures and applicable laws and regulations</p> <p>The Committee also examines compliance with the risk appetite limits.</p> <p>The Committee meets during specific sessions with the Statutory Auditors and the Head of Audit. The review of financial statements by the Audit Committee is accompanied by a presentation from the Statutory Auditors stressing the essential points of the results of the statutory audit and the accounting methods chosen.</p> <p>The Chief Executive Officer, the Chief Financial Officer, the Head of Audit, the Chief Risk Officer as well as the Company's Statutory Auditors attend each Audit Committee meeting.</p>	<p>The Audit Committee met 3 times in 2025. The Committee focused, in particular, on the following issues:</p> <ul style="list-style-type: none"> <li>• the full year financial statements for 2024;</li> <li>• the half-year financial statements for 2025;</li> <li>• internal control and Risk Management: reports from Internal Audit, Compliance, Legal, Risk Management and Security departments;</li> <li>• significant litigation cases;</li> <li>• Solvency II and ORSA (Own Risk and Solvency Assessment) report;</li> <li>• Risk Management Framework, Risk Appetite and Reporting;</li> <li>• the results of internal and external audit work; and</li> <li>• the internal and external audit plans and resources.</li> </ul>

<b>Board of Directors' Committees</b>	<b>Principal responsibilities</b>	<b>Principal activities in 2025</b>
<p><b>Remuneration Committee</b>  <i>Composition as of December 31, 2025:</i>  <i>The Remuneration Committee is composed of the CEO, the Human Resource Director (HRD), the President of the Board of Directors and the Board members.</i></p>	<p>The Remuneration Committee is fully aligned with Group Remuneration Policy. It includes competitive benchmarking of executive compensation, update on local market practices, review of fair and differentiating pay based on business and individual performance.</p>	<p>The Remuneration Committee met once in 2025. The Committee focused, in particular, on the following issues:</p> <ol style="list-style-type: none"> <li>1. Review of executive compensation: scope and data for 2025;</li> <li>2. Review of the events in 2025: new hires, promotions, departures; and</li> <li>3. Recommendations for 2026.</li> </ol>

## **EXECUTIVE COMMITTEE**

AXA Wealth Europe Executive Committee is constituted by the Chief Executive Officer and other persons who effectively run the Company.

### **THE CHIEF EXECUTIVE OFFICER**

Octavie Dexant was appointed Chief Executive Officer by the Board of Directors on 15 of January 2022.

AXA Wealth Europe is organised according to the principle of separation of the powers of the Chairman of the Board of Directors and the Chief Executive Officer.

The Chairman of the Board of Directors organises and directs the Board of Directors' work. He ensures the proper operation of the Company's bodies.

The General Management of the Company is the responsibility of the Chief Executive Officer, under the control of the Board of Directors and subject to the guidelines approved by the Board of Directors.

The Chief Executive Officer is appointed by the Board of Directors and is vested with full powers to act on behalf of the Company in all circumstances. She exercises her powers within the limits of the corporate purpose and subject to the powers that the law expressly assigns to the Shareholders' Meeting and the Board of Directors.

In addition, the Bylaws of the Board of Directors provide for specific limitations of the powers of the Chief Executive Officer and require prior Board approval for certain significant transactions (such as a sale of some or all of the ownership interests held by the Company, acquisitions, the decision to start doing business in a country where the Company does not currently have a license to operate).

#### **THE PERSONS WHO EFFECTIVELY RUN THE COMPANY**

Within AXA Wealth Europe, the person who effectively runs the Company is the Chief Executive Officer.

The Company's person who effectively runs the Company must fulfill the requirements of a fit and proper assessment, as set forth in the Company's internal procedure, and the appointment must be notified to the Commissariat aux Assurances.

#### **Main roles and responsibilities of key functions**

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The Solvency II regulations, which became effective on January 1, 2016, require AXA Wealth Europe to have in place a governance system designed to guarantee a sound and prudent management. This governance system is based on a clear separation of responsibilities and must be proportionate to the nature, extent and complexity of the Company's operations.

In addition to the persons who effectively run the Company, AXA Wealth Europe has defined 4 key functions in accordance with the Solvency II regulations:

- the risk management function, which is responsible for the definition and the deployment of the Enterprise Risk Management (ERM) framework within AXA Wealth Europe,
- the compliance function, which is, in particular, responsible for advising on compliance with the laws, regulations and administrative provisions regarding insurance and reinsurance activities,
- the internal audit function, which is, in particular, responsible for performing an evaluation of the adequacy and effectiveness of AXA Wealth Europe's internal control system and other elements of the system of governance. The internal audit function must be objective and independent from the operational functions, and
- the actuarial function, which is, in particular, responsible for overseeing the calculation of technical provisions (including ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions), assessing the sufficiency and quality of the data used in the calculation of technical provisions and comparing best estimates against experience.

Within AXA Wealth Europe, the key function holders in accordance with the Solvency II regulations are:

- the Chief Risk Officer who is in charge of the risk management,
- the Head of Internal Audit,
- the Head of Compliance,
- the Head of Actuarial department who is in charge of the actuarial functions.

Each person in charge of a key function must, as for the people who effectively run the Company, fulfill the requirements of the fit and proper assessment mentioned hereinabove, as set forth in the Company's internal procedure, and each key function's appointment must also be notified to the Commissariat aux Assurances. As required by Solvency II regulations, AXA Wealth Europe has established procedures whereby the key function holders have direct access to the Board of Directors.

To secure the operational independence of the key functions, the key function holders also have a direct access to the Chief Executive Officer.

In order to ensure the necessary authority and resources to carry out their tasks, the key function holders have a right to report to the Board of Directors directly and at their own initiative when events of a nature to justify such report occur and have the same direct access to the Executive Committee, the Audit

Committee and the Remuneration Committee. In addition, the key functions have available dedicated staff and other resources appropriate to their tasks.

## Material changes in the system of governance in 2025

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Not applicable

### B.1.2 Remuneration policy

AXA Wealth Europe applies the AXA Group Remuneration policy.

This remuneration policy is designed to support the Group's long-term business strategy and to align the interests of its employees with those of the shareholders 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 requirement.

AXA Remuneration Policy 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 employee's 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 criteria such as role, skills, contribution or impact, and do not discriminate on the basis of gender or other irrelevant factors, and
- Achievement of Group's overall financial and operational objectives over the short, medium and long terms as well as execution against medium and long-term strategic objectives as a prerequisite to fund any mid-to-long term award.

The Remuneration Policy is consistent with the integration of 'sustainability risks' within the meaning of, and as required by Regulation (EU) 2019/2088 of November 27, 2019, as amended. Sustainability risks are integrated in both short-term and long-term variable remuneration components:

- **Short-term:** The variable payout of Market / Operational Entity Heads is subject to Sustainability qualitative and quantitative criteria.
- **Long-term (AXA LTI):**
  - **AXA Restricted Shares** are subject to a Sustainability criterion. To benefit from the totality of AXA Restricted Shares initially granted, the AXA score in the S&P Corporate Sustainability Assessment (CSA) – backbone of the *Dow Jones Sustainability Index* – calculated over the performance period, shall meet a minimum.
  - **AXA Performance Shares** include Sustainability criteria weighing for 30% of the overall performance: Achievement on (i) specific climate related target (reduction of operations' carbon emissions) and (ii) Inclusion and Diversity target (increase the portion of women in Group's executive population) complement (iii) the target on AXA's score in the S&P Corporate Sustainability Assessment.

## COMPENSATION OF THE EXECUTIVE OFFICERS

### Compensation structure

AXA broadly applies a "pay-for-performance" approach which (i) recognizes achievement of defined financial and operational targets aligned with AXA's business plan (ii) promotes long-term sustainable performance by incorporating risk adjustment measures in performance metrics and (iii) determines

individual compensation amounts on the basis of both financial results and demonstrated individual leadership and behaviors.

The overall remuneration structure 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 guaranteed elements, such as base salary and any other fixed allowances. It takes into account the position, responsibilities, experience, market practices, technical skills and leadership competences, and also sustained individual performance and criticality or scarcity of skills.
- The variable remuneration can have two possible components: an annual cash element (Short Term Incentive), and a deferred element (Long Term Incentive) through equity-based instruments or equivalents, and awarded discretionary.

AXA endeavors to ensure a suitable balance between fixed and variable components so that the fixed component represents a sufficiently high proportion of the total remuneration to avoid employees being overly dependent on the variable components and to allow AXA to operate a fully flexible bonus policy, including the possibility of paying no variable compensation.

All variable remuneration amounts are awarded in accordance with performance and there is no minimum payment guaranteed.

The level and the structure of the executives' target variable compensation are based on (i) internal fairness with a similar job at the same level in an equivalent perimeter, (ii) market practices reflected by external benchmark from an independent provider, (iii) level of seniority within the organization and if applicable (iv) any regulatory requirements.

### **Short Term Incentive (“STI”)**

For executives, the STI pay-out is determined based on a combination of business performance (Operating Entity and/or Group) and the achievement of the individual objectives.

### **Long Term Incentives (“LTI”)**

AXA recognizes the importance of aligning remuneration over long term value creation by deferring a substantial portion of the individual's total variable compensation (i.e. STI plus LTI). LTI are awarded in the form of AXA Performance Shares or AXA Restricted Shares.

Beneficiaries of individual LTI grants are determined taking into account (i) the criticality of the job within the organization, (ii) the criticality of the individual in the current job and potential for the future, and (iii) the sustainability of the individual contribution.

### **Stock Options**

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From 2019 onwards, AXA Long-Term Incentives are exclusively composed of AXA Performance Shares i.e. AXA Stock Options are no longer awarded.

### **Performance Shares**

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AXA Performance Shares are designed to align the individuals' interests with the overall performance of the Group, and the corresponding Operating Entity as well as with the stock performance over the medium-long term (3-5 years).

AXA Performance Shares are subject to an acquisition period of 3 years and performance conditions.

All AXA Performance Shares initially granted are integrally subject to performance conditions measured over the performance period. These criteria measure the financial and non-financial performance of the AXA Group as well as the beneficiary's Operating Entity performance, according to pre-determined targets.

The number of AXA shares definitively granted shall be equal to the number of rights to AXA Performance shares initially granted multiplied by the performance rate, which may vary between 0% and 130%.

### **Restricted Shares**

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AXA Restricted Shares are aimed at recognizing and retaining talents. AXA Restricted Shares are subject to a deferral period of 3 years and a Group Sustainability underpin i.e. a minimum Group Sustainability criteria requirement to be met.

To benefit from the totality of AXA Restricted Shares initially granted, the minimum Group Sustainability criteria shall be met at the end of the performance period. AXA Restricted shares 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.

### **SUSTAINABILITY RISK**

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With Corporate Responsibility criteria already incorporated in the performance conditions of the AXA LTI (weighting for 30%), the Remuneration Policy is consistent with the integration of 'sustainability risks', within the meaning of, and as required by Regulation (EU) 2019/2088 of November 27, 2019, as amended. This criteria is based on a target on AXA's score on Dow Jones Sustainability Index (assessing Environmental, Social and Governance dimensions). Targets and calibration of all financial and non-financial criteria are reviewed annually by the Board of Directors.

### **Additional provision on performance conditions**

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In addition to the conditions noted above, under the terms of the plans, all unvested Performance Shares or Restricted Shares are automatically forfeited in the event a participant's employment is terminated in either of the following circumstances or similar circumstances:

- Where an employee has materially violated AXA's Code of Conduct or other key Risk and Compliance policies; or
- There is evidence of serious misconduct or misbehaviour and/or the employee causes material detriment to the business or reputation of AXA or one of its subsidiaries.

## **B.1.3 Directors' fees**

### **Directors' fees**

During the fiscal year 2025, none of the members of the Board of Directors, except for its CEO, received salary compensation from the Company, with the exception of directors' fees (*tantièmes*).

No directors' fees are paid by the Company to directors exercising executive functions at AXA Wealth Europe (i.e. CEO and AXA Group internal member).

## **B.1.4 Commitments made to executive officers**

### **Pension**

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The Executive Committee Members of the Company participate, as all other employees of the Company, in a mandatory and collective supplementary pension scheme with defined contributions, in accordance with the provisions of the Act of June 8<sup>th</sup>, 1999 on the *Régimes Complémentaires de Pension*. This scheme is outsourced to an insurer.

## **B.1.5 Material transactions with shareholders, persons who exercise a significant influence and corporate officers or executives**

In 2025, 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.

### **Relationships AXA Wealth Europe**

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AXA Wealth Europe is an insurance company in Luxembourg. As of December 31, 2025, the companies AXA France Vie S.A. and AXA Assurances Vie Luxembourg owned respectively 90% and 10% of the Company's outstanding ordinary shares.

### **Key management and directors**

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To the best of the Company's knowledge, based on information reported to it:

- As of December 31, 2025, there were no loans outstanding from the Company's to its ExCom Members or to any member of the Company's Board of Directors,
- 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 the Company 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.

## **B.1.6 Assessment of the adequacy of the system of governance**

The Board of Directors validates strategic orientations. It approves the Company's general organization, governance, risk management and internal control systems. It ensures that these are appropriate in light of the nature, scale and complexity of the risks inherent in the Company's business.

In this respect, the Audit Committee carries out a self-assessment once a year, and Audit Committee's members answer a questionnaire that covers various areas of the scope of Audit Committee, and in particular ensures that good risk management, strategy and auditing.

In order to implement its strategic orientations, while appropriately controlling and managing its risks, the Company defines a framework of risk appetite.

Risk appetite framework defines the limits the Company sets itself in terms of impact on results, value, capital and liquidity under different scenarios. Risk management is dynamic, it can evolve depending on the market environment, the Company's assets, the short-term expectations or the long-term strategic priorities. The risk appetite framework developed by the risk management team is reviewed by the ARC Committee, the Audit Committee and endorsed by the Board of Directors.

Risk appetite is a decision-making tool designed to ensure that risks are limited, their impact on the economic and solvency dimensions is understood. In the event of a departure from this framework, remedial plans will be implemented.

The risk tolerance framework allows monitoring the accumulation of risks, to have a clearly defined risk appetite and to actively manage its own exposure, with risk limit choices adapted to the operations and the market.

The Board of Directors validates risk appetite and ensures that strategic orientations take into account of the evolution of solvency, risk tolerance limits and the allocation of capital.

Detailed information on the internal control mechanisms and procedures implemented by the Company is provided in section B.4.

## B.2 Fit and proper requirements

Within the Company, the person who effectively runs the undertaking is the Chief Executive Officer, who is also the “*Administrateur Délégué*” within the Board of Directors.

Within the Company, the fit and proper requirements apply to the following key functions:

- the Executive Committee,
- the Chief Risk Officer,
- the Head of Audit,
- the Head of Compliance,
- the Head of the Actuarial Function,
- the Chief Security Officer,
- the Head of HR,
- the Data Privacy and Artificial Intelligence Compliance Officer Officer.

### B.2.1 Fit and Proper assessment process for the persons who effectively run the undertaking and heads of key functions

Any person who establishes, administers or manages an insurance or reinsurance undertaking or is head of a key function must meet the associated fit, proper, expertise and experience requirements and comply with the rules on professional incapacity.

The Solvency II rules broaden fit and proper requirements applicable to people who effectively run the undertaking or are responsible for other key functions. Insurance or reinsurance undertakings must notify their nominations to the regulator, the *Commissariat Aux Assurances*.

The AXA Group therefore put in place practical guidance on what AXA entities need to do in order to meet its Fit and Proper Standards, adopted in compliance with the requirements of Solvency II.

According to these guidelines, the Company is required to implement appropriate and regular assessments to ensure that the people who effectively run the undertaking or are heads of key functions meet the following requirements both at appointment stage and on an on-going basis:

- 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).

Furthermore, the people who effectively run the Company and the Company key functions were required to notify their designation as such to the *Commissariat Aux Assurances*, through a formal process including a detailed questionnaire with several questions on the fitness and propriety of each person, to which were attached several documents such as a copy of the passport, a resume, a check of public records, a declaration of absence of criminal convictions.

## B.3 Risk management system including the own risk and solvency assessment

### B.3.1 Risk management system

#### Risk Management missions

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As an integrated part of all business processes, Risk Management is responsible for the definition and the deployment of the Enterprise Risk Management (ERM) framework within AXA Wealth Europe.

This framework is based on the following pillars, cemented by a strong risk culture:

1. Risk Management independence and comprehensiveness:

Chief Risk Officer is independent from operations (“first line of defense”) and Internal Audit Departments (“third line of defense”). Risk Management Department, together with Compliance, constitute the “second line of defense” which objective is to develop, coordinate and monitor a consistent risk framework across AXA Wealth Europe.

2. Shared risk appetite framework: the Chief Risk Officer is responsible for ensuring that the top management reviews and approves the risks they carry in their company, understand the consequences of an adverse development of these risks, and have action plans that can be implemented in case of unfavorable developments.

3. Systematic second opinion on key processes: the Chief Risk Officer ensures a systematic and independent second opinion, on AXA Wealth Europe material decision processes, like new product characteristics (risk-adjusted pricing and profitability), Life Economic reserves, Asset and Liability Management studies, Asset allocation and new investments, and Reinsurance.

4. Robust economic capital model: allows AXA Wealth Europe to measure its exposures to all risks compliant with the Solvency II framework.

5. Proactive Risk Management: Chief Risk Officer is responsible for early detection of risks. This is promoted through challenging and constant exchanging with the business and supported by the emerging risks management framework.”

#### AXA Wealth Europe

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Risk Management is a local responsibility, in accordance with GRM (Group Risk Management) standards and guidelines.

The roles and responsibilities of Risk Management are validated jointly by the Executive Committee of the Company and the Group Chief Risk Officer to ensure the alignment of central and local interests.

The minimum missions required for the local Risk Management team are:

- coordinating the second line of defence locally (which covers notably Compliance and IT Security) through specific governance,
- implementing risk appetite on all risks consistently with Group’s risk appetite, with strengthened reporting, risk limits and decision processes,
- performing a second opinion on key processes, such as best estimates reserves (including assumptions and models), asset allocation and reinsurance strategy,
- coordinating pre-launch product approval procedures and regular pricing reviews after launch,
- on the capital model, Risk Management is responsible for checking the adequacy of the risk profile, implement, test and validate the model.

AXA Wealth Europe's Chief Risk Officer heads the local Risk Management. He reports both to the CEO of the Company and to the CRO of AXA Belgium. The Chief Risk Officer is independent from operations and Internal Audit Departments.

AXA Wealth Europe's Chief Risk Officer has a regular reporting to the Audit Committee and to the Board of Directors on risk management matters.

The Risk Management team is responsible for controlling and managing risks within Group / local policies and limits, validating investment or underwriting decisions through Local Committees in place.

### Other functions

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Business Line management and staff are responsible for day-to-day risk management and decision making and therefore have primary responsibility for establishing and maintaining an effective control environment (first line of defense).

Compliance is responsible for developing, facilitating and monitoring compliance risk and the related control framework and strategy (second line of defense), in coordination with Risk Management. Internal Audit performs, as part of its role, an assessment of risks and governance processes on a periodic basis to provide independent opinions on the effectiveness of the system of internal control (third line of defense).

### Risk governance within AXA Wealth Europe

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In order to efficiently manage local and global risks, the decision process within the risk governance structure is explained below:

The **Audit Risk and Compliance Committee (ARC Committee)**, as a committee reporting to the Executive Committee, contributes at reviewing all material audit, risk and compliance issues faced by the Company and to ensure alignment amongst control functions and management on transversal topics. The Risk Appetite is endorsed by the Board of Directors upon review by the Executive Committee (in presence of the CRO) with the Audit Committee considering the effectiveness of the Company's internal control and risk management frameworks supporting it. The overall risk framework is governed by the ARC Committee. The ARC Committee is chaired by the CEO and is composed of permanent members, including the members of the Executive Committee, the Head of Internal Audit, the Compliance Officer, The Chief Risk Officer, the Internal control and Operational Risk manager. Depending on the topics discussed, additional subject-matter experts may be invited on an ad hoc. The CRO ensures the secretariat of the ARC Committee.

For Life insurance risks and Operational risks:

- The decision process relating to the management of insurance and operational risk involves the Risk Management department. The Risk management department mainly analyses and monitors the insurance risks SCR, its components and the related changes towards risk appetite limits defined; validates all launches or portfolio reviews of products or lines of businesses.

For Financial risks:

- The Asset & Liability & Investment Management Committee is primarily responsible for the management of Assets & Liabilities. It specifically includes members of the Executive Committee (the CEO and the CFO), the CRO and the Chief Investment Officer (CIO). The Committee approves the strategic asset allocations. This committee determines the ALM policies and ensures that the Company exposures are within the risks limits defined. The committee also defines the implementation of investment strategy, steers tactical asset allocation, evaluates new investment opportunities and monitors the Company's investment performance. The committee approves the tactical aspects of investment decisions and IAP processes. The organisation and main assignments of the ALM & Investment Committee are described in the General Risk Management Policy.

## B.3.2 Own Risk and Solvency Assessment

The Own Risk & Solvency Assessment (ORSA) encompasses processes to identify, assess, monitor, manage and report the short to medium term risks of AXA Wealth Europe and to ensure the level of own funds adequacy with AXA Wealth Europe solvency targets, taking into account the risk profile, approved risk tolerance limits and business strategy. As an important component of the risk management system, it is intended to give a comprehensive and complete vision of the risks embedded in the businesses of AXA Wealth Europe.

ORSA mainly encompasses risk management and financial activities, which are organized around the following processes:

- Solvency Capital Requirements (SCR based on standard formula framework) & Eligible Own Funds (EOF) quarterly calculation,
- Liquidity risk reporting,
- Strategic planning and financial projections,
- Risk appetite process,
- Stress and scenario testing analysis and monitoring (of which Transversal stress scenario),
- Reputation and strategic risk assessment and review.

The Group has established a policy on the Own Risk and Solvency Assessment (ORSA) to set and describe the common framework and rules to consistently run and report on the ORSA across the Group.

The Chief Risk Officer of AXA Wealth Europe is responsible for developing the ORSA Policy, implementing ORSA process and coordinating ORSA reporting.

The Executive Committee approves the policy, ensures that procedures are in place to implement and monitor ORSA process and approves the ORSA report.

The Board of Directors is presented annually with the results and conclusions of the ORSA for approval.

### **Board of Directors**

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ORSA is a top-down process reviewed by the Board. The AXA Wealth Europe ORSA report is presented to the Executive Committee and the Audit Committee to prepare the approval by the Board of Directors. The Board of Directors grants the Management the authorization to file the ORSA report to the supervisor, Commissariat aux Assurances (CAA).

This review encompasses Solvency II coverage ratio results at end of year and targets, risk and solvency management internal best practices and conclusions on management actions for material risks assessed out of the economic capital requirement.

The risk appetite framework developed by the Management is reviewed by the ARC Committee, the Audit Committee and endorsed by the Board of Directors.

### **Executive Committee – ARC Committee**

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The Risk Management department has ownership of the ORSA process and the Executive Committee validates the ORSA conclusive report in presence of the CRO. The Executive Committee is also involved in the validation of some inputs (e.g. strategic plan hypotheses, risk appetite and tolerance, risk grid...).

Based on previous review of AXA Wealth Europe ORSA report by all key contributors of the ORSA process defined, the Executive Committee is responsible for reviewing qualitative and quantitative ORSA results and conclusions.

Beyond the annual ORSA report, an annual assessment is performed to update the risk profile and adapt management actions accordingly. This information is reported to the ARC Committee.

The ORSA report provides assessment on:

- a) The overall solvency needs through the assessment using the standard formula framework for 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 enterprise risk management including the identification and monitoring of non-quantifiable risks.
- b) The compliance, on a continuous basis, with the regulatory capital requirements, through the assessment of the ability to meet capital requirements over the strategic plan horizon, both for the initial base case and for two additional scenarios.
- c) The extent to which the risk profile of AXA Wealth Europe deviates from the assumptions underlying the Solvency Capital Requirement calculated with the standard formula. Extensive validation tests are performed to assess the relevance of the standard formula and its assumptions including stress and scenario testing. Limitations of the standard formula and evolution plan resulting from the validation activities are presented. Also, the extensive use of the standard formula outputs for key decision making processes provides a feedback loop for improving the modelling according to the evolution of the risk profile.

## B.4 Internal control system

### B.4.1 Internal control system

#### **Internal control and Risk Management: objectives**

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AXA Wealth Europe is engaged in the wealth management business on a global scale. As such, it is exposed to a very wide variety of risks – insurance risks, compliance risks and other types of risks.

In order to manage these risks, AXA Wealth Europe is currently implementing a comprehensive system of internal controls designed to ensure that executives are informed of significant risks on a timely and continuing basis, have the necessary information and tools to appropriately analyse and manage these risks, and that Company and Group's financial statements and other market disclosures are timely and accurate.

These mechanisms and procedures principally include:

- the Company's corporate governance structures which are designed to ensure appropriate supervision and management of AXA Wealth Europe's business as well as clear allocation of roles and responsibilities at the highest level,
- management structures and control mechanisms designed to ensure that the AXA Wealth Europe executives have a clear view on the principal risks the Company faces and the tools necessary to analyze and manage these risks,
- disclosure controls and procedures designed to ensure that executives have the necessary information to make fully informed disclosure decisions on a timely basis and that the Company's disclosures on material information (both financial and non-financial) to the markets are timely, accurate and complete.

These mechanisms and procedures, taken together, constitute a comprehensive control environment that executives believe is appropriate and well adapted to AXA Wealth Europe's business.

The internal control process at AXA Wealth Europe primarily relies on:

- The Company's general operating and organisational principles,
- Controls implemented within each operating, functional and financial department, which contribute to the effectiveness of the permanent control system,
- Control functions that enable an independent and objective assessment of the Company's security and operating quality to be provided to management.

#### **Corporate governance structures**

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AXA has taken steps designed to harmonize corporate governance standards throughout the Group. This effort is focused, among other matters, on standardizing, to the extent practicable, principles relating to various corporate governance matters including board composition and size, directors' independence criteria, board committees and their roles, and directors' fees.

The Group Governance Standards are part of a larger set of Group standards that apply to all AXA Group companies (the AXA Group Standards). These Group Standards are designed to ensure that all the companies of the Group have effective Risk Management processes and appropriate governance structures and meet the Group's minimum control requirements. The Chief Executive Officer is therefore required to annually certify that AXA Wealth Europe is in compliance with the Group Standards.

## **Executive Committee**

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The Executive Committee oversees the implementation of the internal control system and the existence and appropriateness of internal control and Risk Management monitoring systems within AXA Wealth Europe.

## **Board of Directors**

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The Board of Directors determines the Company's business strategy and oversees its implementation. The Board considers all material questions related to the proper functioning of the Company and takes decisions it deems appropriate for the Company's business. The Board of Directors also undertakes all the controls and verifications as it deems appropriate from time to time.

The Board of Directors has established two Committees to assist it in fulfilling its responsibilities: an Audit Committee and a Remuneration Committee. These Committees exercise their activities under the responsibility of the Board of Directors and report regularly to the Board of Directors on matters within the scope of their respective responsibilities.

## **Audit Committee**

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All the Board Committees constitute an important part of AXA Wealth Europe's overall internal control environment and plays a particularly important role in reviewing internal control and risk related issues.

The audit committee has a critical role in reviewing financial results and other financial information prepared by the management, financial reporting and control processes, critical accounting policies, particular accounting issues, key risks and systems of internal control, fraud and similar issues.

The scope of the Audit Committee's responsibilities is set forth in the Audit Committee Terms of Reference, approved by the Board of Directors.

Based on AXA Group corporate governance standards, AXA Wealth Europe general organisational principles contributing to the management of the internal control system are primarily based on:

- An organisational structure that respects the segregation of duties,
- AXA Wealth Europe's compliance with AXA Group standards. These standards are applied via:
  - the risk management policies, which specify the procedures to be implemented in order to identify, assess, monitor and manage all the risks included in AXA Wealth Europe's risk profile (financial risk, insurance risk, operational risk, liquidity risk, emerging risks and reputational risk)
  - the compliance policy, which specifies the role and assignments of the Compliance Function
- Familiarity with the processes in place through an on-going improvement of operating processes,
- And the introduction of preventive measures such as the promotion of corporate ethics, which aims to encourage all employees to abide by the principles of professional ethics, integrity and fairness.

## **Management structures and controls**

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The Board of Directors is responsible of the internal control framework, ensuring their implementation, maintenance and continuous improvements in order to achieve the business objectives, managing the risks that can affect the key business processes.

With this purpose, a control framework with three lines of defense has been designed and the boundaries between them are clearly defined. The objective is to ensure that this framework is in place to systematically identify measure, manage, and control all the risks that AXA Wealth Europe may face.

The control framework with the three lines of defense is illustrated below being the Internal Audit (level 3) the line that provides independent assurance on the effectiveness of the system of internal control.

There are three levels of responsibility in the internal control framework:

- 1st Line of Defense owns and manages the risks. Line Management and staff are responsible for day-to-day risk-taking management and decision-making according to prior defined risk-appetite at the Executive Committee level. This 1<sup>st</sup> line of defense has a primary responsibility for establishing and maintaining an effective control environment. The 1<sup>st</sup> line of defense is the one responsible for identifying and managing the risks inherent in the products, services and activities for which they are responsible.  
Management, as the primary risk owner, should as first line of defense design, implement, maintain, monitor, evaluate, and report to the 2<sup>nd</sup> line of defense on the organization's internal control system in accordance with risk strategy and policies on internal control as approved by the governing body. Each person within the organization – management and other employees alike – should be held accountable for proper understanding and execution of risk management and internal control within his or her scope of authority.
- 2<sup>nd</sup> Line of Defense: Risk Management, Security and Compliance are set as functions of second level control, independent of business.  
The 2<sup>nd</sup> line of defense is responsible for developing an internal control framework and for monitoring 1<sup>st</sup> line internal controls and for reporting their results to their respective reporting lines.
- 3<sup>rd</sup> Line of Defense: Internal Audit provides independent assurance on the effectiveness of the internal control system. Internal Audit supports the Board and Executive Committee to protect the reputation and sustainability of the organization by providing an independent and objective assurance activity designed to add value and improve the organization's operations.

## GOVERNANCE

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In order to manage the various risks to which it is exposed, AXA Wealth Europe has a management structure and control mechanisms designed to ensure that executives have a clear and timely view of the principal risks facing the Company and the tools necessary to analyze and manage these risks.

These management structures and controls include the following:

### **A Chief Executive Officer and other persons who effectively run the Company**

See section B1

### **Executive Committee**

As of December 31, 2025, AXA Wealth Europe had a 5-member Executive Committee composed of the Chief Executive Officer (Octavie Dexant), the Chief Financial Officer (Maxime Quenin-Cahn), the Chief Information Officer (Vincent Arnal), the Actuarial, Product, Investment and Client Services Director (Gaëlle Haag) and the Commercial and Legal Director (Laurent Gayet).

This committee plays an important role in managing the operating businesses, considers strategic initiatives, addresses compliance and legal topics and other subjects the Board Management deems appropriate from time to time. The Executive Committee usually meets on a bi-weekly basis.

During the fourth quarter, AXA Wealth Europe presents its strategic plan to the Group. The strategic plan is reviewed by the Executive Committee before being presented to the Board of Directors.

## **Departments focused principally on internal control and risk related matters**

Such departments are responsible for managing and/or monitoring some aspects of internal control and/or risk related matters. However, they are primarily focused on these matters as part of their principal day-to-day management responsibilities:

### **RISK MANAGEMENT DEPARTMENT**

The role of Risk Management (RM) is to identify, quantify and manage the main risks to which the Company is exposed. To this end, Group Risk Management (GRM) develops and deploys a number of risk measurements, monitoring instruments and methods, including a standardized methodology and framework including the ORSA (Own Risk & Solvency Assessment) required under Solvency II. Such framework is deployed within AXA Wealth Europe by Risk Management department.

The Risk Management activities aim to create and maintain an appropriate risk management system in order to identify, assess, monitor and mitigate the most significant risks to which AXA Wealth Europe is exposed, and which could jeopardise its solvency, in accordance with the AXA Group's "Risk Management" standards.

To that end, all the Company's operating technical and cross-divisional functions contribute to this system depending on their expertise and business sector.

When appropriate, this work leads to the implementation of decisions that affect the Company's risk profile, helping to monitor the solvency position and manage the volatility of AXA's earnings through improved understanding of the risks taken and optimization of capital allocation.

The types of risks covered include risks coming from the invested assets, from the insurance liabilities, asset/liability mismatch risks and operational risks. Under the Solvency II regulation, AXA Wealth Europe is required to produce an ORSA Report which is filed with the regulator. GRM has defined and implemented a set of policies and procedures to ensure that all risks embedded in the business processes are appropriately reviewed on a yearly basis.

The AXA Wealth Europe ORSA Report is reviewed by the Executive Committee and then presented to the ARC Committee, the Audit Committee and the Board of Directors which approves the conclusions of the Company ORSA Report and authorizes the filing of the ORSA Report to the Commissariat aux Assurances (CAA).

### **FINANCE DIVISION**

The Finance Division's role of AXA Wealth Europe encompasses the following principal activities:

- development of both accounting and reporting standards,
- managing the Group's financial consolidation and reporting systems,
- producing the economic balance sheet,
- developing and using management control tools,
- strategy and budget planning and monitoring of targets,
- coordinating the production of reports filed with the CAA related to Solvency, and
- liaising with the Statutory Auditors and contributing to Audit Committee meetings as required.

These missions are performed for regular closings, forecasts and strategic plan exercises.

### **LEGAL & COMPLIANCE**

#### **LEGAL DEPARTMENT**

The Legal Department is responsible for identifying and managing the significant legal and regulatory risks to which AXA Wealth Europe is exposed. It provides expertise and advice on all significant corporate legal matters at AXA Wealth Europe and manages the legal aspects of transactions undertaken by the Company as well as significant litigation and regulatory matters. It provides support and expertise to various

departments of the Company to assess situations, analyze legal risk and contribute to design solutions that mitigate those risks.

The AXA Wealth Europe's Legal department reports to the Director Commercial and Legal Operations.

The Data Privacy and Artificial Intelligence Compliance Officer manages Data Protection and reports directly to the Chief Executive Officer.

## **COMPLIANCE DEPARTMENT**

### **Responsibilities**

The compliance function is responsible for identifying, assessing, monitoring, reporting and advising management on the mitigation of compliance risks. The compliance function also advises the management on the implementation of processes and procedures designed to ensure compliance with (i) laws and regulations *applicable to regulated business activities*, (ii) regulations, good conduct rules and standards established by financial services regulators; and (iii) the Group's internal standards on compliance and (iv) business ethics, as set out in the AXA Compliance & Ethics Code

As part of its Compliance responsibilities, the Compliance Department manages a wide range of compliance related matters including (i) regular reporting from Luxembourg on significant compliance and regulatory matters, (ii) financial crime topics including, the AXA Wealth Europe's anti-money laundering and anti-corruption/bribery programs, business conduct and the Company's Standard on business with countries and/or individuals subject to international sanctions, and (iii) more broadly with the monitoring of compliance and regulatory risks.

### **Activities**

The Compliance Function undertakes 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 action plan is developed at the end of each year for the following year.

The Compliance activities within AXA Wealth Europe are articulated around a number of Group Standards and Policies which set the minimum requirements expected to be covered by AXA Wealth Europe. The AXA Group Standards contain standards and policies on significant risks affecting the compliance activities as well as the high-level control and monitoring principles to which AXA Wealth Europe must adhere. Both the standards and policies contained in the AXA Group Standards (e.g. Anti-Money Laundering, Sanctions, Anti-Bribery, Business Conduct) are mandatory. In addition, the compliance function has adapted the Group requirements and developed local policies to align with the relevant laws and regulations in the jurisdiction in which AXA Wealth Europe operates and conducts business.

### **Reporting**

The Chief Compliance Officer reports to the Chief Financial Officer as well as to the Chief Compliance Officer of AXA France.

The Compliance function reports on a regular basis to senior management (Executive Committee), the Audit Risk and Compliance Committee and the Audit Committee, on significant compliance matters, including key compliance risks, major regulatory changes that have compliance implications, the Annual Compliance Plan, outstanding recommendations from Group Compliance and Internal Audit and any other significant issues that require escalation.

## **INTERNAL AUDIT**

The AXA Wealth Europe's Internal Audit provides support to the Board of Directors and the Executive Committee to protect the entity's assets, reputation and long-term future by issuing an independent and objective opinion that enables value creation and improvements in the running of operations. The division assists the entity to achieve its goals via a structured and systematic approach:

- By assessing the effectiveness of its governance system and risk management and control processes,

- By challenging the management teams.

AXA Wealth Europe's Head of Internal Audit has direct access and an unwavering reporting line to the Chairman of the Company's Audit Committee.

AXA Wealth Europe's Internal Audit reports to the Group Head of Internal Audit from a functional standpoint; the latter reports directly to the Chairman of the Group Audit Committee.

#### **AUDIT, RISK AND COMPLIANCE COMMITTEE**

The ARC Committee was created in 2018 with the purpose of reviewing all material audit, risk and compliance issues faced by the Company and to ensure alignment among control functions and management on transversal topics (AXA Standards, processes, policies...).

The ARC Committee is a sub-committee of the Executive Committee (report via the CEO).

In parallel, a few specific topics can be discussed and validated at the first place at Executive Committee level in presence of the CRO, before being presented to the ARC Committee for information (Risk Appetite alert and limit levels, PAP approval, ORSA validation, top 10 risks assessments...).

The ARC Committee allows optimal coordination and communication between the different departments managing the different risks of the company.

The ARC Committee is chaired by the CEO and the secretary is the CRO. The ARC Committee is comprised of the control functions (CCO, CRO, Actuarial Function Holder, Internal Auditor), the CFO, the Head of Legal, the DP&AI (Data Privacy & Artificial Intelligence) Compliance Officer, the CISO and the CDO (Chief Data Officer). The ARC Committee meets on a quarterly basis.

Its specific purpose is to guarantee the existence of an effective second line of defense by:

- Ensuring that the appropriate policies and procedures of the Company are defined, validated and maintained,
- Ensuring that operating processes, management reporting and internal control system are able to provide timely, accurate and relevant information for the management of the Company,
- Ensuring that compliance processes are in place to ensure compliance with all legal and regulatory requirements,
- Ensuring that all internal codes of conduct as well as insurance and corporate standards of conduct are respected,
- Reviewing the financial risk statements prior to their approval by the Executive Committee,
- Considering the proposed internal audit plan,
- Ensure that financial, insurance and operational risks are managed effectively,
- Monitoring operational risks, compliance risks, regulatory risks, country risks and reputation risks.

#### **Disclosure controls and procedures**

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The AXA Group and AXA Wealth Europe believe they have put in place a comprehensive system of internal control procedures and mechanisms that is appropriate and well adapted to their business and the global scale of their operations.

This process is based on the following 3 pillars:

1. CFO Sign-Off Certificates required to be submitted by all local CFOs to Group PBRC, together with the required subsidiary financial reporting & consolidation information,
2. Disclosure Controls & Procedures Certificates required to be submitted by AXA's Executive Committee members, regional CFOs and certain other senior executives (including heads of General Management Services Departments) pursuant to which each of these executives is required to review the Group's

Annual Report 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. In addition, as part of this “sub-certification” process, these executives are required to review and comment on a number of transversal disclosures in the Annual Report relating to risk and other matters,

3. CFO Sign-Off on notes to the Consolidated Financial Statements: PBRC provided regional CFOs with the contribution of the companies under their responsibility to the consolidated financial statements in order to facilitate their certification on the accuracy and completeness of the information in the Annual Report of the Group.

However, all internal control systems, no matter how well designed, have inherent limitations and do not constitute guarantee or provide absolute certainty. Even systems determined to be effective by executives may not prevent or detect all human errors, all system malfunctions, all fraud or all misstatements and can provide only reasonable assurance. In addition, effective controls may become inadequate over time because of changes in conditions, deterioration of compliance with procedures or other factors.

## B.5 Internal audit function

### B.5.1 Internal audit function

AXA Internal Audit strengthens AXA's ability to create, protect, and sustain value by providing the Board and Management with independent, risk-based, and objective assurance, advice, insight and foresight.

Internal auditing enhances the organizations:

- Successful achievement of its objectives.
- Governance, risk management and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

The AXA Internal Audit function assesses and reports to both Executive and Audit Committees on whether AXA's governance, and risk and control processes, as designed and implemented by management, are relevant, adequate and functioning in a manner to help ensure:

- Successful achievement of its objectives;
- Effectiveness, efficiency and economy of operations and related controls;
- Reliability and integrity of significant financial, managerial, and operating information;
- Compliance with policies, standards, procedures, and applicable laws and regulations; and
- Risks are appropriately identified and managed, and assets are safeguarded.

The independence of the function is ensured by the following measures, that are also included in the entity's Audit Charter (approved annually by the Audit Committee):

- The Head of Internal Audit has a direct and unfettered reporting line to the Audit Committee Chairman;
- The Head of Internal Audit functionally reports through to the Group Head of Internal Audit who reports to the Group Audit Committee Chair;
- The Head of Internal Audit retains an administrative reporting line to the local CEO;
- The proposed appointment and dismissal of the Head of Internal Audit must be reviewed and approved by the relevant local Audit Committee Chair and the Group Head of Internal Audit.
- The relevant local Audit Committee Chair contributes to the performance and remuneration evaluation of the Head of Internal Audit;
- The global budget for AXA Internal Audit is set and approved by the Group Audit Committee;
- The global budget for AXA Internal Audit and the remuneration of all internal audit staff are managed by the Group Head of Internal Audit independently from local executive management;
- The Head of Internal Audit proposes an internal audit plan to the relevant Audit Committee for their approval. This plan must allow for coverage of the entity compliant with Group requirements.
- AXA Internal Audit can make additions to the approved internal audit plan in line with Audit Committee requests or on AXA Internal Audit's own initiative;
- Executive management may not influence the Group's coverage requirements, or place restrictions on the scope of audits within the plan, or place restrictions on the reporting by AXA Internal Audit of its findings and assessments;
- The Head of Internal Audit has the opportunity to discuss significant and sensitive matters with the Audit Committee without senior management present during regular *in-camera* meetings;
- The resources required to execute the approved internal audit plan will be provided by the AXA Internal Audit function using staff who need not be employed by the entity being covered.

Management is responsible for the effectiveness of their control environment and for implementing corrective actions where necessary. Consequently, the Head of Internal Audit (and staff of AXA Internal Audit) are not authorised to:

- Perform any operational duties, outside Internal Audit, for the organisation and/or its affiliates; or,
- Direct the activities of any employee not employed by the internal audit function, except to the extent they have been temporarily assigned to AXA Internal Audit to assist the internal auditors.

The Head of Internal Audit confirms the independence of the Internal Audit function to the Audit Committee annually.

The Head of Internal Audit is accountable to three Stakeholders:

1. the Audit Committee for:
  - providing an independent assessment of the risks inherent in the entities' activities and the effectiveness of governance, risk management and control processes;
  - proposing an internal audit plan for the forthcoming year and the resources required to deliver it;
  - reporting on the status of the internal audit plan and the adequacy of available resources.;
  - reporting on the results of internal audit work;
  - reporting on the status of internal audit issues until their resolution by management;
  - reporting on the oversight and control of their internal audit function;
2. the relevant CEO and Executive Committee for providing an independent assessment of the effectiveness of governance, and risk and control management, and to provide advice, insight and foresight on these topics;
3. the Group Head of Internal Audit for following the requirements set out in the AXA Internal Audit Instruction Manual and managing the ethics, professionalism and compliance to Global Internal Audit Standards of the function.

## **Responsibility**

The Head of Internal Audit has the responsibility to:

- Confirm to the relevant Audit Committee the legal entities under their scope;
- Report to the Group Head of Internal Audit and the Audit Committee any limitation of scope imposed by management;
- Develop a risk-based internal audit plan, in compliance with relevant local legal and regulatory provisions and the requirements set in the AXA Internal Audit Instruction Manual. Inter alia this takes into account significant internal and external events, changes in strategy or any risk or control concerns identified by AXA Internal Audit, Management, external auditors, regulators or the relevant Board Committees;
- Ensure that the internal audit plan covers each Audit Universe Component within the time horizon set in the coverage policy, reporting and explaining any exceptions. If overall coverage of the audit universe falls below 95%, a rationale and planned improvement actions are provided to the audit committee when presenting the results of the risk assessment and the annual plan;
- Consider the on-going relevance of the internal audit plan on a continuous basis; reporting cancellations, additions and deferrals to the Audit Committee. Approval from the Audit Committee must be sought when AXA Internal Audit makes significant amendments to their plan;
- Implement the internal audit plan on its own initiative as approved by the Audit Committee and, in addition, any special reviews or assignments requested or approved by the Audit Committee.
- Formally report any significant audit issues arising from internal audit reviews to Management and the Audit Committee;
- Compile and issue at least an annual report to the Audit Committee summarising the relevant Internal Audit resources available;
- Proactively track the status of audit issues raised during the course of internal audit work and confirm the remediation of audit issues as reported by management in line with AXA Group requirements;
- Participate in the AXA-wide internal audit quality assurance and improvement programme to assure the efficient and effective operation of internal audit activities in line with AXA Group requirements. This includes responsibility for the quality of internal audit activities, whether

performed by staff who are permanent AXA Internal Audit staff, seconded to AXA Internal Audit, or as part of an outsourcing arrangement;

- Maintain audit data, and compile and issue regular reports to Executive Management and the Audit Committee summarising a) progress against the internal audit plan; b) significant audit reports; c) the status of audit issue resolution and d) the results from the quality assurance and improvement programme;
- Manage a team of professional audit staff with sufficient knowledge, skills, experience and professional certifications to meet the requirements of this Charter and conformance to Global Internal Audit Standards;
- Manage the triage and investigation of allegations in line with the Group whistleblowing and investigation requirements, and local laws and regulations;
- Plan audit work having due regard to the activities of the 2<sup>nd</sup> line functions; ensuring any reliance placed upon them is done so as a professional judgement and only after assessment of their work.
- Maintain a close relationship with control functions and meet periodically to ensure work is coordinated without impairment of internal audit duties, and results shared;
- Maintain regular communication with key senior management members and governance forums to ensure that AXA Internal Audit stays informed of key new developments, initiatives, project, products and operational changes;
- Maintain a close relationship with external auditors and meet at least twice a year so as to ensure co-ordination and appropriate reliance on each other's work; also informing the external auditors of significant audit issues arising from internal audit work and the status of audit issue resolution as well as allowing them free access to all Internal Audit reports issued;
- Comply with the AXA Internal Audit Instruction Manual and develop and document local supporting procedures where necessary to reflect any local requirements or procedures in a manner which is consistent with the AXA Internal Audit Instruction Manual;
- Proactively understand the governance and developments within the business under their remit.

## **Authority**

AXA Internal Audit has:

- Unfettered access to systems, records, data, property, and personnel, within the scope of this mandate unless prohibited by law;
- Unfettered access to the papers of Board and Executive Committees unless prohibited by law;
- Unfettered access to the members of the Audit Committee and the Board;
- The right to oblige assistance of personnel in units of the organisation under review, as well as other specialized services from within or outside the organisation; and,
- The right, when directed by the relevant Audit Committee, to use resources from outside of the AXA Group for the performance of internal audit activities where it has been agreed with the Group Head of Internal Audit that one of more of the following conditions apply:
  - specific knowledge or competencies are not available internally as only the external resource has the requisite experience, qualifications and/or professional memberships required;
  - the assignment provides an opportunity to acquire new expertise from outside the function with the prospect of future internal re-use;
  - internal resource is not available to complete the plan in the timescale required;
  - only the external resource is able to assert that it has no conflicts of interest to perform the work.

## B.6 Actuarial function

### B.6.1 Actuarial function

To comply with Solvency II regulation, an effective Actuarial Function has been set up with the specific role of performing the following tasks:

- a) coordinate the calculation of technical provisions,
- b) ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions,
- c) assess the sufficiency and quality of the data used in the calculation of technical provisions,
- d) compare best estimates against experience,
- e) inform the management and the Board of the reliability and adequacy of the calculation of technical provisions,
- f) oversee the calculation of technical provisions,
- g) express an opinion on the overall underwriting policy,
- h) express an opinion on the adequacy of reinsurance arrangements, and
- i) contribute to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements.

These activities fall under the scope of activities to be covered by the Actuarial function with regard to Article 272 of Regulation (EU) No. 2015/35, as amended.

AXA Wealth Europe's Actuarial Function reports directly to AXA Wealth Europe's Chief Financial Officer. In addition, as defined in AXA Group Actuarial Framework, his nomination is subject to the Group Head of Actuarial Function's agreement to whom he indirectly reports any major problem related to actuarial function responsibilities.

AXA Wealth Europe's Actuarial Function:

- is an occasional member of the ARC Committee,
- presents the actuarial function report to the Executive and Audit Committees. The conclusions of the actuarial reports are presented to the Board Committee by the Chairman of the Audit Committee. These conclusions and their approval are recorded in the minutes of the Board Committee.
- is a occasional member of the Audit and Board Committees through which he informs their members about his conclusions and potential concerns on the tasks undertaken by the actuarial function.

In our human-scale company, communication is easy and quick due to the proximity between employees. The size of the company allows for direct feedback on potential discussion points and decisions can be made more quickly. All information can be reported directly to the Head of Actuarial Function.

AXA Wealth Europe's Actuarial Function prepares the actuarial function report to inform the Management and the Board on its conclusions about the reliability and adequacy of the calculation of technical provisions. This report also provides an overview of the activities undertaken by the actuarial function in each of its areas of responsibility during the reporting period and the activity plan established for the coming years, with the exception of the contribution to the implementation of the risk-management system which is described in separate documents. This actuarial function report is also communicated to the Group Actuarial Function Holder.

AXA Wealth Europe's Actuarial Function works closely with the AWE actuary of the Actuarial Finance team which is composed of 6 actuaries. These 6 actuaries share the work and responsibilities between the 3 companies (P&C, Life and AWE) and have the necessary skills and expertise (educational qualifications, professional certifications and relevant work experience) to perform their duties effectively and contribute to the long-term success of the company. The skills expected are both technical and soft skills: strong mathematical background, analytical skills, communication, collaboration, explain complex concepts in a clear and concise manner, problem-solving ...

The actuarial function plays a key role in the company's framework, working closely with other departments such as risk management, underwriting, and investment to ensure a comprehensive and integrated approach to risk.

## B.7 Outsourcing

### B.7.1 Outsourcing arrangements

Outsourcing by AXA refers to delegation to a third-party service providers of the execution of certain ongoing activities pursuant to a service agreement. The AXA Wealth Europe Outsourcing Policy (“the Policy”) aims to define the fundamental principles governing the outsourced services to ensure that only appropriate third-party service providers are appointed and that the services they provide meet AXA Wealth Europe’s strategic objectives and regulatory requirements. The Policy describes the mandatory Group requirements to comply with Solvency II directives and requires that material relationships with third party providers are subject to approval and on-going monitoring.

The objective of the policy is to ensure that “AXA Wealth Europe does not abdicate responsibility” for the functions delegated to an AXA internal subsidiary or external third-party service providers, and that risks inherent in the outsourcing of material relationships (i.e. those deemed critical to the principal activities to the business) are identified, monitored and appropriately mitigated.

For this purpose, the Policy defines the roles and responsibilities related to outsourcing to ensure that outsourcing arrangements are:

- identified, according to the defined criteria,
- subject to appropriate due diligence and risk assessments,
- documented,
- approved in compliance with the defined governance,
- notified in compliance with regulatory requirements,
- monitored on an on-going basis,
- controlled, and
- reviewed and amended when appropriate.

Compliance with this Policy is mandatory and takes into account the principle of proportionality in the application of the requirements defined in the Policy, which are proportionate to the nature, scale and complexity of the risks inherent to outsourcing arrangements, in particular:

- the size, nature importance and complexity of the activities, functions or services provided by the outsourcing arrangement,
- the risk arising from the outsourcing arrangement,
- the potential impact of outsourcing on the continuation of AXA Wealth Europe’s business, and
- the potential impact on AXA Wealth Europe’s Clients.

The decision to outsource any critical or important activity or a key function is based on an in-depth analysis carried out by the members of the defined governance and relates to:

- the rationale for outsourcing and expected benefits,
- potential risks identified from a data privacy, security & operational resilience, legal, compliance, financial and reputational perspective.

The decision to outsource critical or important activity is subject to prior approval of the Board of Directors and such arrangement requires prior notification to the Regulator.

AXA Wealth Europe has entered into contractual outsourcing arrangements with third-party service providers for services required in connection with the day-to-day operation of businesses. Thorough due diligence is conducted regularly to ensure the Company maintains full responsibility over the outsourced functions and activities. The functions shared with AXA Luxembourg (IT, HR, Finance, Marketing) are not considered as outsourcing.

Based on a self-assessment conducted as of year-end 2025, the company most significant outsourced activities relate to: (1) Printing Services, (2) Asset valorization services, and (3) Infrastructure services, (4) Archiving services, (5) Financial information services

These outsourced activities are operated in the following locations and jurisdictions:

Outsourced activities	Location	Jurisdiction	Status
<b>(1) Printing Services</b>	Luxembourg	Luxembourgish jurisdiction	PSF, supervised by the local regulator (CSSF – Commission de Surveillance du Secteur Financier)
<b>(2) Asset valorisation services</b>	Luxembourg	Luxembourgish jurisdiction	PSF, supervised by the local regulator (CSSF – Commission de Surveillance du Secteur Financier)
<b>(3) Infrastructure services</b>	Luxembourg	Luxembourgish jurisdiction	PSF, supervised by the local regulator (CSSF – Commission de Surveillance du Secteur Financier)
<b>(4) Archiving services</b>	Luxembourg	Luxembourgish jurisdiction	PSF, supervised by the local regulator (CSSF – Commission de Surveillance du Secteur Financier)
<b>(5) Financial information services</b>	France	French jurisdiction	

AXA Wealth Europe does not outsource any Key Function.

## B.8 Any other information

Not applicable.



## **C RISK PROFILE**

### **/ Foreword**

This section describes the main risks to which AXA Wealth Europe is exposed through its business.

AXA Wealth Europe aims to be recognized in various European wealth markets as a company that stands out for its customer relationship quality. Towards its clients, AXA Wealth Europe aims to:

- Well inform them with respect to all possible risks they might face when investing in particular products,
- Offer them a wide range of investment options through a highly personalized service which is complete and competitive,
- Assist them in case they need support in a timely manner.

AXA Wealth Europe has developed consistent and comprehensive tools to measure and control its main risks as detailed in the below sections.

## / Solvency II capital position

### SOLVENCY II CAPITAL REQUIREMENT

The Solvency II regime introduces a risk-based capital requirement which can be assessed either using an internal model or a standard formula.

AXA Wealth Europe is using the standard formula to quantify its Solvency Capital Requirements (SCR).

The table below details the Solvency Capital requirement at AXA Wealth Europe level and per risk category.

#### Solvency Capital Requirement - for undertakings on Standard Formula

S.25.01.01.01 - S.25.01.01.05

Article 112*	Z0010	2	*Article 112 1 - Article 112(7) reporting (output: x1) 2 - Regular reporting (output: x0)
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#### Basic Solvency Capital Requirement

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	40 959 584,41	40 959 584,41	0,00
Counterparty default risk	R0020	1 766 222,03	1 766 222,03	0,00
Life underwriting risk	R0030	48 717 441,29	48 717 441,29	0,00
Health underwriting risk	R0040	0,00	0,00	0,00
Non-life underwriting risk	R0050	0,00	0,00	0,00
Diversification	R0060	-19 811 452,94	-19 811 452,94	
Intangible asset risk	R0070	0,00	0,00	
<b>Basic Solvency Capital Requirement</b>	<b>R0100</b>	<b>71 631 794,79</b>	<b>71 631 794,79</b>	

#### Calculation of Solvency Capital Requirement

		Value	
		C0100	
Adjustment due to RFF/MAP nSCR aggregation	R0120	0,00	
Operational risk	R0130	7 389 250,07	
Loss-absorbing capacity of technical provisions	R0140	0,00	
Loss-absorbing capacity of deferred taxes	R0150	-18 862 323,41	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0,00	
<b>Solvency capital requirement excluding capital add-on</b>	<b>R0200</b>	<b>60 158 721,45</b>	
Capital add-on already set	R0210	0,00	
of which, capital add-ons already set - Article 37 (1) Type a	R0211	0,00	
of which, capital add-ons already set - Article 37 (1) Type b	R0212	0,00	
of which, capital add-ons already set - Article 37 (1) Type c	R0213	0,00	
of which, capital add-ons already set - Article 37 (1) Type d	R0214	0,00	
<b>Solvency capital requirement</b>	<b>R0220</b>	<b>60 158 721,45</b>	
<b>Other information on SCR</b>			
Capital requirement for duration-based equity risk sub-module	R0400	0,00	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0,00	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	0,00	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0,00	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0,00	
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation*	R0450	1	*Method used to calculate the adjustment due to RFF/MAP nSCR aggregation 1 - Full recalculation 2 - Simplification at risk sub-module level 3 - Simplification at risk module level 4 - No adjustment
Net future discretionary benefits	R0460	0,00	

Approach to tax rate		
		Yes/No
		C0109
Approach based on average tax rate*	R0590	

\*Approach based on average tax rate  
1 - Yes  
2 - No  
3 - Not applicable as LAC DT is not used (in this case R0600 to R0690 are not applicable)

**Calculation of loss absorbing capacity of deferred taxes**

		Before the shock	After the shock
		C0110	C0120
DTA	R0600	0.00	
DTA carry forward	R0610	0.00	0.00
DTA due to deductible temporary differences	R0620	0.00	0.00
DTL	R0630	19 217 369.17	0.00

		LAC DT
		C0130
LAC DT	R0640	-18 862 323.41
LAC DT justified by reversion of deferred tax liabilities	R0650	-18 862 323.41
LAC DT justified by reference to probable future taxable economic profit	R0660	0.00
LAC DT justified by carry back, current year	R0670	0.00
LAC DT justified by carry back, future years	R0680	0.00
Maximum LAC DT	R0690	-19 217 369.17

### AXA Wealth Europe's Target Capital and risk sensitivity

Under Solvency II regime, AXA Wealth Europe is required to hold eligible own funds that cover its Solvency Capital Requirement to absorb significant losses and to be compliant with regulatory requirements. AXA Wealth Europe's Solvency Capital Requirement is calibrated so that all quantifiable risks to which AXA Wealth Europe is exposed to are taken into account.

Under normal conditions, AXA Wealth Europe should maintain Solvency II regulatory ratio above 100%, allowing AXA Wealth Europe to have sufficient eligible own funds to sustain a 1 in 200 years shock.

In addition, to ensure a comfortable level of Solvency II ratio, AXA Wealth Europe will monitor its ability to absorb possible severe (1 in 20) financial or technical shocks and to keep a ratio above defined alert and limit levels in these circumstances. These sensitivity analyses do not take into account preemptive management actions that might be taken by the management to mitigate the effects of the defined shocks, but, allow to ensure through the risk appetite framework that local executive management reviews and approves the risk carried by the company, understand the consequences of and adverse development of these risks, and have action plans that can be implemented in case of unfavorable developments

It is also worth mentioning that AXA Wealth Europe is a subsidiary of the AXA Group which under the Solvency II regime has defined a clear capital management framework with 170-230% as central target range of Solvency II ratio. AXA's consolidated Solvency Capital Requirement is taking into account the global diversification of risks that exist across all its insurance and reinsurance undertakings, reflecting properly the AXA Group risk exposure. AXA Group performs also on regular basis sensitivity analyses of its Solvency II regulatory ratio to material risks and events, demonstrating that its Solvency ratio is resilient to a wide range of shocks (similar to past major observed events such 2008/2009 financial crisis, 2011 financial crisis, Lothar & Martin storm).

## C.1 Underwriting risk

### C.1.1 Insurance Risk Exposure

AXA Wealth Europe is primarily responsible for managing its insurance risks linked to underwriting, pricing and reserving. It is also responsible for taking appropriate actions in response to changes in insurance cycles and to the political and economic environments in which it operates.

In the context of the business performed, as described in section A1(3) (and in the beginning of section C) of this report, AXA Wealth Europe is exposed to the following main risks: lapse risk due to lapses higher than expected, expense risk due to costs higher than planned and mortality risk due to deaths higher than expected.

AXA Wealth Europe's overall exposure to underwriting risks is covered by AXA's Solvency Capital Requirement metric, as detailed in the above Section "Solvency II capital position" and taken into account in AXA's liquidity risk management framework (see Section C4). Sensitivity analyses of its Solvency II ratio to material risk events are detailed in the above Section "AXA Wealth Europe's Target Capital and risk sensitivity".

### C.1.2 Risk Control and Risk Mitigation

Insurance risks are covered through major processes, defined at Group level but performed jointly by central and local teams:

- risk controls on new products that complement underwriting rules and product profitability analyses (Product Approval Process),
- optimizing of reinsurance strategies in order to limit the peak exposures of the Company thereby protecting its solvency by reducing volatility,
- reviewing technical reserves including a roll forward analysis,
- monitoring emerging risks to share expertise within the underwriting and risk communities,
- controlling if risk appetite is respected.

#### **PRODUCT APPROVAL**

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Group Risk Management (GRM) and Group Underwriting Office (GUO) have defined a set of procedures to approve new products launches. These procedures, adapted and implemented locally, foster product innovation across the Group while keeping risks under control.

This validation framework notably relies on the results of the economic capital calculation of AXA Wealth Europe and ensures that any new products undergo a thorough approval process before they are put to market.

Methods are adapted to the underwriting of risks, while maintaining the principle of local decision making based on a documented approval procedure. The aim is twofold:

- for pre-launch business, the aim is to ensure that new risks underwritten have been scrutinized before proposing them to customers,
- for post-launch business, appropriate profitability and risk control analyses are performed to check that the business remains in line with the Company's risk framework.

This framework complements underwriting rules by ensuring that no risks are taken outside pre-defined tolerance levels and that value is created by adequate risk pricing.

## **REINSURANCE**

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AXA Wealth Europe offers two types of investment products to its clients:

- Unit-linked products where the investment risk is borne by the policyholder,
- A guaranteed product for which the company bears the investment risk. For this product the guarantees given to customers is fully reinsured with a financial reinsurance agreement.

Reinsurance programs are set up as follows:

- risks are modeled through in-depth actuarial analyses conducted on each portfolio and protected with reinsurance cover adequate to the risk appetite limits set at Group and AXA Wealth Europe levels;
- risks are 100% reinsured by AXA France for the guaranteed product;
- Moreover, in some markets clients have an option to take a guaranteed minimum death benefit cover. This risk is also fully reinsured by AXA France.

## **TECHNICAL RESERVES**

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AXA Wealth Europe specifically monitors its reserve risks. If necessary, additional reserves are also booked by the reserving actuaries using various statistical and actuarial methods. These calculations are initially carried out by the actuarial department in charge and are then reviewed for a second opinion by risk management team. Actuaries are in charge of assessing reserves, notably ensuring that:

- The technical assumptions and actuarial methodologies are in line with professional practices and sensitivity analyses are performed at least for the most significant ones,
- A roll-forward analysis of reserves 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,
- The Best Estimate Liabilities have been calculated in accordance with Articles 75 to 86 of the Solvency II Directive and Group guidelines.

As part of the Solvency II framework, the local Actuarial Function Holder (AFH) for AXA Wealth Europe coordinates the calculation of technical provisions ensuring the appropriateness of the methodologies and underlying models used. As part of his annual report, the AFH also gives an opinion on the overall underwriting policy and on the adequacy of reinsurance arrangements.

## C.2 Market Risk

### C.2.1 Market Risk Exposure

AXA Wealth Europe is not materially exposed to financial market risks through its core business of financial protection (i.e. insurance).

#### Description of market risks

The market risks are exposed arise from a variety of factors including:

- a rise in spreads on fixed-income investments reduces the market value of fixed-income investments and could impact the solvency margin,
- a decline in asset market value (equity, real estate, alternatives, etc.) could adversely impact the solvency margin, as well as the 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.

AXA Wealth Europe' overall exposure to market risks is covered by AXA's Solvency Capital Requirement metric, as detailed in the above Section "Solvency II capital position" and taken into account in AXA's liquidity risk management framework (see Section C4). Sensitivity analyses of its Solvency II ratio to material market risk events are detailed in the below Section "AXA Wealth Europe's Target Capital and risk sensitivity".

### C.2.2 Risk Control and Risk Mitigation

AXA Wealth Europe is primarily responsible for managing its financial risks (market risk, credit risk, liquidity risk), while abiding by the risk framework defined at Group level, in terms of limits/ thresholds and standards. This approach aims to allow reacting swiftly in an accurate and targeted manner to changes in financial markets, political and economic environments in which the Company operates.

A wide variety of risk management techniques are used to control and mitigate the market risks to which the Company is exposed. These techniques include:

- Asset Liability Management (ALM), i.e. defining an optimal strategic asset allocation with respect to the liabilities' structure, to reduce the risk to a desired level; However, for AXA Wealth Europe, assets and liabilities are already highly correlated because of the products' nature. Indeed, for the unit-linked contracts, market risk is borne by the investors. The guaranteed rate contracts are reinsured and hence assets are also closely linked to liabilities. Therefore, ALM procedures and processes are allowed to be lighter compared to other AXA entities,
- 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 AXA Wealth Europe or by the Group,
- a regular monitoring of the financial risks on the economic and solvency position of the Company, and
- reinsurance which also offers solutions to mitigate certain financial risks.

## C.2.3 Governance of Investment strategy and asset & liability management (ALM)

### Group and Local Guidance on Investments

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Investment activities are steered by local team. On this purpose, AXA Wealth Europe relies on expertise of AXA Investment Management that manages local fixed-income and equity portfolios for AXA Assurances Luxembourg and AXA Assurances Vie Luxembourg. AXA Wealth Europe ALM activities are performed by AXA Wealth Europe Chief Investment Officer (CIO).

### Group and Local Governance Bodies

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In order to efficiently coordinate local and global investment processes, decisions within the 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 investment strategies, steers tactical asset allocation, evaluates new investment opportunities and monitors the Group's investment performance,
- the Group Asset Liability Management Supervisory Committee for which the Group Investment and ALM Management Department is an important member, is co-chaired by the Group Chief Financial Officer and the Group Chief Risk Officer.

AXA Wealth Europe has a local Investment and ALM committee the terms of reference of which are approved by the Executive Committee.

This committee is responsible for, inter alia, defining the entity's Strategic Asset Allocation, approving and monitoring investments, meeting local compliance obligations and reviewing the participation to investment proposals syndicated by the Group, as well as local investment proposals.

### ALM Studies and Strategic Asset Allocation

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ALM aims at matching assets with the liabilities generated by the sale of insurance policies. The objective is to define the optimal asset allocation reducing the Solvency Capital Requirement while maximizing the expected investment return.

The products offered by AXA Wealth Europe are either unit linked contracts or reinsured guaranteed rate contracts. Therefore, assets and liabilities automatically move closely together and do not need in-depth monitoring.

Regarding the management of own cash, an ALM study is conducted semi-annually to analyze the different maturities (cash in and cash out) and thus optimize investments over time.

### Investment Approval Process

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Investment opportunities, like non-standard investments, new strategies or new structures, are subject to an Investment Approval Process (IAP). The IAP ensures key characteristics of the investment are analysed, 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, notably if several local entities are participating in the same investment. In that case, the successful completion of an IAP is done after the production of a second independent opinion by the Group Risk Management (GRM).

The IAP is used and completed at local level to cover local characteristics (tax, statutory accounting, etc.). Local IAP is also run for investments in new asset classes for local entities under the same principles.

A second opinion is provided by the Local Risk Management Department on IAP.

## Governance Framework for Derivatives

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Products involving hedging programs based on derivative instruments are designed with the support of dedicated teams at AXA Investment Managers and AXA SA. In a similar way, this set-up ensures all entities benefit from technical expertise, legal protection and good execution of such transactions within the following governance framework for derivatives.

Derivative strategies are systematically reviewed and validated 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 (Risk appetite, Economic capital model, etc.). Such monitoring is designed to ensure market risks, coming either from cash or derivative instruments, are properly controlled and remain within approved limits.

Legal risk is addressed by defining a standardized master agreement. AXA Wealth Europe may trade derivatives only if they are covered by legal documentation which complies with the requirements set out in the Group standard and with the local policy on derivatives. 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 AXA's global operational risk framework. Furthermore, execution and management of derivatives are centralized within dedicated teams, reducing AXA Group's and AXA Wealth Europe operational risk.

Valuation Risk is addressed through the use of expert teams. They independently counter-valuate the derivatives positions so as to get appropriate accounting, payment and collateral management. They also challenge the prices proposed by counterparties in case AXA Wealth Europe wishes to initiate, early terminate or restructure derivatives. Such capacity in pricing requires high-level expertise, which relies on rigorous market analysis and the ability to follow the most up-to-date market developments for new derivatives instruments.

Currently AXA Wealth Europe available own funds are not exposed to derivatives. Only few customers are exposed to derivatives through their unit-linked contracts and therefore the risk is fully held by the policyholder.

## C.3 Credit Risk

Counterparty 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 Wealth Europe monitors all types of counterparties, using methods suitable to each type:

- investment portfolios held by its insurance operations (excluding assets backing separate-account products where the financial risk is borne by policyholders),
- ceded risks to reinsurers resulting from reinsurance directly ceded by AXA Wealth Europe,
- receivables deriving from direct insurance operations, including policyholders and brokers.

AXA Wealth Europe' overall exposure to credit risks will be covered by AXA's Solvency Capital Requirement metric and will be taken into account in AXA's liquidity risk management framework (see Section C4).

### C.3.1 Risk Control and mitigation

#### **Invested Assets**

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Concentration risk is monitored by different analyses performed at Group level by issuer, sector and geographic region, 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 AXA Wealth Europe (corporate, Government agency and sub sovereign).

The limits also take into account all exposure on issuers through debt securities, equity, derivatives and reinsurance counterparty risk.

For Sovereign exposures, specific limits have also been defined on government bonds and government-guaranteed bonds and are monitored at Group and local levels.

Compliance with the limits is ensured through defined governance processes. The Financial Risk Management and the Investment Department handles, on a quarterly basis, any issuer exposure breaches to the Group's limit tolerances and determines coordinated actions for excessive credit concentrations. Also, a Group Credit Team reporting to the Group CIO provides credit analysis independently from Group asset managers, in addition to local CIO teams. The ALM Supervisory Committee is regularly kept informed of the work performed. At AXA Wealth Europe level, any breach of limits is presented for remediation at the local Investment and ALM committee.

#### **Credit Derivatives**

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AXA Wealth Europe has no derivatives as of December 31, 2025. Only a few customers are exposed to derivatives through their unit-linked contracts and therefore the risk is fully held by the policyholder.

#### **Receivables from Reinsurers: Rating Processes and Factors**

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At Group level, to manage the risk of reinsurers' insolvency, a Security Committee is in charge of assessing reinsurers' quality and acceptable commitments. This risk is monitored 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's exposure to the risk of default by any of its reinsurers.

#### **Other receivables**

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Receivables risk arises from the risk of default of counterparties related to insurance operations. The exposures are monitored by the accounting department by nature of counterparties (policyholders, intermediaries, intragroup, taxes, others, etc.) and are actively managed to ensure the correct representation of the risk in the balance sheet on a quarterly basis.

The Actuarial Finance team assesses on a quarterly basis the capital charge for each type of counterparty, using internal risk factors or standard factors.

## C.4 Liquidity risk

### C.4.1 Liquidity position and risk management framework

Liquidity risk is the risk that AXA Wealth Europe is unable to monetize its investments and other assets in a timely manner in order to meet its cash payment obligations, including collateral need, as they fall due.

Proper management of liquidity and liquidity risk is a key aspect of risk management and is in the interest of AXA's own operations, investments.

The assessment of AXA's liquidity risk and Liquidity Adequacy is therefore a key and critical dimension of AXA's Risk Appetite Framework (RAF) which is followed both in normal course of business and in worsening environments by AXA's Executive Committee and Board members along with the other risk appetite statements (solvency, value and earnings) both at Group and local level.

AXA Wealth Europe has adopted a liquidity risk management framework the aim of which is to ensure that it is able to meet its financial obligations when they fall due, even under severe and cumulative stressed conditions, without Group support.

The overarching principle of AXA Wealth Europe's liquidity policy is that it is at all times in a position to face its liquidity needs on a standalone basis, including under severe crisis times. Any potential non-curable liquidity shortfall must be notified to AXA SA.

Liquidity for the guaranteed rate product is protected by the reinsurance treaty.

For unit-linked products, the liquidity of most of investment funds is daily.

The entity shows significant positive excess liquidity, which is monitored on a quarterly basis and reported to the ARC Committee (or to the ALM Committee).

If the liquidity of an asset is less than monthly, the policy of AXA Wealth Europe is to accept this kind of assets only if a payout in assets can be set up and if the policyholder accepts it.

## C.5 Operational risk

AXA has defined a framework to identify and measure its operational risks that may arise from a failure in its organization, systems and resources or from external events. Ensuring an adequate mitigation of these risks across the Group is a key pillar of the Risk Management functions.

### C.5.1 General principles

One objective of the AXA Wealth Europe 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.

Based on the Solvency II definition, AXA Wealth Europe defines operational risk as the risk of loss arising from inadequate or failed internal processes, personnel or systems or from external events. Operational risk includes legal risks and excludes risks arising from strategic decisions, as well as reputation risks.

AXA has defined a single Group framework for identifying, quantifying and monitoring the main operational risks, involving 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.

Both quantitative and qualitative requirements are defined.

- The most critical operational risks of AXA Wealth Europe 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 the adequacy, appropriateness and comprehensiveness of the risk assessment but also to ensure that adequate corrective and pre-emptive actions are defined and implemented in front of the main risks,
- In addition, a loss data collection process is in place within AXA Wealth Europe 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.

In 2025, the Group Operational Risk Profile is reasonably well spread out with all seven operational risk categories covered and the main risks being related to processes execution.

AXA Wealth Europe' overall exposure to operational risks is covered by AXA's Solvency Capital Requirement metric, as detailed in the above Section "Solvency II capital position". Sensitivity analyses of its Solvency II ratio to material risk events are detailed in the above Section "AXA Wealth Europe's Target Capital and risk sensitivity".

## C.6 Other material risk

### C.6.1 Strategic risk

A strategic risk is the risk that a negative impact (current or prospective) on earnings or capital, material at AXA Wealth Europe level, arises from a lack of responsiveness to industry changes or adverse business decisions regarding:

- significant changes in footprint, including through mergers and acquisitions,
- product offering and client segmentation,
- 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 rather a strong strategic risk management framework in place in order to assess, anticipate and mitigate these risks.

### C.6.2 Reputation risk

Reputation risk is the risk that an event, internal or external, will negatively influence stakeholders' perceptions of the Company or where there is a gap between stakeholders' expectation and the Company's behaviors, attitudes, values, actions, or inactions.

AXA has defined a global framework with a two-fold approach to reactively protect and proactively monitor, manage and mitigate reputational issues in order to minimize value destruction, and build and maintain brand equity and trust among stakeholders.

AXA Group created 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, which aims to develop a reputation risk culture across the enterprise.

Three main objectives drive the reputation risk management approach:

- proactively manage reputation risks, avoid or minimize negative issues impacting the reputation of AXA and build trust among all AXA stakeholders,
- define accountability for reputation risks across the organization (Marketing, HR, Finance / Investors Relations, etc.), at Group and local levels,
- implement a common reputation risk management framework throughout the organization.

The implementation of the reputation risk framework encompasses all AXA activities including insurance, asset management, banking as well as internal service providers.

### C.6.3 Emerging risks

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 emerge.

AXA has established processes to qualify and quantify emerging risks which could develop over time and become significant.

Emerging risks surveillance is organized through a detection process including monitoring scientific publications, court decisions, etc. Risks are monitored and classified within a risk mapping constituted of five sub-groups (Society, politics and regulation, Environment & Energy, Technology & Data, Economy,

Finance & Business Environment, Medicine & Health). A working group is launched on a yearly basis by GRM to review a specific risk and its potential impact on insurance business.

## C.7 Any other information

Not applicable

## D VALUATION FOR SOLVENCY PURPOSES

### / Basis for preparation

AXA Wealth Europe's Solvency II balance sheet is prepared as of December 31. The balance sheet is prepared in compliance with the Solvency II Regulation.

Assets and liabilities are valued based on the assumption that the Company will pursue its business as a going concern.

The Solvency II balance sheet only includes the value of business in force and therefore only presents a partial view of the value of the Company.

Technical provisions are recognized with respect to all of insurance and reinsurance obligations towards policyholders and beneficiaries of insurance or reinsurance contracts. The value of technical provisions corresponds to the current amount that the Company would have to pay if it was to transfer its insurance and reinsurance obligations immediately to another insurance or reinsurance undertaking.

Other assets and liabilities are recognized in compliance with IFRS standards and interpretations of the IFRS Interpretations Committee that are endorsed by the European Union before the balance sheet date with a compulsory date of January 1, 2016, provided that those standards and interpretations include valuation methods that are in accordance with the following market consistent valuation approach set out in Article 75 of the Solvency II Directive 2009/138/EC:

- Assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction,
- Liabilities shall be valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction (without adjustment to take account of the Company own credit standing).

The main adjustments between local statutory GAAP and Solvency II assets and liabilities relate to:

- Elimination of the intangible assets
- Valuation at fair value of the financial assets
- Valuation at fair value of the part of the reinsurer in technical provisions (reinsurance recoverables)
- Valuation at fair value of the technical provisions (BEL, discount margin, risk margin)

These adjustments are detailed hereafter in this section.

The preparation of the balance sheet in accordance with Solvency II requires the use of estimates and assumptions. It requires a degree of judgment in the application of Solvency II principles described below. The main balance sheet captions concerned are assets accounted at fair value, deferred tax assets, assets and liabilities relating to the insurance business, pension benefit obligations and balances related to share-based compensation. The principles set out below specify the measurement methods used for these items.

Unless otherwise stated, AXA's valuation principles have been consistently applied to all the periods presented.

The Solvency II balance sheet is presented in Euro, the Euro being the Company's presentational currency. Assets and liabilities resulting from transactions denominated in foreign currencies are translated at the local closing exchange rate.

## D.1 Assets

### D.1.1 Fair value measurement

The table below summarizes for each material class of assets, the value of the assets of the company AXA Wealth Europe according to Solvency II provisions together with the values of the assets recognized and valued on a statutory accounting basis as of December 31, 2025:

<i>(in Euro million)</i>	Fair Value (Solvency II)	Carrying Value (Local GAAP)	% (value Balance Sheet)
Goodwill	-	-	-
Deferred acquisition costs	-	-	-
Intangible assets	-	-	-
Deferred tax assets	-	-	-
Pension benefit surplus	-	-	-
Property, plant & equipment held for own use	0,1	0,1	0,0%
<b>Investments (other than assets held for index-linked and unit-linked contracts)</b>	<b>31,5</b>	<b>31,4</b>	<b>0,8%</b>
Investment in real estate properties	-	-	-
Holdings in related undertakings, including participations	-	-	-
Equities	-	-	-
Debt Instruments	27,6	27,5	0,7%
Investment funds	3,9	3,9	0,1%
Derivatives	-	-	-
Other investments	-	-	-
<b>Assets held for index-linked and unit-linked contracts</b>	<b>3 096,2</b>	<b>3 096,2</b>	<b>80,4%</b>
<b>Loans and mortgages</b>	<b>3,5</b>	<b>3,5</b>	<b>0,1%</b>
<b>Reinsurance recoverables</b>	<b>684,8</b>	<b>742,6</b>	<b>17,8%</b>
<b>Receivables</b>	<b>1,4</b>	<b>1,4</b>	<b>0%</b>
<b>Cash and cash equivalents</b>	<b>30,6</b>	<b>30,6</b>	<b>0,8%</b>
Other	2,0	2,0	0,1%
<b>Total Assets</b>	<b>3 850,1</b>	<b>3 907,8</b>	<b>100,0%</b>

The Company applies the IFRS 13 fair value hierarchy as described below for all assets and liabilities (excluding technical provisions). This fair value hierarchy is consistent with the one defined in the Solvency II regulation.

#### Active market: quoted price

Fair values of assets and liabilities traded on active markets are determined using quoted market prices when available. An instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an 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. 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.

#### Active versus inactive markets – financial instruments

Equity instruments quoted on exchange traded markets and bonds actively traded on liquid markets for which prices are regularly provided by external pricing services that represent consensus with limited dispersion and for which quotes are readily available are generally considered as being quoted in an active market. Liquidity may be defined as the possibility to sell or dispose of the asset in the ordinary course of business within a certain limited time period at approximately the price at which the investment 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.

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 indicative of a change in the conditions prevailing in certain markets.

#### **Assets and liabilities not quoted in an active market**

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The fair values of assets and liabilities that are not traded in an active market are estimated:

- Using external and independent pricing services; or
- Using valuation techniques
- No active market: use of external pricing services

External pricing services may be fund asset managers in the case of investments in funds. To the extent possible, the Company 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. In addition, given current market conditions since the financial crisis and the persistency of complete inactivity of some markets since then, many financial institutions closed their desks dedicated to structured assets deals and are no longer in a position of delivering meaningful quotes.

#### 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 technique models 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 are based on cross checks using different methodologies such as discounted cash flows techniques, price earnings ratios 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 underlying (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 marks to model valuations are therefore normal market practices for certain assets

and liabilities inherently scarcely traded or exceptional processes implemented due to specific market conditions.

#### Use of valuation techniques in dislocated markets

The dislocation of certain markets may be evidenced by various factors, such as very large widening of bid ask spreads which may be helpful indicators in understanding whether market participants are willing to transact, wide dispersion in the prices of the small number of current transactions, varying prices over time or among market participants, inexistence of secondary markets, disappearance of primary markets, closing down of dedicated desks in financial institutions, distress and forced transactions motivated by strong needs of liquidity or other difficult financial conditions implying the necessity to dispose of assets immediately 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). Primary transactions' prices in markets supported by government through specific measures following the financial crisis do not represent fair value.

In such cases, the Company 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.

### **D.1.2 Intangible assets**

Under Solvency II, only intangible assets related to the in force, that are separable and for which there are evidence of exchange transactions for the same or similar assets, indicating they are saleable in the market place, are recognized. As a result of Solvency II principles, goodwill and other intangible assets recognized under Local GAAP have no value in the Solvency II consolidated balance sheet.

### **D.1.3 Property, Plant & Equipment held for own use**

Under Solvency II, property, plant & equipment held for own use is recognized at fair value whereas under Local GAAP, it is recognized at cost. Assets components are depreciated over their estimated useful lives and reversible impairment is recognized if conditions are met. When an asset is intended to be sold within twelve months, it is measured at the lower of net carrying value and fair value net of selling costs.

### **D.1.4 Investments and loans**

The investments aggregate on the Solvency II balance sheet include investment in real estate properties (other than for own use), participations (including entities other than investment funds that are accounted for under the equity method), equity instruments, bonds, investment funds, derivatives and deposits other than cash equivalents.

#### **Property**

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Under Solvency II, investment in real estate properties is recognized at fair value. Under Local GAAP, it is recognized at cost excluding investment in real estate properties totally or partially backing liabilities arising from contracts where the financial risk is borne by policyholders that is accounted for at fair value. Properties components are depreciated over their estimated useful lives and reversible impairment is

recognized if conditions are met. When a property is intended to be sold within twelve months, it is measured at the lower of net carrying value and fair value net of selling costs.

#### **Financial assets including loans**

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Under Solvency II, financial assets are recognized at fair value.

Under Local GAAP, financial assets are recognized at amortized cost.

### **D.1.5 Derivative instruments**

The Company has no derivatives as of December 31, 2025. Only few customers are exposed to derivatives through their unit-linked contract and therefore the risk is fully held by the policyholder.

### **D.1.6 Deferred taxes**

Under local statutory GAAP, no deferred taxes are recognised.

Deferred tax assets and liabilities emerge from temporary differences with tax 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 forward of unused tax losses or the carry forward of unused tax credits. The recoverability of deferred tax assets recognized in previous periods is re-assessed at each closing.

The measurement of deferred tax liabilities and deferred tax assets reflects the expected tax impact, at the balance sheet date that would follow the way the Company 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.

For presentation purpose of the balance sheet, deferred tax assets are offset with deferred tax liabilities at fiscal entity (or tax group if any) level.

As of December 31, 2025 no DTA (Deferred Tax Assets) position has been recognized in the Solvency II Balance Sheet.

### **D.1.7 Leasing arrangements**

The Company AXA Wealth Europe has no material leasing arrangement.

### **D.1.8 Assets held for index-linked and unit-linked funds**

Under Local GAAP and Solvency II, assets backing liabilities arising from contracts where the financial risk is borne by policyholders are presented in a separate aggregate of the balance sheet so that they are shown in a symmetrical manner to the corresponding liabilities. The same valuation approach prevails under Local GAAP and Solvency II frameworks.

### **D.1.9 Other assets**

Under Solvency II, reinsurance receivables are adjusted from their Local GAAP value to take into account the expected losses due to the probability of default of the counterparty.

All other assets (tangibles assets and other long-term assets) are also recorded at fair value under Solvency II but by default, the Local GAAP value is kept.

# D.2 Valuation of technical provisions and reinsurance recoverables

## D.2.1 General principles

Technical provisions are split between Life (excluding unit-linked) and unit-linked.

Technical provisions are measured using a two “building blocks” approach:

- Best Estimate Liabilities (BEL), and
- Risk margin for non-hedgeable risks that is added to the best estimate liabilities.

The best estimate liability corresponds to the probability-weighted average of future cash flows, including policyholder’s benefit payments, expenses, taxes, premiums related to existing insurance and reinsurance contracts taking into account the time value of money (i.e. by discounting these future cash flows to present value). The calculation of the best estimate liability is based upon up-to-date reliable information and realistic assumptions. The cash-flow projection used in the calculation includes all the cash in- and out-flows required to settle the insurance and reinsurance obligations over their lifetime.

The best estimate liability is recognized on a gross of reinsurance basis, without deduction of amounts recoverable from reinsurance contracts. The latter are recognized separately.

The risk margin is defined as the cost of non-hedgeable risk, i.e. a margin in addition to the expected present value of liability cash flows required to manage the business on an on-going basis. It is deemed to be the present value of the cost of future economic capital requirements for non-hedgeable risks.

This valuation requires deep analysis of the underlying obligations, collection of qualitative and quantitative information, projection tools and models, and expert judgment in a number of areas.

The table below summarizes AXA Wealth Europe’s technical provisions under Solvency II as of December 31, 2025 together with a comparison on a local statutory accounting basis (Lux GAAP).

<i>(in Euro million)</i>	Fair Value (Solvency II)	Carrying Value (Local GAAP)
<b>Technical provisions - life (excluding index-linked and unit-linked)</b>	670,4	742,6
Technical provisions - (excluding health and index-linked and unit-linked)	670,4	742,6
Best Estimate	663,3	
risk margin	7,0	
<b>Technical provisions - index-linked and unit-linked</b>	3 030,2	3 096,2
Best Estimate	3 006.6	
risk margin	23.6	

## D.2.2 Best Estimate Liabilities

A best estimate assumption is defined as one where there is as much probability that the actual experience develops over the assumption as below it. It is neither a prudent nor an optimistic assumption. It is set at a level that is neither deliberately overstated nor deliberately understated.

### Assumptions and framework

Assumptions regarding future experience should be reasonable, and, to the extent possible, should take into account the actual historical and current experience of the Company, adjusted to reflect known changes in the environment and identifiable trends. Experience studies should be reviewed. If experience studies are not available, they should be developed where appropriate and practical. In some instances,

data may not be available or may be insufficient to provide a credible basis on which to develop assumptions. Consequently, it may be necessary to rely more on judgment, taking into consideration the Company's pricing and/or reserving assumptions and the experience of other companies with comparable products, markets, and operating procedures.

It is important to recognize that the assumptions will be used to project future cash flows and should therefore be selected with due regard to the future context or expected future operating environment of the Company. Thus, they may or may not be consistent with past experience.

The development of future experience will depend on the context and the risk characteristics of the products analysed. The impact of the external environment on the future cash flows and financial statements must also be recognised. Setting corresponding assumptions requires sound knowledge of the current and projected policies of management in charge of investment, underwriting, reinsurance, claim settlement, marketing, pricing, policyholder dividend/bonus declaration and administration. Specific considerations include economic factors such as inflation, or risk-free rates term structure.

Assumptions in respect of best estimate metrics should be derived consistently over time and within homogeneous risk groups and lines of business without arbitrary changes. The assumptions should 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:

- Best estimate claims payment,
- Best estimate schedule of lapses,
- Management actions.

The market parameters below are considered:

- Risk neutral interest rates curve,
- Assets values are spot ones at the time of calculation,
- Spot market data are input of the economic scenarios.

### **Specificities of some assumptions**

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#### **Expenses**

Expenses include administrative expenses, investment management expenses, claims management expenses which relate to recognized insurance and reinsurance obligations.

The assumptions underlying expenses projections are consistent with the strategy of the Company.

Expenses are inflated over the duration of the projection. The inflation assumption is assessed on the basis of the economic environment and the specifics of the Company.

Back-testing on these assumptions is monitored annually.

#### **Boundary of an insurance or reinsurance contract**

The Solvency II balance sheet excludes all premiums expected from new business not yet written and some future premiums expected from existing contracts.

#### **Lapse rates**

Lapse rates have been changed in 2025 and are now based on the historical data built from our portfolio using GLM method. These rates will be reviewed annually. Back-testing on these assumptions is monitored monthly.

#### **Management actions**

Management actions are taken into account. They include but are not limited to products re-pricing. Management actions should be consistent with business practice, the Company strategy and policyholders' obligations.

### Reference rate curve

Discount rates used for life reserves are basic risk-free rates adjusted to mitigate the effect of exaggeration of bonds spread by a volatility adjustment.

## D.2.3 Statement on the use of the volatility adjustment

The volatility adjustment is an adjustment to the basic risk-free rate term-structure that prevents pro-cyclical investment behavior in mitigating the volatility of asset spreads (mainly corporate and government bonds) on the liabilities valuation. The volatility adjustment is no longer applied since our two products are unit linked or 100% reinsured.

AXA Wealth Europe's solvency ratio is calculated without applying the volatility adjustment.

## D.2.4 Statement on the use of the transitional measures for technical provisions

AXA Wealth Europe did not apply the transitional risk-free interest rate-term structure referred to in Article 308c of Directive 2009/138/EC nor the transitional deduction referred to in Article 308d of the same Directive.

### Life & Savings Best Estimate Liabilities

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The calculation of BEL reserving process is based on cash flow projections, including the significant impact of assets related flows in the estimation of amounts to be paid to policyholders (profit sharing).

The framework is based on projections of the key components of the statutory balance sheet i.e. policyholder liabilities, expenses and the assets backing those liabilities.

It is essential that the framework is underpinned by modelling of the statutory balance sheet for the following reasons:

- **Timing of the distribution of cash flows:** the timing is driven by statutory regulation.
- **Taxation:** AXA taxation is calculated using liabilities based on statutory accounts and is needed in calculating the impact of loss absorbercy of deferred taxes to be allowed for in calculating the SCR.
- **Dividend policy:** This is based primarily on statutory accounts.

### Valuation of contractual options and financial guarantees

The options and guarantees (O&G) valued in best estimate cash flow projections cover all material O&G embedded in AXA Wealth Europe's Life and Savings business. The key options and guarantees considered are:

- the capital guarantee on the guaranteed Euro Fund
- the participation benefit rules, which, when combined with guarantees, can create asymmetric returns for shareholders.

For Local GAAP, technical provisions are valued through the discount of guarantees. This discount uses the guaranteed interest rate of the policy. A participation benefit rate is given to the policyholder depending on the annual results of AXA France's guaranteed Euro Fund. This rate is communicated by AXA France which reinsures 100% of AXA Wealth Europe's Euro Fund. As such, the participation benefit is netted out on a consolidated basis.

## D.2.5 Risk margin

In addition to the best estimate liabilities (BEL), a risk margin is recognized to obtain values consistent with the determination of market prices when there are no deep and liquid markets. The risk margin is defined as the cost of non-hedgeable risk, i.e. a margin in addition to the expected present value of liability cash flows required to manage the business on an ongoing basis. In general, most insurance risks (e.g. mortality or property risks) are deemed to be non-hedgeable risks.

The non-hedgeable risks comprise:

- Life insurance risks,
- Reinsurance default risks, and
- Operational risks.

The Solvency Capital Requirement (SCR) for the non-hedgeable risks is projected for the future years until the run-off of the portfolio.

The risk margin is determined as the present value at the basic risk-free interest rate structure of the future capital charges using a 6% cost of capital for all lines of business.

The cost of capital is a premium over the risk-free rate that represents the reduction in economic "value" (cost) linked to the risks considered.

## D.2.6 Reinsurance

As technical provisions are reported gross of reinsurance, a reinsurance asset is identified separately. Transactions related to reinsurance assumed and ceded are accounted for in the balance sheet in a similar way to direct business transactions in agreement with contractual clauses. Indeed, the methods used to value reinsurance balances depend on the type of reinsurance contracts (e.g. treaties / facultatives, proportional/non-proportional), the nature of the business and the ceded portion.

Reinsurance treaties are applied and reviewed according to their respective description. The Local GAAP valuation for reinsurance technical provisions is carried out according to the identification and analysis of the claims for which there is an intervention of the reinsurer.

## D.3 Valuation of other liabilities

The table below summarizes AXA Wealth Europe's liabilities other than technical provisions under Solvency II together with a comparison on a local statutory account basis (Lux GAAP) as of December 31, 2025.

<i>(in Euro million)</i>	Fair Value (Solvency II)	Carrying Value (Local GAAP)
Contingent liabilities	-	-
Provisions other than technical provisions	0,1	0,1
Pension benefit obligations	-	-
Deposits from reinsurers	-	-
Deferred tax liabilities	19,2	-
Derivatives	-	-
Debts owed to credit institutions	-	-
Financial liabilities other than debts owed to credit institutions	-	-
Payables	15,8	15,8
Subordinated liabilities	15,0	15,0
Other	28,6	28,6

### D.3.1 Contingent liabilities

Contingent liabilities are:

- Possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or
- A present obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Under Solvency II, contingent liabilities that are material are recognized as liabilities, *unlike IFRS where they are only disclosed*. Contingent liabilities are material where information about the current or potential size or nature of those liabilities could influence the decision-making or judgment of the intended user of that information, including the supervisory authorities.

The value of contingent liabilities is equal to the expected present value of future cash flows required to settle the contingent liability over the lifetime of that contingent liability, using the basic risk-free interest rate term structure.

As of December 31, 2025, the Company has no Contingent liabilities.

### D.3.2 Provisions other than technical provisions

The same approach prevails under both Local GAAP and Solvency II frameworks. Provisions are recognized when the Company 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. Provisions are measured at management's best estimate, at the balance sheet date.

### **D.3.3 Pension benefit obligations**

The same approach prevails under both Local GAAP and Solvency II frameworks. Pension benefit obligations include the benefits payable to employees after they retire. The Company has no “Pension benefit obligations” on the balance sheet as of December 31, 2025.

### **D.3.4 Deferred taxes**

As of December 31, 2025, a net deferred tax liability position of € 19,2 million has been recognized in the Solvency II Balance Sheet.

### **D.3.5 Financial liabilities**

Under Local GAAP, financial liabilities, including financing debts issued to finance the solvency requirements of operational entities or to acquire a portfolio of contracts, are accounted for at amortized cost.

Under Solvency II, financial liabilities are re-measured at fair value except for some financing debts that are reclassified in own funds. However, financial liabilities are not subsequently adjusted to take account of the change in own credit standing of the issuer AXA Wealth Europe after initial recognition (frozen credit risk). A similar treatment is applied to the derivatives related to those debts.

The Company has no “Financial liabilities” as of December 31, 2025.

### **D.3.6 Leasing arrangements**

The Company AXA Wealth Europe has no material leasing arrangement.

### **D.3.7 Other liabilities**

All other debts are also recorded at fair value under Solvency II but by default, the Local GAAP value is kept.

## D.4 Alternative methods for valuation

For detailed information on alternative methods used for valuation of assets and other liabilities, please refer to the subsection Fair Value Measurement in section D1.

For detailed information on alternative methods used for valuation of liabilities other than technical provisions, please refer to the section D3.

## D.5 Any other material information

Not applicable

## E.1 Own funds

### E.1.1 Capital Management Objectives

AXA Wealth Europe has reviewed its capital resources and requirements on an economic basis as at the end of 2025. In performing this review, both the regulatory requirements and Management's internal objective - including ability to meet key shareholders' requirements - have been considered.

The Executive Committee regularly reviews the adequacy of the risk management system and processes and has regular processes in place to identify and prioritize opportunities for further developing the risk management capabilities.

Management monitors the Company's solvency margin and the regulatory capital requirements on an on-going basis, both for regulatory compliance purposes and to ensure that the company is appropriately positioned from a competitive point of view.

### E.1.2 Information on the Capital Structure

The capital resources as of December 31, 2025 are presented in the table below:

<i>(in Euro million)</i>	As of December 31, 2025	As of December 31, 2024	Evolution
Share capital	14,671	9,657	5,014
Dated subordinated debt	15,029	15,034	-0,005
Reconciliation reserve	56,100	39,792	16,307
<b>Eligible Own Funds</b>	<b>85,800</b>	<b>64,483</b>	<b>21,317</b>

Reconciliation reserve represents the excess of asset over liabilities from the Solvency II balance sheet, reduced by capital items in the financial statements (share capital, capital in excess of nominal value...). As of December 14<sup>th</sup>, 2022, the Company signed a subordinated loan agreement with AXA Luxembourg S.A. for an amount of € 15,0 million which aims to meet regulatory requirements by strengthening the Company's solvency. The maturity of the loan is 10 years and repayable after 5 years.

### E.1.3 Change in capital resources in 2025

#### Eligible Own Funds

<i>(in Euro million)</i>	Eligible Own Funds
<b>EOF FY24</b>	<b>64,483</b>
Total Return	12,917
Capital flows	8,400
<b>EOF FY25</b>	<b>85,800</b>

We observe an increase in EOF of € 21,3 million, primarily by a capital injection of € 8,4 million and a positive contribution from new business, despite negative results throughout the year.

## E.1.4 Tiering analysis of capital

### Repartition of capital by tier

Solvency II available Own funds represent Eligible Own Funds (EOF) available to the undertaking before any consideration for tiering eligibility restriction and after limitation over the potential non-availability of certain elements of capital.

Available own funds are split into tiers (this analysis is only done for the purpose of calculating the Solvency ratio), i.e. three different buckets of capital determined according to the quality of such components as defined in the Solvency II Regulation. Eligibility limits apply to those available elements to cover respectively the Solvency Capital Requirement (SCR) or the Minimum Capital Requirement (MCR).

As far as compliance with the Solvency Capital Requirement is concerned, the following quantitative limits shall apply: (a) the eligible amount of Tier 1 items shall be at least one half of the Solvency Capital Requirement; (b) the eligible amount of Tier 3 items shall be less than 15 % of the Solvency Capital Requirement; (c) the sum of the eligible amounts of Tier 2 and Tier 3 items shall not exceed 50 % of the Solvency Capital Requirement.

EOF is the eligible own fund amount after the tiering limits are applied. The structure of tiering is presented in the table below:

	Total	Unrestricted Tier 1	Restricted Tier 1	Tier 2	Tier 3
<b>EOF (Eligible own fund) as of December 31, 2025</b>	85,800	70,771	-	15,029	-
<b>Of which ancillary</b>	-	-	-	-	-
<b>Of which subject to transitional measures</b>	-	-	-	-	-

	Total	Unrestricted Tier 1	Restricted Tier 1	Tier 2	Tier 3
<b>EOF (Eligible own fund) as of December 31, 2024</b>	64,483	49,449	-	15,034	-
<b>Of which ancillary</b>	-	-	-	-	-
<b>Of which subject to transitional measures</b>	-	-	-	-	-

The various components of what AXA Wealth Europe considers as eligible capital are determined in accordance with Solvency II regulatory requirements. As of December 31, 2025, eligible capital amounted to € 85,8 million of which:

- unrestricted Tier 1 capital after distribution of the net result: € 14,7 million only made by shares and a reconciliation reserve corresponding to € 56,1 million,
- no restricted Tier 1 capital,
- Tier 2: a dated subordinated debt of € 15,0 million,
- No Tier 3.

The Company has no ancillary own funds.

As far as compliance with the Minimum Capital Requirements is concerned, the following quantitative limits shall apply: (a) the eligible amount of Tier 1 items shall be at least 80 % of the Minimum Capital Requirement; (b) the eligible amounts of Tier 2 items shall not exceed 20 % of the Minimum Capital Requirement.

In accordance with the methods of calculation implemented by AXA in line with existing regulations, AXA Wealth Europe’s eligible financial resources to cover its minimum capital requirement under the current Solvency II regime amounted to 356% as of December 31, 2025.

### E.1.5 Reconciliation to Local GAAP Shareholders’ equity

The reconciliation movements in capital resources between the Local GAAP Shareholders’ equity and the Solvency II Eligible Own Funds are presented in the table below:

<i>€ million</i>	As of December 31, 2025
<b>Local GAAP Shareholders' Equity</b>	<b>9,480</b>
Full market value of assets	-43,912
Intangible assets	-
Best Estimate Liabilities	105,203
Subordinated debt	15,029
Other	-
<b>Eligible Own Funds (EOF)</b>	<b>85,800</b>

The key differences between the Local GAAP and the Solvency II frameworks are further explained below:

- The adjustment of the market value of assets is related to the recognition of unrealized gain and losses of assets (loans and real estate) recognized at cost in the Local GAAP Balance Sheet;
- Best Estimate Liabilities and Market Value Margin is related to the re-measurement in the Solvency II framework of policyholder’s reserves as compared to those of the Local GAAP.

# E.2 Solvency Capital Requirement and Minimum Capital Requirement

AXA Wealth Europe uses the Standard Formula to calculate the Minimum Capital Requirement (MCR) and the Solvency Capital Requirement (SCR).

## E.2.1 General principles

The Solvency II directive provides for two separate levels of solvency margin: (i) the Minimum Capital Requirement (MCR), which is the amount of own funds below which policy holders and beneficiaries are exposed to an unacceptable level of risk should the Company be allowed to continue its operations, and (ii) the Solvency Capital Requirement (SCR), which corresponds to a level of eligible own funds that enables insurance and reinsurance companies to absorb significant losses and that gives reasonable assurance to policyholders and beneficiaries that payments will be made.

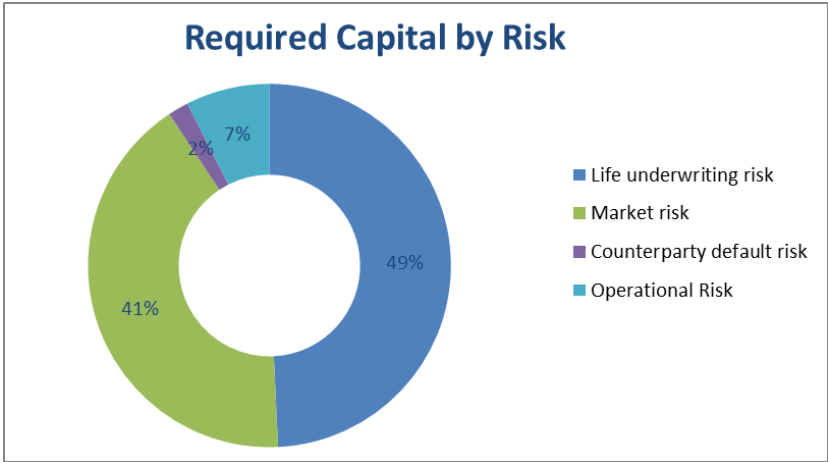
The Luxembourg regulation has not made use of the option not to disclose any capital add-on during a transitional period ending no later than December 31, 2025.

## E.2.2 Solvency Capital Requirement (SCR)

On November 17, 2015, AXA received approval from the ACPR to use its internal model to calculate its regulatory capital under Solvency II and published, on February 26, 2026, its Solvency II capital ratio at 224% as of December 31, 2025. The solvency II capital ratio of AXA Wealth Europe assessed through the standard formula is equal to 143% as of December 31, 2025.

As of December 31, 2025, the Company’s solvency capital requirement is € 60,2 million after full diversification, split as follows by risk module: Underwriting risk € 48,7 million, Market risk € 41,0 million, Operational Risk € 7,4 million and Counterparty Risk € 1,8 million.

As of December 31, 2025, the breakdown of the Solvency II required capital by risk categories as follows:



The Total SCR increased from € 49,0 million in 2024 to € 60,2 million in 2025. This increase is mainly attributed to:

- Growth in both unit-linked and euro fund portfolios, leading to an increase in Market and Life risks,
- The Equity Risk was further impacted by an increase in the symmetric adjustment, on top of volume effects,
- The Counterparty Default Risk increased due to higher cash positions, and
- The Operational Risk decreased significantly, mainly because of a lower positive evolution of premiums on Euro Fund compared to the previous year (less than 20%).

Regarding the evolution of deferred taxes to the SCR:

The net deferred taxes (DTL) on the balance sheet amount to € 19,2 million (see part D3). The SCR pre-tax is € 79,0 million. With an average tax rate of 23,87%, the maximum tax adjustment on the SCR is € 18,9 million.

The amount of net deferred taxes (DTL) on the balance sheet is higher than the maximum tax adjustment on SCR.

### **E.2.3 Minimum Capital Requirement**

The Minimum Capital Requirement is meant to ensure a minimum level below which the amount of financial resources should not fall. That amount is calculated in accordance with a simple formula, which is subject to a defined floor and cap based on the Solvency Capital Requirement of the Company in order to allow for an escalating ladder of supervisory intervention, and that it is based on the data which can be audited.

In accordance with the methods of calculation implemented by AXA Wealth Europe in line with existing regulations, AXA Wealth Europe's Minimum Capital Requirement amounted to € 21,0 million as of December 31, 2025.

The Minimum Capital Requirement is founded over a factor-based formula taking into consideration the amounts of Best Estimate Liabilities net of the amounts recoverable from reinsurance contracts and special purpose vehicles, and written premiums for each segment of business. Different factors are applied to those amounts according to each relevant segment.

### E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

Not applicable.

### E.4 Differences between the standard formula and any internal model used

Not applicable.

### E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

Not applicable.

### E.6 Any other information

Not applicable.

# ATTACHMENT

**/ Balance-sheet (S.02.01)**

**/ Premiums, claims and expenses by country (S.04.05)**

**/ Premiums, claims and expenses by line of business (S.05.01)**

**/ Life and Health Technical Provisions (S.12.01)**

**/ Impact of long term guarantees and transitional measures on the amount of TP, OF, SCR and MCR (S.22.01)**

**/ Capital adequacy: OF, SCR and MCR (S.23, S.25 and S.28)**



S.04.05.21

**Premiums, claims and expenses by country - location of risk**

in EUR		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations				
		C0150	C0160	C0170	C0180	C0190	C0200
			FR	BE	IT	PT	MC
	R1400	C0030	C0040	C0040	C0040	C0040	C0040
Gross Written Premium	R1020	8 280 867,90	774 026 368,09	27 145 495,26	4 870 000,00	2 106 677,44	1 462 391,33
Gross Earned Premium	R1030	8 280 867,90	774 026 368,09	27 145 495,26	4 870 000,00	2 106 677,44	1 462 391,33
Claims incurred	R1040	12 344 836,36	895 689 343,04	31 288 097,81	4 968 533,56	2 466 772,79	1 804 548,26
<b>Gross Expenses Incurred</b>	<b>R1050</b>	360 978,94	33 741 296,48	1 183 324,29	212 292,65	91 834,12	63 748,45

## Premiums, claims and expenses by line of business

in EUR

		Line of Business for: life insurance obligations						Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	
		C0210	C0220	C0230	C0240	C0250	C0260	C0300
<b>Premiums written</b>								
Gross	R1410	-	148 891 750,00	672 335 050,00	-	-	-	821 226 800,00
Reinsurers' share	R1420	-	144 735 017,00	-	-	-	-	144 735 017,00
Net	R1500	-	<b>4 156 733,00</b>	<b>672 335 050,00</b>	-	-	-	<b>676 491 783,00</b>
<b>Premiums earned</b>								
Gross	R1510	-	148 891 750,00	672 335 050,00	-	-	-	821 226 800,00
Reinsurers' share	R1520	-	144 735 017,00	-	-	-	-	144 735 017,00
Net	R1600	-	<b>4 156 733,00</b>	<b>672 335 050,00</b>	-	-	-	<b>676 491 783,00</b>
<b>Claims incurred</b>								
Gross	R1610	-	164 137 105,00	788 801 452,00	-	-	-	952 938 557,00
Reinsurers' share	R1620	-	164 137 105,00	-	-	-	-	164 137 105,00
Net	R1700	-	-	<b>788 801 452,00</b>	-	-	-	<b>788 801 452,00</b>
Expenses incurred	R1900	-	1 894 720,00	33 904 134,00	-	-	-	35 798 854,00
Balance - other technical expenses/income	R2510	-	-	-	-	-	-	-
Total expenses	R2600	-	-	-	-	-	-	35 798 854,00
Total amount of surrenders	R2700	-	53 246 055,00	145 319 905,00	-	-	-	198 565 960,00

		Index-linked and unit-linked insurance				Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Total (Life other than health insurance, incl. Unit-Linked)
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees		
<b>Technical provisions calculated as a whole</b>	<b>R0010</b>	-	-	-	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020	-	-	-	-	-	-	-	-	-
<b>Technical provisions calculated as a sum of BE and RM</b>										
<b>Best Estimate</b>										
<b>Gross Best Estimate</b>	<b>R0030</b>	663 349 614,02	-	3 006 641 980,57	-	-	-	-	-	3 669 991 594,59
<b>Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default</b>	<b>R0080</b>	684 787 789,00	-	-	-	-	-	-	-	684 787 789,00
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090	-21 438 174,98	-	3 006 641 980,57	-	-	-	-	-	2 985 203 805,59
<b>Risk Margin</b>	<b>R0100</b>	7 022 881,00	23 584 675,00	-	-	-	-	-	-	30 607 556,00
<b>Technical provisions - total</b>	<b>R0200</b>	670 372 495,02	3 030 226 655,57	-	-	-	-	-	-	3 700 599 150,59

S.22.01.21

## Impact of long term guarantees and transitional measures

in EUR

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	3 700 599 151,00	-	-	-	-
Basic own funds	R0020	85 799 966,00	-	-	-	-
Eligible own funds to meet Solvency Capital Requirement	R0050	85 799 966,00	-	-	-	-
Solvency Capital Requirement	R0090	60 158 721,45	-	-	-	-
Eligible own funds to meet Minimum Capital Requirement	R0100	74 980 117,77	-	-	-	-
Minimum Capital Requirement	R0110	21 046 493,86	-	-	-	-

		Total C0010	Tier 1 - unrestricted C0020	Tier 1 - restricted C0030	Tier 2 C0040	Tier 3 C0050
<b>Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35</b>						
Ordinary share capital (gross of own shares)	R0010	14 671 150,00	14 671 150,00			
Share premium account related to ordinary share capital	R0030	-				
Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings	R0040	-				
Subordinated mutual member accounts	R0050	-				
Surplus funds	R0070	-				
Preference shares	R0090	-				
Share premium account related to preference shares	R0110	-				
Reconciliation reserve	R0130	56 099 669,00	56 099 669,00			
Subordinated liabilities	R0140	15 029 147,00			15 029 147,00	
An amount equal to the value of net deferred tax assets	R0160	-				
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-				
<b>Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds</b>						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
<b>Deductions</b>						
Deductions for participations in financial and credit institutions	R0230					
<b>Total basic own funds after deductions</b>	<b>R0290</b>	<b>85 799 966,00</b>	<b>70 770 819,00</b>	<b>-</b>	<b>15 029 147,00</b>	<b>-</b>
<b>Ancillary own funds</b>						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
<b>Total ancillary own funds</b>	<b>R0400</b>					
<b>Available and eligible own funds</b>						
Total available own funds to meet the SCR	R0500	85 799 966,00	70 770 819,00	-	15 029 147,00	
Total available own funds to meet the MCR	R0510	85 799 966,00	70 770 819,00	-	15 029 147,00	
Total eligible own funds to meet the SCR	R0540	85 799 966,00	70 770 819,00		15 029 147,00	
Total eligible own funds to meet the MCR	R0550	74 980 117,77	70 770 819,00		4 209 298,77	
SCR	R0580	60 158 721,45				
MCR	R0600	21 046 493,86				
Ratio of Eligible own funds to SCR	R0620	1,4262				
Ratio of Eligible own funds to MCR	R0640	3,5626				

**Reconciliation reserve**

		C0060
<b>Reconciliation reserve</b>		
Excess of assets over liabilities	R0700	70 770 819,00
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	14 671 150,00
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
<b>Reconciliation reserve</b>	<b>R0760</b>	<b>56 099 669,00</b>
<b>Expected profits</b>		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
<b>Total Expected profits included in future premiums (EPIFP)</b>	<b>R0790</b>	

## S.25.01.21

## Solvency Capital Requirement - for undertakings on Standard Formula

in EUR

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
Market risk	R0010	40 959 584,41		
Counterparty default risk	R0020	1 766 222,03		
Life underwriting risk	R0030	48 717 441,29		
Health underwriting risk	R0040	-		
Non-life underwriting risk	R0050	-		
Diversification	R0060	-19 811 452,94		
Intangible asset risk	R0070	-		
<b>Basic Solvency Capital Requirement</b>	<b>R0100</b>	<b>71 631 794,79</b>		

Calculation of Solvency Capital Requirement		Value
		C0100
Operational risk	R0130	7 389 250,07
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	-18 862 323,41
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
<b>Solvency capital requirement excluding capital add-on</b>	<b>R0200</b>	<b>60 158 721,45</b>
Capital add-on already set	R0210	-
<b>Solvency capital requirement</b>	<b>R0220</b>	<b>60 158 721,45</b>
<b>Other information on SCR</b>		
Capital requirement for duration-based equity risk sub-module	R0400	-
Total amount of Notional Solvency Capital Requirement for remaining part	R0410	-
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	-
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

Approach to tax rate		Yes/No
		C0109
Approach based on average tax rate*	R0590	1

Approach based on average tax rate  
1 - Yes  
- ...

Calculation of loss absorbing capacity of deferred taxes		LAC DT
		C0130
LAC DT	R0640	-18 862 323,41
LAC DT justified by reversion of deferred tax liabilities	R0650	-18 862 323,41
LAC DT justified by reference to probable future taxable economic profit	R0660	-
LAC DT justified by carry back, current year	R0670	-
LAC DT justified by carry back, future years	R0680	-
<b>Maximum LAC DT</b>	<b>R0690</b>	<b>-19 217 369,17</b>

## S.28.01.01

## Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

in EUR

Linear formula component for non-life insurance and reinsurance obligations		MCR components
		C0010
MCRNL Result	R0010	-

Background information		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations		C0040
MCRL Result	R0200	21 046 493,86

Total capital at risk for all life (re)insurance obligations		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	-	-
Obligations with profit participation - future discretionary benefits	R0220	-	-
Index-linked and unit-linked insurance obligations	R0230	3 006 641 980,57	-
Other life (re)insurance and health (re)insurance obligations	R0240	-	-
Total capital at risk for all life (re)insurance obligations	R0250	-	-

Overall MCR calculation		C0070
Linear MCR	R0300	21 046 493,86
SCR	R0310	60 158 721,45
MCR cap	R0320	27 071 424,65
MCR floor	R0330	15 039 680,36
Combined MCR	R0340	21 046 493,86
Absolute floor of the MCR	R0350	4 000 000,00
Minimum Capital Requirement	R0400	21 046 493,86