



AXA'S TCFD-ARTICLE 173 REPORT

CLIMATE-RELATED INVESTMENT AND INSURANCE REPORT

May 17, 2018

EIFR, Paris

Amandine Soulier – Head of Responsible Investment

SRI analysts recognize AXA as a leader in terms of Corporate Responsibility

AXA is the 1st insurer by number of SRI funds in its capital*



2016: Sector Leader
1st of 37 insurance
companies
Included in Euronext Vigeo



“A+” in the 2017 UN PRI
Reporting (Responsible
Investment Strategy)



Score: A-
Level Score: « **Leadership** »



Score: **AAA**



2017: 2^d best in the sector
Score: 85/100
Included in DJSI Europe & DJSI
World indexes

**Accounts for 10% of AXA
managers' performance
shares attribution**



FTSE4Good

Included in the
FTSE4GOOD
index since 2008

*Ipreo, Q3 2017
<http://ipreoink.com/tag/special-reports/>

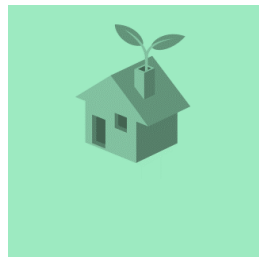


Climate Change

Ramped-up commitments unveiled at 12/2017 One Planet Summit in Paris



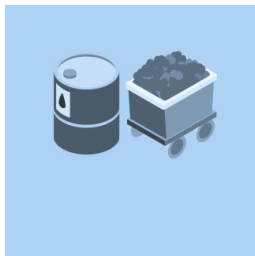
3.6 Billion Euros of additional divestments from carbon-intensive energy producers (coal, oil sands)



12 Billion Euros of Green investments by 2020, representing 2% of AXA's assets (twice as much as COP 21-related recommendation)



5 year initiative to improve governance on climate change, curb emissions and strengthen climate-related financial disclosures



NO insurance for oil sands and associated pipelines business, as well as for new coal capacities

AXA's first Article 173/TCFD-aligned Report

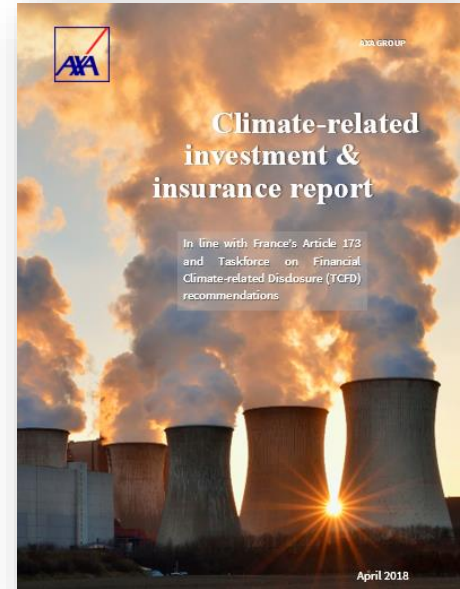
This report is in line with both French ESG and climate disclosure requirements and the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations

- The COP21 Paris Agreement put investors at the forefront by striving to align financial flows with a “low-carbon” future in order to maintain global warming below +2°C. It is against this backdrop that France developed a new regulatory requirement (“Article 173”) for all investors to disclose their climate strategy, and that the Taskforce on Climate-related Financial Disclosures (TCFD), led by Michael Bloomberg and co-chaired by AXA, was launched in order to develop similar disclosure recommendations.

- As a result, following a first [award-winning](#) “Article 173” report in 2016-2017, AXA has decided in 2018 to extend compliance to the TCFD’s recommendations encompassing insurance activities

- It means concretely AXA adopted the TCFD’s structure and extend the reporting to insurance activities:
 - 4-part structure: governance, strategy, risk management & metrics and targets
 - ESG and Climate-related risks and opportunities addressed...
 - ... for both investment and insurance business

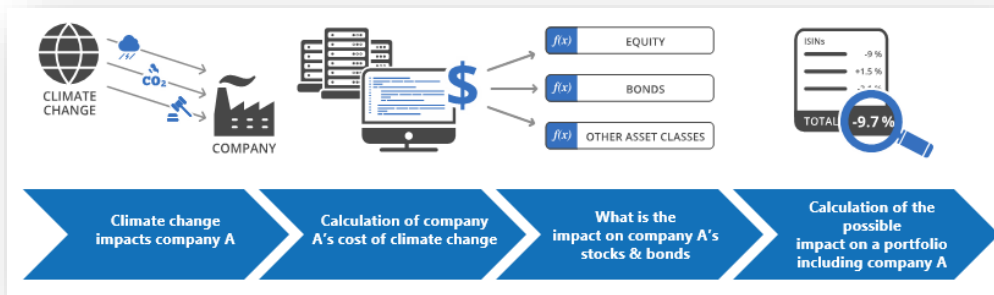
- ***This report leverages, notably, innovative indicators to assess climate-related financial risks and opportunities in its investment activities which will be disclosed in the following slides...***



Indicators assessing climate-related financial risks and opportunities in AXA's investment portfolio

Transition Risk and Opportunities

- AXA is reviewing an external methodological framework developed by a new provider: Carbon Delta
- 2 new Climate-related KPIs have been developed (45% of AXA's General Accounts assets):
 - Climate VaR
 - Portfolio's temperature
- This methodology is still considered as research and needs further testing to be potentially leveraged internally



Physical Risks

- We have also leveraged, for the second time, AXA's expertise in terms of assessing climate physical risks on insured assets to apply it to AXA's Real Estate portfolio

Conclusion

Our message is clear: climate change requires both collective action and leadership by example. Ultimately, our commitment is to strive to align our business and our investments with the “2°C” trajectory that science and the Paris Agreement are calling for.