



Operating statement 2023

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**As a market-leading insurer,
AXA plays a key role in pensions
and health insurance, including
the second pillar.**

Facts & figures

2022

2023

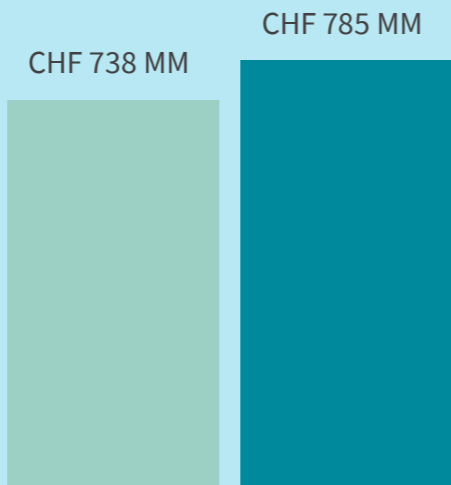
Active insured persons

+4.3%



Gross premiums written

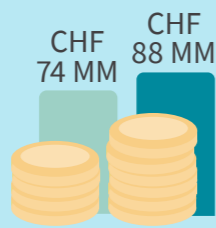
+6.3%



Allocation to surplus fund
CHF 70 million

Operating result

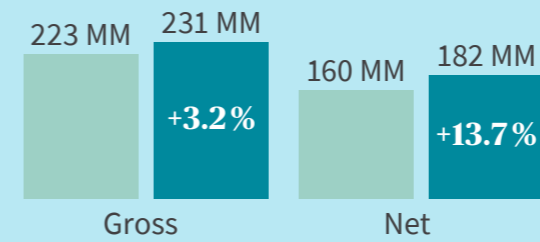
+17.8%



Minimum distribution ratio in 2023

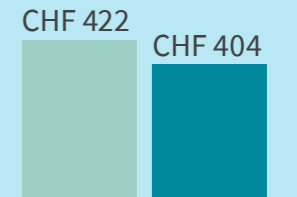
90.6%

Investment income

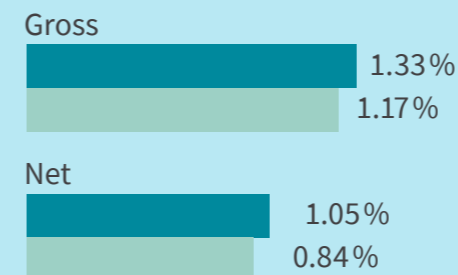


Operating expense per active insured person

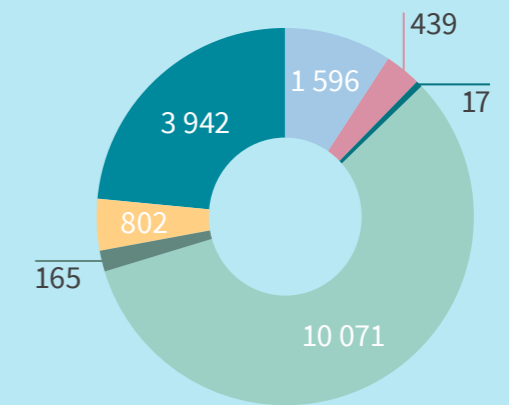
-4.4%



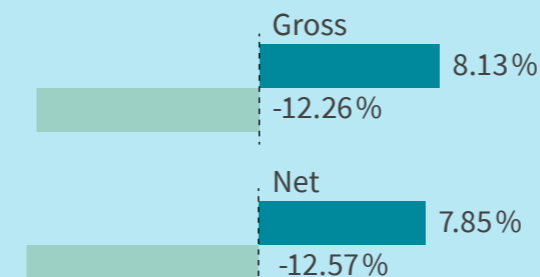
Total return on book values



Investments in 2023



Market value performance



- Land & buildings
- Equities & fund units
- Derivatives (net)
- Fixed-interest securities
- Hedge funds
- Private equity
- Other investments

Monetary amounts in CHF millions

Operating statement 2023

Key data

	2023	2022
Existing customer base at end of accounting year	568,068	556,103
Number of active insured persons	426,181	408,691
Number of persons with full-value insurance	340	881
Number of other active insured persons	425,841	407,810
Number of pension recipients	60,790	61,437
Number of vested benefits policies	81,097	85,975

Interest and conversion rates	2023		2022	
	Mandatory benefits	Extra-mandatory benefits	Mandatory benefits	Extra-mandatory benefits
Effective interest rate including surplus participation	1.00 %	0.00 %	1.00 %	0.00 %
Interest rate applied to retirement assets	1.00 %	0.00 %	1.00 %	0.00 %
Pension conversion rate for men retiring at age 65	6.80 %	5.00 %	6.80 %	5.00 %
Pension conversion rate for women retiring at age 64	6.80 %	4.88 %	6.80 %	4.88 %
Technical interest rate for valuation of the pension liabilities	0.55 %		0.55 %	

	2023		2022	
	Total in millions	per capita	Total in millions	per capita
Total cost premium	177	311	163	293
Active insured persons	177	414	163	399
Vested benefits policies / per policy	0	0	0	0
Other cost premiums	0	0	0	0

	2023		2022	
	Total in millions	per capita	Total in millions	per capita
Total operating expense	208	367	209	375
Operating expense ex pension recipients	177		177	
Active insured persons	172	404	173	422
Vested benefits policies	4	54	4	52
Operating expense for other cost units	0		0	
Operating expense for pension recipients	32		32	
Pension recipients	32	526	32	514

Monetary amounts in CHF

Income statement

Income	2023	2022
Retirement credits	3	4
Individual deposits due to start of employment, purchases, PHO or divorce	0	5
Retirement assets brought in connection with contract transfers	0	0
Deposits for retirement and survivors' pensions	18	16
Deposits for disability pensions and disabled person's child's pensions	55	58
Deposits for vested benefits policies	0	0
Savings premiums	77	83
Risk premiums	531	492
Cost premiums	177	163
Gross premiums written	785	738
Gross investment income	231	223
Direct investment income	353	331
Cash and cash equivalents	1	1
Bonds	122	126
Properties	77	83
Mortgages	50	51
Other investments	103	70
Result from disposals	135	148
Balance from write-ups and write-downs	-203	-245
Currency result	-52	-9
Interest expense	-2	-2
Asset management costs	-49	-63
Net investment income	182	160
Other income	11	9
Reinsurance result	-10	-5
Income	967	902

Expenditure	2023	2022
Benefits on retirement	695	711
Pension benefits	634	653
Lump-sum benefits	61	59
Death and disability benefits	492	464
Pension benefits	383	362
Lump-sum benefits	108	102
Individual lump-sum benefits (vested benefits, PHO, divorce, VBP)	53	64
Surrender values from contract terminations	42	2 238
Benefit processing expenses	32	32
Benefits	1,314	3,510
Retirement assets	-19	-399
Provision for future conversion rate losses	-1	-2
Actuarial reserves for current retirement and survivors' pensions	-406	-1 793
Actuarial reserves for current disability pensions and disabled person's child's pensions	36	-15
Actuarial reserves for vested benefits policies	-104	-108
Actuarial reserves for other coverages	0	0
Strengthening of actuarial reserves for annuity capital and vested benefits policies	-185	-595
Provision for insurance cases which have occurred but have not yet been settled	11	-35
Fluctuation and interest guarantee provisions	56	56
Cost-of-living provisions	-23	1
Other technical provisions	-60	-65
Change in technical provisions	-694	-2 954
Allocation to surplus fund	70	81
Change in unearned premium reserves	0	0
Acquisition and administrative expenses	183	181
Other expenses	7	10
Operating result	88	74
Expenditure	967	902

Monetary amounts in CHF millions

Balance sheet: key figures

Asset items	2023		2022	
Cash and cash equivalents, time deposits	-51	-0.3 %	8	0.0 %
Bonds in Swiss francs	9,203	54.0 %	9,429	53.6 %
Bonds in foreign currencies	869	5.1 %	1,047	6.0 %
Properties	1,596	9.4 %	1,770	10.1 %
Mortgages	3,090	18.1 %	3,080	17.5 %
Equities and participating interests	266	1.6 %	207	1.2 %
Alternative investments	968	5.7 %	1,015	5.8 %
Investment fund units	173	1.0 %	184	1.0 %
Net credit balances from derivative financial instruments	17	0.1 %	0	0.0 %
Other investments	903	5.3 %	861	4.9 %
Total investments	17,033	100.0 %	17,601	100.0 %
Liabilities from derivative financial instruments	124		91	
Other assets	372		444	
Ceded reinsurance	38		40	
Total net assets	17,567		18,175	

Liability items

Retirement assets	72	0.4 %	91	0.5 %
of which mandatory benefits	54		67	
of which extra-mandatory benefits	18		24	
Provision for future pension conversion rate losses	12	0.1 %	13	0.1 %
of which mandatory benefits	5		5	
of which extra-mandatory benefits	7		8	
Actuarial reserves for current retirement and survivors' pensions	10,448	62.0 %	10,854	61.9 %
of which mandatory benefits	5,889		5,992	
of which extra-mandatory benefits	4,560		4,862	
Actuarial reserves for current disability pensions and disabled person's child's pensions	1,412	8.4 %	1,377	7.8 %
of which mandatory benefits	506		684	
of which extra-mandatory benefits	906		693	
Actuarial reserves for vested benefits policies	982	5.8 %	1,085	6.2 %
Strengthening of actuarial reserves	2,598	15.4 %	2,782	15.9 %
Provision for insurance cases which have occurred but have not yet been settled	322	1.9 %	311	1.8 %
Provisions for interest guarantees, claims fluctuations, and value fluctuations	613	3.6 %	557	3.2 %
Other technical provisions	62	0.4 %	121	0.7 %
Cost-of-living provisions	331	2.0 %	354	2.0 %
Technical provisions	16,852	100.0 %	17,546	100.0 %
Surplus fund	159		171	
Unearned premium reserves	0	-0.0 %	0	0.0 %
Credited surplus portions	0	0.0 %	0	0.0 %
Other liabilities	556		458	
Total net assets	17,567		18,175	

Monetary amounts in CHF millions

Investments

Investments	2023		2022	
	Book value	Market value	Book value	Market value
Real property and buildings	1,596	2,125	1,770	2,352
Shares in real estate companies	0	0	0	0
Shares in associated companies	0	0	0	0
Participations	0	0	0	0
Equities and units in investment funds	439	495	391	407
Own equities	0	0	0	0
Fixed-interest securities	10,071	10,384	10,476	9,737
Hedge funds	165	218	188	238
Private equity	802	871	827	897
Net credit balances from derivative financial instruments	17	17	0	0
Other investments	3,942	3,870	3,949	3,714
Total investments	17,033	17,982	17,601	17,345
Valuation reserves at the end of the accounting year		949		-256
Change in valuation reserves compared to previous year		1,205		-2,702
	Market value	Share	Market value	Share
Market value of investments	17,982	100.0 %	17,345	100.0 %
Direct investments	16,683	92.8 %	16,013	92.3 %
Single- and multi-level collective investments	943	5.2 %	899	5.2 %
Non-cost-transparent investments	356	2.0 %	433	2.5 %

Monetary amounts in CHF millions

Trend of return on investments	2023	2022
Direct income from investments	353	331
Other investment income	-122	-108
Result from disposals	135	148
Balance from write-ups and write-downs	-203	-245
Currency result	-52	-9
Interest expense	-2	-2
Investment income, gross	231	223
Asset management costs	-49	-63
Investment income, net	182	160
Asset management without real estate maintenance	-49	-63
Maintenance and servicing of real estate*	-23	-25
Total asset management costs	-71	-88

Monetary amounts in CHF millions

* The costs of maintenance and servicing of real estate are offset in the income statement directly against real estate income (net view).

Return and performance	2023		2022	
	Gross	Net	Gross	Net
Total return on book values	1.33 %	1.05 %	1.17 %	0.84 %
Market value performance	8.13 %	7.85 %	-12.26 %	-12.57 %

Asset management costs	2023	2022
Direct investments	-44	-51
Single- and multi-level collective investments	-16	-21
TER costs	-61	-73
TTC costs	-2	-8
SC costs	-9	-9
Asset management costs (gross)	-72	-89
Capitalized costs	1	1
Maintenance and servicing costs for properties	23	25
Asset management costs (net)	-49	-63

Monetary amounts in CHF millions

TER costs: Costs of administration and management (internal and external)
TTC costs: Transaction costs
SC costs: Costs that cannot be allocated to individual investments

Minimum distribution ratio (MDR)

	2023		2022	
	Subject to MDR	Not subject to MDR	Subject to MDR	Not subject to MDR
Sum of income components	862	28	789	27
Saving process (income from investments)	182	0	160	0
Risk process (risk premiums)	503	28	465	27
Cost process (cost premiums)	177	0	163	0
Total expenditure	-600	-12	-509	-13
Saving process (mainly technical interest)	-29	0	-42	0
Risk process (mainly death and disability benefits)	-395	-16	-298	-12
Cost process (mainly administrative costs)	-176	5	-168	-1
Gross result, operating statement	261	17	280	14
Change in technical provisions in the saving process	-55	0	-54	0
Longevity risk	0	0	0	0
Gaps in coverage on conversion into pensions	1	0	2	0
Interest guarantees	0	0	0	0
Reversal of cost-of-living provisions in favor of strengthening measures	0	0	0	0
Fluctuations in value of investments	-56	0	-56	0
Change in technical provisions in the risk process	-62	-3	-79	-5
Insurance cases reported but not yet settled	-62	-3	-79	-5
Insurance cases which have occurred but have not yet been reported	0	0	0	0
Fluctuations in claims	0	0	0	0
Rate adjustments and rate restructuring	0	0	0	0
Total change in technical provisions	-117	-3	-133	-5
Cost of raising additional risk capital	0	0	0	0
Allocation to surplus fund	-63	-7	-73	-8
Result, operating statement	81	6	74	1
Distribution ratio	90.6 %	77.0 %	90.7 %	97.0 %

Recapitulation of the operating result

Share of business subject to MDR	81		74	
Share of total income as %	9.4 %		9.3 %	
Share of business not subject to MDR		6		1
Share of total income as %		23.0 %		3.0 %
Operating result	88		74	
Share of total income as %	9.9 %		9.1 %	
Surplus fund	154	5	164	7

Monetary amounts in CHF millions

		2023	2022
Saving process	Income from investments	182	160
Risk process	Premium income from death and disability insurance	503	465
Cost process	Premium income for operations and service	177	163
Sum of income components		862	789
At least 90% of the income components go to insured persons in the form of benefits.		90.6 %	90.7 %
Use for the following benefits for insured persons:			
1. Interest on retirement assets of insured persons and conversion losses	-29	Total -600	-42
2. Benefits in the event of disability and death	-395		-298
3. Administration, operations, and service	-176		-168
Total			Total -509
Formation of reserves for future benefits for insured persons			
1. Longevity	0	Total -117	0
2. Gap in coverage on conversion into pensions	1		2
3. Interest guarantees due to persistent low interest rate phase	0		0
4. Reversal of cost-of-living provisions in favor of strengthening measures	0		0
5. Fluctuations in value of investments	-56		-56
6. Expected benefit cases due to disability	-62		-79
Total			Total -133
Allocation to surplus fund to be used for insured persons		-63	-73
Total benefits allocated to insured persons		-781	-715
The profits of life insurers are limited by law and cannot exceed 10% of the income components.		9.4 %	9.3 %
Operating result for AXA Life Ltd from business subject to MDR (gross before tax)		81	74

Risk process and surplus fund

Risk process	2023	2022	2021	2020
Risk premiums	503	465	404	372
Risk benefits	-395	-298	-308	-311
Provisions for expected disability (IV) cases	-62	-79	-2	23
Result of risk process	46	88	94	83

Surplus fund	2023	2022
As at end of previous year	171	226
Distribution to occupational benefits institutions (allocation of surpluses)	-82	-137
Surplus participation, current year (allocation of surpluses)	70	81
Withdrawal to cover the operating shortfall	0	0
Valuation adjustment	0	0
As at end of accounting year	159	171
of which tied assets	100	93
of which free assets	59	79

Monetary amounts in CHF millions

Cost-of-living provisions and operating expense

Cost-of-living provisions	2023	2022
As at end of previous year	354	353
Cost-of-living premiums, gross	5	4
Cost expenses	-3	-3
Expenditure for COL increases in risk pensions	-25	0
Reversal in favor of strengthening measures as per Art. 149 para. 1 letter a	0	0
Reversal in favor of surplus fund	0	0
Formation of additional cost-of-living provisions	0	0
As at end of accounting year	331	354

Monetary amounts in CHF millions

Operating expense	2023		2022	
Commission paid to sales force	44		44	
Commission paid to brokers	31		26	
Other acquisition costs	14		14	
Acquisition costs	89	42.9 %	84	40.5 %
Benefit processing expenses	32	15.3 %	32	15.2 %
Marketing and advertising expenses	2	0.8 %	2	1.2 %
Other expenses for general administration	92	43.9 %	94	45.0 %
Reinsurers' share in operating expense	-6	-2.9 %	-4	-1.8 %
Total net operating expense	208	100.0 %	209	100.0 %
Costs of asset management without real estate maintenance	49		63	
Capitalized costs	1		1	
Costs of maintenance and servicing of real estate*	23		25	
Costs of asset management with real estate maintenance	72		89	

Monetary amounts in CHF millions

* The costs of maintenance and servicing of real estate are offset in the income statement directly against real estate income (net view).

