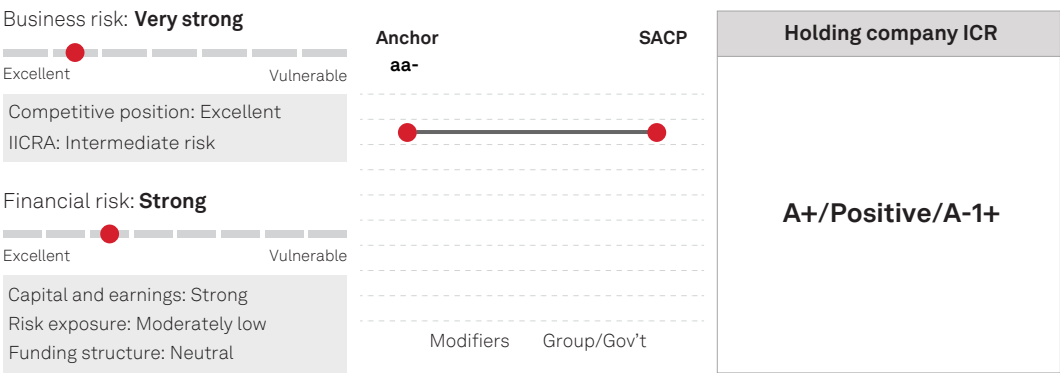


AXA S.A.

October 3, 2025

This report does not constitute a rating action.



ICR--Issuer credit rating. IICRA--Insurance industry and country risk assessment. SACP--Stand-alone credit profile.

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Credit Highlights

Overview

Key strengths	Key risks
Leading market position in global commercial and personal property/casualty (P/C) across key European markets and Hong Kong, bolstered by significant brand recognition.	Sluggish growth of the life contractual service margin (CSM) could result in subdued capital generation.
Broad diversification of business and product lines.	Susceptible to impairments on real estate and private equity investments resulting from unsupportive market developments.
Strong and resilient profitability with a return on equity consistently close to 15%.	Relatively high target shareholder remuneration.

S&P Global Ratings expects AXA Group to maintain its extremely strong competitive position in its core markets. AXA Group is one of the largest global multiline insurers (GMI)s, distinguished by its diverse geographical footprint and product lines. Business and earnings diversification continues to set AXA Group apart from other GMI)s, with its profile most resembling those of peers Allianz and Zurich Insurance Group, in our view.

AXA Group's strong financial risk profile reflects its resilient profit generation capacity and its capital-light growth strategy, which we anticipate will further strengthen capital adequacy. For year-end 2024, capital adequacy ratio remained above the 99.95% confidence level, and we expect it to remain at that level for our forecast period, supported by resilient operating performance and the growth strategy. AXA Group's Solvency II ratio was very solid at 220% as of

June 30, 2025. However, increased shareholder payouts through dividends and share buybacks could reduce the pace of capital build-up over 2025-2027.

We expect P/C premium growth and strong underwriting results, alongside contributions from the life and health (L/H) segments, to drive earnings. AXA Group achieved robust revenue growth of more than 7% in 2024, driven by positive performance across its property and casualty, life, and health segments. Profitability was primarily boosted by the P/C business, which saw improved efficiency reflected in a combined ratio of 91.0%--a decrease from 93.2% the prior year. This improvement was largely due to significant price increases in motor insurance and a favorable market environment with lower natural catastrophe costs. Underlying earnings from the L/H segments also remained robust, supported by price increases, underwriting measures, higher investment income, and stable CSM release.

AXA Group's very strong business risk profile and strong financial risk profile leads to an anchor of 'aa-'. Based on our analysis, the anchor could be 'aa-' or 'a+', however, we selected 'aa-' in recognition of AXA Group's business and geographic diversification and leading positions in several insurance markets, which is bolstered by its superior brand recognition. This is reflected in our financial strength rating (FSR) and long-term issuer credit rating (ICR) of 'AA-' on AXA Group's core operating subsidiaries, and our one-notch lower FSR and ICR of 'A+' on the AXA holding company.

Outlook

The positive outlook reflects our view that AXA Group will post growing profitability that compares favorably with that of peers, with a combined ratio of 90%-95% and a return on equity close to 15%. We expect AXA Group to demonstrate resilience to adverse market and catastrophe events due to its globally diversified business profile.

Downside scenario

We could lower our ratings over the next two years if, contrary to our expectations, adverse market developments materially reduced AXA Group's capital adequacy for a prolonged period, or if a consistent weakening of AXA Group's operating performance, combined with its ratchet dividend policy, led to materially negative internal capital generation.

Upside scenario

We could raise our ratings over the next two years if AXA Group achieves our forecast profitability metrics, demonstrates favorable performance compared to peers, and strengthens its capital adequacy buffer to consistently above the 99.95% capital level under our model. We may also consider the strength of AXA Group's technical reserves and its capacity to mitigate unexpected losses.

Assumptions

- Eurozone GDP growth of 0.8% in 2025, followed by 1.1% in 2026 and 1.4% in 2027.
- Average 10-year government bond yields in the eurozone of 3.1%-3.2% annually over 2025-2027.
- U.S. GDP growth of 1.7% in 2025, followed by 1.6% in 2026 and 2.0% in 2027.

- Average 10-year government bond yields in the U.S. of 4.3% in 2025 and 3.7% in 2026-2027.

AXA Group--Key Metrics

(Mil. €)	2026f	2025f	2024	2023	2022
Insurance revenue	>85,000	>85,000	86,324	81,123	86,272
EBIT	>9,500	>9,500	10,584	9,047	9,187
Net income (attributable to shareholders)	>7,000	>7,000	7,518	7,037	6,856
S&P Global Ratings-adjusted capital adequacy	99.95	99.95	99.95	99.95	99.95
Return on shareholder's equity (%)	~15	~15	14.3	13.9	12.3
EBIT fixed-charge coverage (x)	>10	>10	12.1	10.9	13.0
Financial leverage including pension deficit as debt (%)	<40	<40	34.1	34.8	35.5
P/C: Net combined ratio (%)	<95	<95	91.0	93.2	94.5
Return on revenue (%)	~10	~10	10.6	9.6	9.1
Return on assets (%)	>1	>1	1.7	1.5	1.3
Financial obligations/EBITDA (x)	>2	>2	2.3	2.8	2.6

f--Forecast. Note: Numbers for 2022 are on International Financial Reporting Standards 4 basis; Capital adequacy from 2023 is based on our new capital model criteria; Net premiums written for 2022; EBIT is non-adjusted. Source: S&P Global Ratings.

Business Risk Profile

With total revenue of €110 billion in 2024, AXA is one of the world's largest GMIs. It has a highly diversified franchise, with a large bias toward advanced economies. Most of AXA's business is in large and stable countries, where we perceive industry and country risks to be low or intermediate, such as France (life and P/C), Switzerland (life and P/C), and Germany (P/C). Activities in weaker economies, represented by various emerging markets that we consider as having higher insurance industry and country risks, only account for about 8% of group premiums.

AXA's robust competitive position stems from its strong brand and market position. The company holds top-five positions in France, Switzerland, Belgium, Germany, Spain, Italy, the U.K., and Ireland and it is a market leader in P/C commercial lines. The group compares favorably with GMI peers in terms of volumes, geographical reach, and business mix. The P/C business accounted for 65% of AXA Group's underlying pre-tax profit in 2024 (excluding asset management), while life insurance represented 27% and health insurance accounted for 8%.

On July 1, 2025, AXA announced that it completed the sale of AXA Investment Manager (AXA IM) to BNP Paribas for cash proceeds of €5.1 billion. AXA also closed the sale of Select to AXA IM for a consideration of €300 million, bringing the total transaction value to €5.4 billion. AXA IM represented about 5% of group profits and generated underlying earnings of €402 million in 2024.

We think AXA's strategy focusing on its health, protection, and P/C business lines will support its aim to increase profits from less capital-intensive activities. Similar to most GMI peers, AXA has a comprehensive mix of distribution channels, mainly focused on proprietary agents, brokers, and direct sales capabilities. These enable the group to reach a diverse customer base, with about half of business coming from retail and small business clients and half from the corporate segment.

AXA's underlying earnings increased by 5.2% year-on-year to €4.5 billion in the first half of 2025, under International Financial Reporting Standards (IFRS) 17 and 9. This increase was in line with our earnings expectations for the group. We expect net income per year above €7.0 billion and a return on equity of about 15% over 2025-2026.

The P/C segment reported underlying earnings of €3.1 billion in the first of half 2025 (based on IFRS 17), up 5.5% year-on-year. The increase was driven by a higher technical margin and better investment yields. The natural catastrophe loss ratio decrease to 3.5% in the first half of 2025, from 3.6% a year earlier. The combined ratio of AXA's P/C business, under IFRS 17, improved slightly to 90.0% from 90.2% a year earlier. This was mainly driven by improvements in the attritional loss ratio and the expense ratio, reflecting the impact of efficiency measures.

Underlying earnings in the L/H segments were about €1.8 billion in the first half of 2025, up 5.2% year-on-year. The increase in earnings mainly resulted from higher technical profitability, especially for the short-term health segment. The earnings increase reflected ongoing pricing, underwriting, and claims management actions, better financial results from higher investment income, and stable CSM release.

We expect AXA to maintain strong underwriting discipline, risk management, and pricing. This will enable it to perform in line with peers, while maintaining steady growth. We also anticipate that AXA will continue its track record of achieving efficiency targets.

Financial Risk Profile

Our current assessment of a strong financial risk profile balances the group's strong profitability and high capital adequacy with relatively high capital distributions to shareholders and a degree of sensitivity to potential unfavorable market movements. We nevertheless anticipate that AXA will maintain a capital adequacy ratio of at least 99.95%, according to our capital model. We forecast the amount of accumulated retained earnings will improve slightly, even after allowing for an assumed 9% growth in dividends per share and further share buybacks. Since 2024, AXA has increased its target distribution of underlying profits to shareholders to 75% (60% via dividends and 15% via share buybacks), which, in our view, will limit the internal build-up of capital at AXA over 2025-2027. In addition, AXA has a ratchet dividends policy that could result in a higher payout ratio in case of unexpected adverse market developments. AXA paid €4.6 billion in dividends in relation to 2024 net profit, representing dividends per share of €2.15, an increase of 9% versus 2023. Additionally, the group carried out a share buyback of €1.8 billion in 2024. In July 2025, AXA launched a €3.8 billion share buyback to compensate the diluting effect of the sale of AXA IM on the group's earnings per share measure.

From a regulatory perspective, AXA's Solvency II ratio was very solid at 220% as of June 30, 2025.

Our assessment of AXA's risk exposure as moderately low is in line with our assessment of GMI peers. We anticipate that adverse developments in natural catastrophes and man-made claims are well under control, and AXA has a robust reinsurance coverage. Additionally, subsidiary AXA XL Reinsurance Ltd. has returned to profitability since 2023 after drastically reducing its natural catastrophe exposure. AXA also has adverse development coverage that largely protects AXA XL's legacy long-tail P/C insurance reserves against unexpected losses. We expect AXA XL to remain a key contributor to the group's earnings, after achieving €1.8 billion in underlying earnings in 2024 (€1.0 billion for the first half of 2025).

We consider AXA's ratio of assets that we view as high-risk relative to its capital base to be slightly higher than that of peers. AXA's high-risk assets are mainly concentrated in its large

private equity and real estate investment portfolios. We view positively the high level of diversification within these portfolios and their strong records of performance.

In our view, AXA has ample financial flexibility, with a successful record of debt issuance and a well spread debt-repayment schedule. We expect the group's financial leverage, factoring in the debt issue transactions carried out in 2025, to remain at less than 40%. The fixed-charge coverage is likely to be more than 10.0x through 2025-2026, which compares favorably with other GMI's ratios.

We think that AXA Group is resilient to the potential negative impact of a sovereign stress event on France. AXA's exposure to French assets is less than 15% of its general accounts investments and AXA Group would not deplete its regulatory capital base in a hypothetical stress test involving a hypothetical default of France, in our view.

Other Credit Considerations

Governance

AXA's management and governance are strong, notably due to its strong track record of strategic planning and execution.

Liquidity

We regard AXA's liquidity as exceptional and do not expect any liquidity constraints that would prevent it from meeting its obligations, given the substantial amount of liquid assets held by the group. This is further supported by minimal risks from collateral posting and confidence-sensitive liabilities.

Factors specific to the holding company

Our 'A+' long-term ICR on AXA S.A. is one notch below our ICR on AXA Group's core operating subsidiaries. The differential reflects AXA S.A.'s status as the group's internal reinsurer and the fact that its reinsurance revenue does not fully cover operating and financing costs, leaving a degree of structural subordination for AXA's creditors. Our 'A-1+' short-term rating on AXA S.A. reflects its high level of cash at hand and committed credit facilities, relative to its financial obligations.

Environmental, social, and governance

Environmental, social, and governance factors have no material influence on our credit rating analysis of AXA.

Accounting considerations

We base our analysis primarily on audited financial data prepared in accordance with IFRS 17. We regard the group's financial communication and disclosures as sound and transparent.

AXA began implementing IFRS 17 and IFRS 9 from Jan. 1, 2023. Overall, IFRS 17 does not affect the group's capital management and its Solvency II ratio and has only a limited influence on underlying earnings and shareholders' equity.

Rating Component Scores	
Business risk profile	Very Strong
Competitive position	Excellent
IICRA	Intermediate risk
Financial risk profile	Strong
Capital and earnings	Strong
Risk exposure	Moderately low
Funding structure	Neutral
Anchor	aa-
Modifiers	
Governance	Neutral
Liquidity	Exceptional
Comparable rating analysis	0
Current credit rating on AXA (*)	
Local currency financial strength rating	A+/Positive/--
Foreign currency financial strength rating	--
Local currency issuer credit rating	A+/Positive/A-1+
Foreign currency issuer credit rating	A+/Positive/A-1+

*S&P Global Ratings' financial strength rating and long-term issuer credit rating on AXA Group's core operating subsidiaries: (AA-/Positive/--).

Related Criteria

- [General Criteria: Hybrid Capital: Methodology And Assumptions](#), Feb. 10, 2025
- [Criteria | Insurance | General: Insurer Risk-Based Capital Adequacy--Methodology And Assumptions](#), Nov. 15, 2023
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [Criteria | Insurance | General: Insurers Rating Methodology](#), July 1, 2019
- [General Criteria: Group Rating Methodology](#), July 1, 2019
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7, 2017
- [General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions](#), Nov. 19, 2013
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

- [AXA Group Outlook Revised To Positive On Expected Capital Strengthening And Profitability Growth; 'AA-' Ratings Affirmed](#), Feb. 25, 2025

Ratings Detail (as of September 30, 2025)*	
AXA	
Financial Strength Rating	

AXA S.A.**Ratings Detail (as of September 30, 2025)***

<i>Local Currency</i>	A+/Positive/--
Issuer Credit Rating	A+/Positive/A-1+
Commercial Paper	A-1+
Junior Subordinated	BBB+
Senior Unsecured	A+
Subordinated	A-

Related Entities**AXA Banque**

Issuer Credit Rating	A+/Positive/A-1+
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AXA Belgium

Financial Strength Rating	
<i>Local Currency</i>	AA-/Positive/--
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Positive/--

AXA China Region Insurance Co. (Bermuda) Ltd.

Financial Strength Rating	
<i>Local Currency</i>	AA-/Positive/--
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Positive/--

AXA China Region Insurance Co. Ltd.

Financial Strength Rating	
<i>Local Currency</i>	AA-/Positive/--
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Positive/--

AXA France IARD

Financial Strength Rating	
<i>Local Currency</i>	AA-/Positive/--
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Positive/--

AXA France Vie

Financial Strength Rating	
<i>Local Currency</i>	AA-/Positive/--
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Positive/--

AXA General Insurance Hong Kong Ltd.

Financial Strength Rating	
<i>Local Currency</i>	AA-/Positive/--
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Positive/--

AXA Home Loan SFH

Senior Secured	AAA/Stable
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AXA Insurance U.K. PLC

Financial Strength Rating	
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AXA S.A.

Ratings Detail (as of September 30, 2025)*

Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--
AXA International Reinsurance (Shanghai) Co. Ltd.	
Financial Strength Rating	
Local Currency	A+/Positive/--
AXA Krankenversicherung AG	
Financial Strength Rating	
Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--
AXA Lebensversicherung AG	
Financial Strength Rating	
Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--
AXA Life Insurance Co. Ltd.	
Financial Strength Rating	
Local Currency	A+/Stable/--
Issuer Credit Rating	
Local Currency	A+/Stable/--
AXA Seguros S.A. de C.V.	
Financial Strength Rating	
Local Currency	A-/Stable/--
CaVal (Mexico) National Scale	mxAAA/Stable/--
Issuer Credit Rating	
Local Currency	A-/Stable/--
CaVal (Mexico) National Scale	mxAAA/Stable/--
AXA Tianping Property & Casualty Insurance Co. Ltd.	
Financial Strength Rating	
Local Currency	A-/Positive/--
Issuer Credit Rating	
Local Currency	A-/Positive/--
AXA Versicherung AG	
Financial Strength Rating	
Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--
AXA Versicherungen AG	
Financial Strength Rating	
Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--

Ratings Detail (as of September 30, 2025)*

AXA XL Insurance Company Americas

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Issuer Credit Rating

<i>Local Currency</i>	AA-/Positive/--
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AXA XL Insurance Company UK Ltd.

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Issuer Credit Rating

<i>Local Currency</i>	AA-/Positive/--
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AXA XL Reinsurance Ltd.

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Catlin Re Switzerland Ltd

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Issuer Credit Rating

<i>Local Currency</i>	AA-/Positive/--
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Greenwich Insurance Co.

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Issuer Credit Rating

<i>Local Currency</i>	AA-/Positive/--
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Indian Harbor Insurance Co.

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Issuer Credit Rating

<i>Local Currency</i>	AA-/Positive/--
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XL Bermuda Ltd.

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Issuer Credit Rating

<i>Local Currency</i>	AA-/Positive/--
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XL Group Ltd.

Issuer Credit Rating

<i>Local Currency</i>	A/Positive/--
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Senior Unsecured

<i>Local Currency</i>	A
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Subordinated

<i>Local Currency</i>	BBB+
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XL Insurance America Inc.

Financial Strength Rating

<i>Local Currency</i>	AA-/Positive/--
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Issuer Credit Rating

<i>Local Currency</i>	AA-/Positive/--
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XL Insurance Co. SE

Financial Strength Rating

Ratings Detail (as of September 30, 2025)*

Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/NR
XL Insurance Switzerland Ltd.	
Financial Strength Rating	
Local Currency	A+/Positive/--
Issuer Credit Rating	
Local Currency	A+/Positive/--
XL Re Europe SE	
Financial Strength Rating	
Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--
XL Reinsurance America Inc.	
Financial Strength Rating	
Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--
XL Specialty Insurance Co.	
Financial Strength Rating	
Local Currency	AA-/Positive/--
Issuer Credit Rating	
Local Currency	AA-/Positive/--
Domicile	France

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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