

A smiling woman with dark, wavy hair is taking a selfie with a black smartphone. She is wearing a black long-sleeved top and dark pants. In the foreground, a dark brown dog is looking up at her. The background is a modern, brightly lit interior with white walls and a white chair. A large red geometric shape is overlaid on the right side of the image.

In Real Life

2017
Integrated Report

“Our purpose is to empower our customers through greater peace of mind and the assurance that their lives can be safer, healthier and full of opportunities. We must build the trust and understanding that create a strong relationship, as the bedrock of our insurance business.”

Thomas Buberl, Chief Executive Officer of AXA



Front cover: Valérie, a fashion designer based in London and a member of Qare. Developed within Kamet, the AXA's insurtech startup studio, Qare provides medical teleconsultations.



Thomas Buberl

Editorial

I BELIEVE WE ARE ENTERING A NEW GOLDEN AGE OF INSURANCE.

The need for protection is increasing worldwide. Over the past year, cyberattacks have cost businesses billions of euros and global warming has made a tangible impact. Emerging risks have become real threats.

At the same time, economic, technological and societal changes are generating an unprecedented demand for protection. For example, the sharing economy and the boom in self-employment in the United States and Europe are leading to new ways of working. What guarantees can we offer workers outside the wage system?

Advances in medicine are raising hopes but also questions about our social protection system: how can we bear the costs of new and often expensive treatments? And how can we help patients

understand an increasingly complex medical journey? Given the diversity and scale of these transformations, the answers can only be collective.

Risk pooling through insurance is a remarkably modern response to the challenges facing our society. In contrast to certain hyper-personalization models, we are developing a system that promotes social cohesion. For insurers, the growth potential offered by this new golden age is immense, provided we successfully transform our approach and pass on the benefits to our customers.

**AXA HAS STRONG ASSETS
IN THIS NEW WORLD.** Our balanced global presence offers significant synergies, along with the best growth opportunities. We rank among the top five insurers in many key markets, including France, Switzerland, Belgium, the United Kingdom, Germany,

“We need to become a full-fledged partner for our customers. I am convinced services are the key to achieving this goal.”

Spain and Hong Kong, as well as high-potential countries such as Thailand, Indonesia and Mexico.

In all our markets, our unique, powerful AXA brand is a mark of trust from our customers and an asset to our partnership policy.

Our robust financial health also makes a difference. With our Ambition 2020 strategic plan, we are further boosting our competitive advantage and reducing our exposure to the volatility of financial markets. This makes us a solid and sustainable partner.

BUT I BELIEVE WE CAN AND MUST GO EVEN FURTHER IN TRANSFORMING OUR MODEL. Consumers are still wary of our industry, despite our purpose of empowering them through greater peace of mind and the assurance that their lives can be safer, healthier and full of opportunities. This is paradoxical! We must build the trust and

understanding that create a strong relationship, as the bedrock of our insurance business. Fair and quick payments are essential, and we still need to improve in this area, but we must go beyond the role of bill payer to become a full-fledged partner for our customers. I am convinced services are the key to achieving this goal.

EVERY YEAR, 20% OF OUR CUSTOMERS REPORT A CLAIM AND THEY EXPECT MORE THAN FINANCIAL COMPENSATION. They want us to minimize the impact of a loss, accident or health problem on their everyday lives. This is where smart solutions come in. To help motorists, we have developed services ranging from courtesy replacement vehicles to assistance in choosing the best mechanics. For patients, we are boosting our health services to provide better support throughout their treatment.

WHAT ARE WE DOING FOR THE 80% OF CUSTOMERS WHO DO NOT REPORT CLAIMS? Knowing they can count on a good insurance policy brings some peace of mind, but we can do more, by giving them the means to avoid trouble in the first place. This means making our risk data available to them and developing prevention tools. In healthcare, innovations such as telemedicine and predictive analysis can help our customers prevent health problems or detect them early.

In developing new services, we are expanding our role to become an innovative partner across the entire value chain: before, during and after any claims.

INNOVATION IS NATURALLY A KEY DRIVER OF THIS TRANSFORMATION. We need to be creative to invent new services for our customers, develop new insurance models, support new forms of mobility, adapt to healthcare developments, and more. With this in mind, we have set up a new innovation department, reporting directly to me. We are developing a number of in-house projects when we consider them critical to creating value for our customers and shareholders. We are doing this through Kamet, our startup insurtech studio.

In other areas that could become strategic, we are investing in external projects through our innovation fund, AXA Venture Partners.

“Innovation is a driver of this transformation ; we need to be creative to invent new services and develop new insurance models.”

WE HAVE STRENGTHENED OUR CAPACITY TO ACQUIRE NEW HIGH-VALUE BUSINESSES. From now on, we will allocate €200 million to innovation acquisitions every year. We will give the newly integrated activities time to develop, blend naturally with our entities and permeate the Group. This open innovation ecosystem will allow us to develop services



that are complementary to our products or even independent of our insurance coverage.

WHILE ACCELERATING INNOVATION, WE ARE REBALANCING AXA'S BUSINESS MIX, focusing on three priority growth segments: Protection, Property & Casualty commercial lines and Health. These are the business lines that generate the most frequent interactions with our customers, enabling us to provide everyday support as a partner.

Through these activities, we are also prioritizing pure insurance products and reducing our exposure to financial markets. Our plan to acquire XL Group is a leap forward in this strategic shift and I am convinced it will create long-term value for our Group, our customers and our shareholders.

IN 2017, WE ALSO SIMPLIFIED AND DECENTRALIZED OUR ORGANIZATION, removing two layers of management to facilitate local decision-making. Our resources and responsibilities must be as close as possible to our customers. This is crucial if we want to be more relevant and effective.

“We are expanding our role to become an innovative partner across the entire value chain: before, during and after any claims.”

AXA IS NOW IN A POSITION TO FULLY EMBRACE THIS NEW GOLDEN AGE OF INSURANCE. We will do so without compromising on our values and social commitments. A good example is our action on climate change, which will remain a priority in the coming years, with significant commitments and investments between now and 2020. Of course, we cannot take anything for granted, but I am confident our expertise and collective efforts will open up new avenues and empower our customers to live a better life.

AXA’s mission – to give everyone the means to live a better life – is measured by our performance in the field. Do our solutions really simplify our customers’ everyday life? Do our innovations give them access to new uses? What does it mean for an insurer to be closer to its customers? We asked them.



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Being close to our
customers

Our internal transformations only make sense if they have a real impact on people's lives. We asked customers, partners and agents all over the world to tell us what our solutions have changed for them in their everyday lives.

1. Simplifying everyday life In Real Life



Companies and consumers alike expect their insurance company to make everyday life easier – through core insurance services such as policies and compensation, as well as new services.

A value chain to make life easier for customers at every stage

FROM POLICIES...

SPEED, TRANSPARENCY AND IMMEDIACY: these three features of the digital culture have become essential to customers. Companies and consumers alike want to understand and compare insurance policies, save time on formalities and see the benefits almost instantly.

To meet these expectations, AXA has redesigned and clarified its service offering. The subscription process has been simplified to speed up formalities, regardless of the type of interaction chosen by the customer. With digital tools like Next Steps, customers can track their applications in real time. AXA is also developing specific products for companies with ultra-fast online coverage, such as Minibizz in Belgium.



... TO COMPENSATION

CONSUMERS EXPECT THEIR INSURER TO ACT LIKE A PARTNER, PROVIDING A FAST, CARING RESPONSE TO THEIR CLAIMS. AXA is working to streamline this process and build trust among its customers. Based on its data analysis, the Group is developing automatic fraud detection systems that facilitate claims assessments and speed up the release



of funds. With the introduction of Early Solutions, customers receive a cash advance as soon as they make a claim. AXA is also investing in innovative technologies such as blockchain to develop automatic compensation. A first travel insurance pilot, fizzy, was launched in 2017.

AFTER A CLAIM...

COMPENSATION, HOWEVER FAST, IS NOT THE ONLY RESPONSE TO A CLAIM. In fact, AXA is transforming its insurer-payer model into a partnership role focused on minimizing the impact of a claim on the lives of customers. What happens when an individual's car breaks down? With our home service, we collect the car, provide a replacement vehicle to enable the customer to go about his or her everyday life while the car is being repaired, and then return it to his or her place. Likewise in healthcare, we have developed services to guide patients and help them better follow their treatment.

... AND BEYOND

FOR THE "FORTUNATE" CUSTOMERS WHO DO NOT HAVE TO MAKE CLAIMS, AXA is focusing much of its innovation efforts on creating new services that anticipate risks. The Group has launched telemedicine solutions to make healthcare access easier, and is also accelerating the development of its health prevention offering. Meanwhile, to help companies and individual consumers reduce their risk exposure, AXA is sharing the power of its data through its Data for Good program, one of its CR strategy core topics. These examples demonstrate how AXA is developing products and services beyond pure insurance to make customers' lives easier when dealing with everyday risks.

€200 MILLION/YEAR
INVESTED IN INNOVATION
ACQUISITIONS

10 MILLION
AXA CUSTOMERS WITH ACCESS
TO ONLINE MEDICAL
CONSULTATIONS

5.4 MILLION
DRIVERS ASSISTED BY AXA ASSISTANCE
FOLLOWING A CAR BREAKDOWN

“We can get an appointment straight away!”

VALÉRIE, QARE MEMBER, LONDON. For my husband and my three boys, the Qare¹ remote medicine service has become a must! We’ve been working in England for a year. Thanks to Qare, we’ve been able to get medical consultations in French: it’s easier to explain your symptoms in your native language. Last Sunday, my four year old was running a fever with a 40°C temperature: in just a few minutes, I was able to get a hold of pediatrician through the platform. It’s reassuring to know you’re supported by a team of specialists that are so accessible and available. What’s more, the doctors are so attentive and conscientious that you forget all about the screen even being there.

(1) Qare is a startup incubated by Kamet, AXA’s insurtech startup studio.

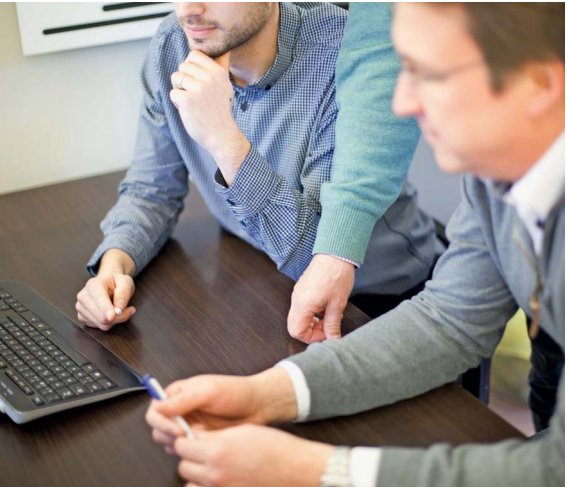


“You can’t get the time back, but you get compensated!”

MARTIN, FIZZY CUSTOMER, PARIS CHARLES DE GAULLE AIRPORT. I’ve just returned from a 4-day trip to Miami... with a 4-hour delay. Normally, I’d be complaining about my ruined evening, and my upcoming half-day of formalities with my insurer. But I’ve just found out that I’ve got a 102 euros back without having to do anything, and I’ve only just stepped off the plane! This is the first time I’ve gone with fizzy rather than with a traditional insurer. An excellent experience: a simple interface, reasonable cost... and above all, automated and totally seamless. I wouldn’t go so far as to say that I’m happy to be late, but close enough! It at least makes up for it!

“It’s a real time saver and efficiency enhancer.”

JEREMY, MINIBIZZ USER, BRUSSELS. My brokerage firm, Losange D’hondt, was founded in 1980 by my grandfather. We offer a wide range of insurance products to our corporate customers that are mainly small and medium-sized businesses. We’ve been using AXA Minibizz solution for a year and a half, and this is a real time saver and efficiency enhancer for both our customers and us. This software enables us to quickly access our customer information, to get the best pricing and to instantly sign up for a policy with AXA. This makes it possible for us to respond to urgent requests, such as insurance for occupational accidents, which is mandatory in Belgium. The cover is almost instantaneous: it’s essential to be reactive in small businesses like ours... and for our customers’!



“With AXA MyDoctor, I can manage my entire health journey.”

EHAB, AXA MYDOCTOR USER, CAIRO. Ever since my employer has subscribed to an AXA health insurance policy, staying on top of my health has become much simpler. The AXA MyDoctor app makes it easy for me to connect to health services through a broad network of practitioners and hospitals and to get guidance on the care services I need. I can simply and quickly organize my appointments and even consult a doctor at any time. On top of that, the app centralizes all of my information, my health policy, my appointments and my reimbursements, for medical staff and me.



“My SIM card covered my medical expenses.”

PATSIRI, SIM SAFE SAVE CUSTOMER, THAILAND. Two years ago, I chose a Safe Save SIM card for my cell just because it included accident insurance. Luckily for me! One day, on my way home from work on my scooter, I was hit by a car. There were no police to be seen, and the driver categorically refused to contribute to my medical expenses. When I found out I’d have to be hospitalized for 10 days, I started panicking. There was no way I could afford taking any time off! I can’t tell you how thankful I was to have my SIM card insurance! In less than five days, AXA took care of my health expenses, compensated me for my ten days’ of lost income, and made it all so easy. Since then, I have taken out AXA insurance for my whole family!



“It’s really easy to organize my trip.”

FLORENCE, AXA SINGAPORE CUSTOMER, SINGAPORE. As a volunteer, I attend many events abroad meaning I have to travel at least once every three months. I recently discovered the Ready To Travel app with which I can get my travel insurance directly. I just can’t do without it now! Signing-up is so easy – I just enter my itinerary, and I confirm my request a month before leaving. The alerts and the Q&A section are so helpful in organizing your trip. It was really useful in my most recent trips to Europe, particularly for handling my medical expenses, lost luggage and flight delays. My only suggestion: open it up for groups!

“I can keep track of our pupils’ bus trips in real time.”

OTMAN, AXA MOROCCO CUSTOMER, CASABLANCA. Our bilingual international school, Groupe Scolaire Romandie International, is based in Casablanca and has a 1,000 pre-primary to high school aged students. Many use our school bus system: it reassures families and ensures everyone on time for class. Thanks to AXA’s geolocation service, our vehicles feature a device that enables me to know the exact location of all the buses, through maps and a customized dashboard. Routes, speed, mileage, fuel consumption, pickup point times... it’s all at my fingertips. I can follow my fleet in real time, inform the teachers of any delays and reassure parents that their children are safe.



“I didn’t have to take care of anything!”

TOBIAS, AXA GERMANY CUSTOMER, COLOGNE. When I got home late from work last month, I found a water leak in my bathroom. What a pain! I got a hold of AXA immediately who handled everything. What sticks with it is that I really didn’t have to do anything! AXA handled my claim from start to finish and coordinated all that needed to be done – they even chose and got me a handyman from Homebell in record time. Everything was repaired in no time, so it hardly inconvenienced me.



“I benefit from a regular and personal follow-up.”

MARC, HEALTHLOOK USER, GHENT. Six years ago, I started having problems with my eyesight. Doctors diagnosed type 2 diabetes, a chronic disease that requires daily treatment and regular monitoring, as well as a healthy lifestyle. I agreed to participate in the Diabetes on the Run project. Every day I measure my vital signs. Data are recorded in the interface and sent directly to the medical team that monitors me. The Healthlook app developed by AXA Partners allows me to see if my results are improving and to benefit from advice: it is very motivating! I can also talk regularly, by chat or video call, with Geoffrey, my diabetes advisor, who I would otherwise only see once or twice a year. This morning, he called me to say that I hadn’t walked enough yesterday... I went for a walk around the neighborhood!



“What we need to ensure our stability.”

ZHAO, AXA GLOBAL PARAMETRICS CUSTOMER, CHINA. Our group operates in 17 Chinese cities and prefectures, working with individuals and businesses in the energy, construction and maintenance fields. Last year, we took AXA parametric insurance. It's the best way to compensate for production losses incurred by our photo-voltaic energy panels. Parametric insurance covers a wide range of climate risks, like raindrops or solar radiation, which impact not only our company's performance, but energy production in general. In short, it was exactly what we needed to ensure our financial stability! Now, we can anticipate production losses on our four major sites.



2. Furthering new practices In Real Life



The sharing economy, connected cars, smart homes, self-employed workers... A multitude of new trends are transforming everyday life and generating new demand for protection.

Fostering new lifestyles through insurance



NEW PRACTICES, NEW ECONOMY

WITH EACH DIGITAL REVOLUTION, CONSUMER LIFESTYLES ARE BEING TRANSFORMED AT AN INCREDIBLY FAST PACE. Already, the use of online sharing platforms to find or offer cars and accommodation has become widespread. A new economy is developing, centered on usage more than ownership. Around the world,

new consumer habits are closely correlated with the rapid development of new business models, such as the sharing economy or crowdfunding. New ways of working have also emerged, with a boom in self-employment. In the United States, for example, the freelance population is growing three times faster than the active population, meaning the country could have more self-employed workers than employees in 10 years.¹

TRUST & INNOVATION

THESE NEW CONSUMER LIFESTYLES CONVEY NEW RISKS. To minimize them, AXA is designing innovative, effective solutions, acting as a trusted link between different stakeholders. As an insurer, AXA can guarantee that a home rental owner will be compensated if a consumer fails to pay, or that a car

lender will be reimbursed if a driver causes damage. Through solutions like these, AXA is helping build clear and fair relationships between different parties, enabling them to feel protected on an equal footing.

By inventing new service offerings, AXA is making new behaviors and technologies safer. In particular, the Group is developing new insurance solutions based on usage rather than ownership or status. With BlaBlaCar, Fleet and OuiCar, AXA is supporting carpooling and peer-to-peer carsharing. To improve protection for self-employed workers, the company is setting up partnerships and developing new offers. With Malt, for example, AXA provides liability insurance to freelancers for the duration of their assignments. The Group is also designing products and services to cover failures in autonomous cars and connected homes.

NEW ECONOMY PARTNER

TO SUPPORT NEW PRACTICES, THE GROUP IS DETECTING TRENDS THROUGH ITS OPEN INNOVATION ECOSYSTEM, which includes its insurtech startup studio Kamet, its innovation fund AXA Venture Partners, AXA Data Innovation Lab, AXA Research Fund and an in-house Emerging Risks team.

AXA has also developed a partnership policy to co-innovate with new economy leaders and a network of young creative talents. Notably, AXA has been an Uber partner in more than 10 countries since 2017 and has also developed innovative

solutions for BlaBlaCar, Alibaba and Deliveroo. There is no doubt AXA has helped drive the adoption of new lifestyles beyond a group of early adopters to bring everyday improvements to the mainstream.

(1) *Freelancing in America*, 2017 (FIA) Edelman Intelligence for Upwork and Freelancers Union.





“The entire Fleet system is built on trust.”

MAURICE, CEO, FLEET, DUBLIN

“Last year, we launched Fleet, the first peer-to-peer car rental platform in Ireland. Our app enables users to rent a car almost instantly and owners to be reassured in renting out their personal vehicle. The entire system is built on trust throughout the process. Accordingly, owners and drivers are asked to rate each other openly after the rental. To further this bond of trust, we sought to partner with AXA: it has reinforced our reliability and reputation, enabling us to optimize our customer service and to deliver on our standards. But, most of all, we provide our users with all the guarantees of a strong and reputed insurer. Our users can be trouble-free in taking full benefit of the Fleet experience!”

DONOGH, FLEET USER, DUBLIN

“I registered with Fleet six months ago, and I've already received 19 requests to rent my car! This service gives me a lot of benefits. I live in the center of Dublin, and it only takes me ten minutes to go to work on foot. In other words, my car was sitting parked most of the time. Thanks to Fleet, my car now gives me a monthly income... That's not bad! That said, never would I have tempted fate without checking that I'm well insured. With AXA, I know I have solid coverage from a world renowned Group. It eases my mind to the point that I'm actually ok with people driving my car!”

“Malt enables freelancers to benefit from the same level of security as employees.”

QUENTIN, COO, MALT, PARIS

“We created Malt in 2014 after noting the booming number of self-employed workers in France. It is a paradigm shift: they want to control their work environment; they no longer need a boss but customers. This is where we come in, we connect them with all types of companies, from startups to major groups. This makes it possible for them to work free from contractual and payment constraints. By partnering with AXA, we can provide, through one single policy, a market tailored professional civil liability insurance to our freelancers. This simple solution provides them with legal protection and their clients, in turn, with the AXA brand seal of approval. Clients end up benefiting from the same guarantees as those extended by more established provider while maintaining flexibility with freelancers.”

OLIVIER, FREELANCER, MALT, PARIS

“I started freelancing a few years ago, and stepped away from a career in digital marketing and data analysis in large groups. I took this step with Malt who promptly connected me with customers, meaning I was quickly signing contracts. This is essential: unlike the wage-earning system where employees focus exclusively on their work, self-employment involves constantly looking for customers. One of Malt's added values is how easy they make this commercial dimension. But it goes even further. Malt helps build a solid customer relationship by guaranteeing the payment of assignments and by providing professional civil liability insurance with AXA. It frees me to focus on my work.”



**“Lower equipment costs
to be more competitive.”**

JEAN-MICHEL, FOUNDER AND CEO OF VOTRE MACHINE.COM,
MONT-DE-MARSAN

“I’ve been a farmer in the Landes region since I was 21. Inspired by the sharing economy business models like OuiCar or Airbnb, I decided to found VotreMachine.com in 2015, to apply these same principles to agriculture. My platform allows users to rent all types of equipment and to lower their equipment costs. By switching from ownership to a share-mode, farmers can better counter increasing global competition. The partnership with AXA has been instrumental in developing VotreMachine.com. Our insurance policy for hauled and motorized equipment covers not only vehicles and people but also users and owners. It applies to farmers as much as other users: communities, private campsites, gardeners...”

OLIVIER, FARMER, NEAR BOUGLON

“I’m a farmer and owner of a 450-hectare cereal farm located near Bouglon, between Bordeaux and Toulouse in France. A farm of this size requires a lot of investment! I had to buy several tractors and stubble cultivators in just a few years. Since farming is essentially cyclical, my equipment sits in the shed most of the time... VotreMachine.com allows me to rent out any equipment I rarely use and to make some extra money. Although I initially had a few doubts, my first experience with VotreMachine.com and their partnering with AXA totally removed them: I dealt with serious, meticulous users and AXA automatically provided me with extended guarantees. What more could I want?”

**“Going the distance for anyone
on the road.”**

CURTIS, GLOBAL HEAD OF INSURANCE, UBER,
SAN FRANCISCO

“Everyone knows Uber, but not many people actually know that all rides on Uber are insured. Millions of driver partners choose our app every day to help them reach their earning goals. With this new, flexible self-employed work model, they can now choose where and when they wish to work around the globe. Few companies can match AXA’s on the ground experience and commitment to innovation. Our common strengths have allowed us to innovate together and create an insurance protection for drivers that reflects Uber’s growth, scale and commitment to our consumers. At a basic level, we believe everyone should be protected against unforeseen accidents. We’re proud to partner with AXA.”

LILYA, UBER, DRIVER, MONTERREY

“When I saw I’d have to care for my father, I started looking for a solution that would allow me to balance my professional life with my role as a caregiver. One of my nephews told me about Uber and encouraged me to give it a go. I got the job and this has helped me to regain my freedom. I’m my own boss; I manage my time. I take my role seriously: transporting people is a responsibility. Knowing I’m insured by AXA brings me peace of mind: if I ever have an accident, both my passengers and me are covered by one of the most reliable companies in the world!”

3. Being close to our customers

In Real Life



Our customers choose us for the availability of our agents and advisors, along with the quality of their advice. New digital technology is offering new opportunities to contact clients and personalize our responses alongside more traditional interactions. The result? An effective omnichannel experience.

More contact opportunities for closer customer relations

A CUSTOMER-CENTRIC ORGANIZATION

PREVIOUSLY PRODUCT-FOCUSED, THE INSURANCE MARKET IS NOW ORGANIZED AROUND CUSTOMERS' NEEDS, AUGMENTED BY DIGITAL TOOLS. Consumers expect specific, personalized advice for every important life decision. Recognizing the importance of getting closer to its policyholders, AXA



has radically changed its organization, switching its focus from business lines to client needs. The Group can thus provide the right support for customers at every stage of their lives.

A young couple buying their first home do not only need a mortgage but also insurance, advice on renovation work for fire or water damage prevention, assistance services and even car insurance. Their AXA advisor can offer all these products and services for the best possible protection, and, in the process, build a stronger customer relationship.

A SEAMLESS OMNICHANNEL EXPERIENCE

FOR A SMOOTH AND TRANSPARENT USER EXPERIENCE, AXA has undergone a transformation, adopting a flatter



organization, more collaborative ways of working and a redesigned back office. Our agents now have access to comprehensive policyholder information through a single interface. This means customers receive seamless advice and services however they contact AXA – by email, mobile phone or in person at an agency. This 360° system also enables them to streamline their insurance contracts, avoiding overlapping coverage.

New data analysis tools give AXA unprecedented knowledge of customer needs, which agents can use to provide the right advice at the right time and build closer insured-insurer relationships, not just when disaster strikes but in everyday life. AXA has also multiplied its points of contact with customers, extending its presence on social networks.

DIGITAL TOOLS FOR BETTER ADVICE

DIGITAL TOOLS ARE HELPING AXA ADVISORS FOCUS ON THEIR CUSTOMER SERVICE AND SUPPORT ROLE. Rather than undermining their importance, digital tools enable advisors to save time on administrative tasks. For clients, this results in a faster response to everyday requests, while agents can better focus on helping customers with complex procedures, advising them at critical times and providing support to improve their everyday lives.

24 hours with...

Magali Launay

AXA GENERAL AGENT
AT LE PORT-MARLY, FRANCE



A General agent since 2009, Magali Launay is one of the three partners at Le Port-Marly AXA agency, west of Paris. Her mission: keeping in touch with her customers, on a daily basis and advising them on the best solutions for their personal and professional projects. On the field, she's – like thousands of AXA agents around the world – the trustee building up the relationships the Group forges with its customers.



08:55:12



► 8:55AM. ARRIVING AT THE AGENCY.
Since 2016, our 19 employees have moved to our new in town premises. This puts us closer to our customers... and makes us available to anyone who wants to become one! Our first floor is devoted to welcoming our clients; it's got meeting rooms and a social area for more informal meetings. It's not uncommon for people to drop by for advice, even unrelated to their existing policies! What's more, by moving we reviewed

the agency's equipment: we've had the privilege of welcoming Pepper, our AXA interactive robot. "He" strikes up a conversation with any customer walking by, and gives them initial advice. Then, obviously, the real experts take over!

Being close to our customers



09:35:02



01:32:16



04:30:08

► **9:35AM. TEAM MEETING**, after answering to my customers' emails and calling back one who wanted to go over his loan file. My team is in charge of the agency's banking activity. With my partners, we decided to set up a multi-specialist agency, around four areas: banking individuals, companies and claims management. It enables us to be fully focused, to propose more tailored expertise and to better cater to our customers. Well informed, they expect high quality advice. We just can't say: "I'll make some inquiries"!

We want to answer their questions accurately and immediately. Our layout allows us to see what's going on throughout the agency and to guide our customers towards the best solutions.

► **1:32PM. CALL FROM A CUSTOMER**, requesting information on a savings product. Like all my customers, she has my cell number: in my eyes this is important in maintaining our close relationship. We got to know each other four years ago, when she was looking to buy a home. She not

only got her loan with the agency, but also her home and family protection insurance. As she lives nearby, I suggested that she drop by to discuss this in person. Knowing our customers well allows us to advise them on products that truly meet their needs.

► **4:30PM. MEETING A CUSTOMER AT THEIR OFFICE**. On average I meet four or five customers off-site everyday throughout the western Paris area. In their office, at their home or at a café, whatever

makes their lives easier, I let them decide where to meet. After this meeting, I'll brief one of my business providers whose premises are nearby. Then I'll go back home, but remain connected. My customers know they can text or email me anytime in the event of an emergency: for an agent, availability, organization and reliability are the cornerstones of success.

Sustainable performance

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Strategy and responsibility

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Results

In addition to the solutions AXA brings to clients every day, our business has long-term economic, environmental and societal impacts. With this in mind, we have published our second annual integrated report, analyzing our strategy and results through environmental, social and governance criteria, as well as our financial performance.

Insurance: a key driver of growth

BY PROTECTING COMPANIES AND CONSUMERS FROM EVERYDAY RISKS, INSURERS PROVIDE THE PEACE OF MIND REQUIRED FOR ENTREPRENEURSHIP AND INNOVATION.

Insurance solutions help companies manage risks, boost growth and seek new opportunities. By pooling risks and premiums to share the good fortune of the majority with the few facing difficulties, insurance protects individuals and reinforces a sense of community. In addition, insurance solutions provide a priceless sense of protection and peace of mind.

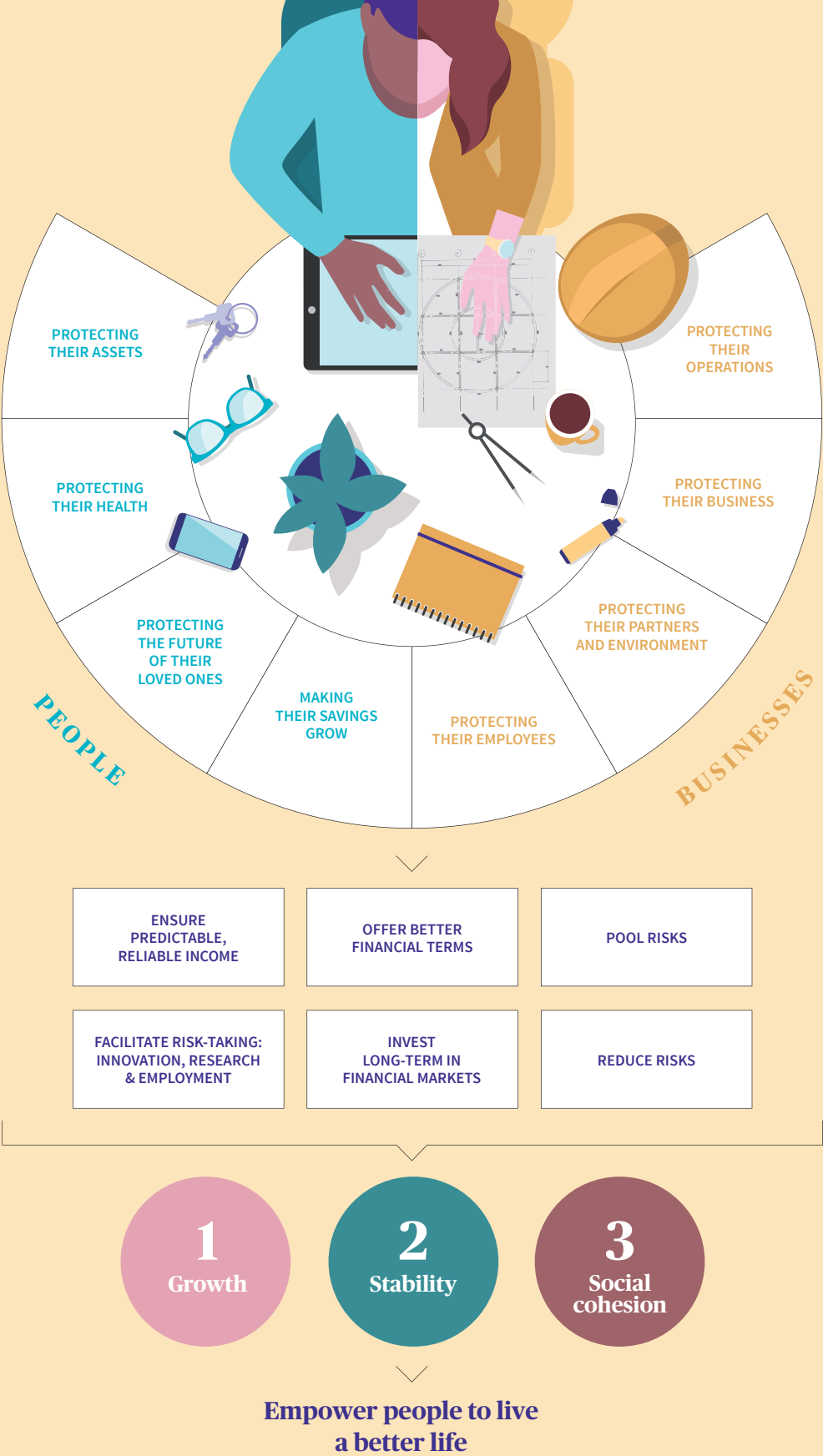
INSURERS ALSO PLAY A ROLE IN RISK PREVENTION. By providing access to data and insights, they can warn customers against potential risks and suggest ways to avoid them. As long-term risk managers, insurers help people anticipate, manage and mitigate risks to secure their personal income and protect their wealth for future generations. By reducing the risk of default, insurance improves access to equity and credit at affordable interest rates.

THE MOST VULNERABLE MEMBERS OF THE POPULATION HAVE INSUFFICIENT ACCESS TO INSURANCE, due to their lack of means, knowledge or access to financial services.

Despite representing nearly 40% of global GDP, emerging countries account for only 17% of insurance premiums. To tackle this issue, the sector is developing solutions that are simpler and easier to access through new digital distribution channels.

INSURERS HELP BOOST SUSTAINABLE GROWTH IN THEIR ROLE AS LONG-TERM INVESTORS. The value created by insurers through their investment strategies is measured by both financial and non-financial criteria. With more than €20 trillion in assets under management¹, the sector has formidable power. When insurers divest from sectors with negative externalities, such as the tobacco or coal industries, they create long-term value for their customers, shareholders and society as a whole. In the way they choose to run their business, insurers can generate positive value for customers and empower people to live a better life.

(1) Source: UNEP Finance Initiative, 2016.



Risk management: a key to success

RISK IS INHERENT TO THE INSURANCE BUSINESS. THE GROUP'S AIM IS NOT TO AVOID RISK AT ANY COST BUT TO BUILD A CULTURE OF SELECTIVE RISK-TAKING IN LINE WITH AXA'S RISK APPETITE.

Risk management is core to AXA's business. Our tools for identifying, quantifying and rigorously managing risks are designed to better protect our clients and anticipate new risks, while also being a powerful development tool.

AXA Group risk management consists of 150 experts at head office whose role is to develop a risk culture throughout the Group with the support of local teams. In 2017, for example, 130 executives took part in a two-day training exercise simulating a global cyber and geopolitical crisis.

AXA IS FOCUSING MUCH OF ITS EFFORTS ON MANAGING THE ACCUMULATION RISKS linked to global events such as natural disasters, pandemics and financial crises, which can affect several areas of its business. To reduce exposure to financial crises, the Group has developed a range of measures, including a strict approval process for new investments, rules on acceptable risk levels, less capital-intensive products, portfolios with reduced sensitivity to financial risks...

THE GROUP IS VIGILANT WHEN UNDERWRITING CONTRACTS IMPLYING LONG-TERM COMMITMENTS, such as pension products that can span several decades. AXA has introduced a strict approval process for these products.

AXA IS ALSO CONSTANTLY MONITORING EMERGING RISKS. Through early detection, the company can protect its clients' and its own business, while identifying key performance drivers. To do so, the Group uses the Emerging Risk Radar, which tracks the keywords associated with 150 potential risks on the Internet and in the trade press, and the Emerging Risk Survey, which prioritizes these risks by polling 1,500 employees and researchers.

The Group risk management team is also working with scientists on projects financed by the AXA Research Fund to better understand and evaluate risks, both traditional and emerging.

EMERGING RISK DETECTION

AUTONOMOUS CARS

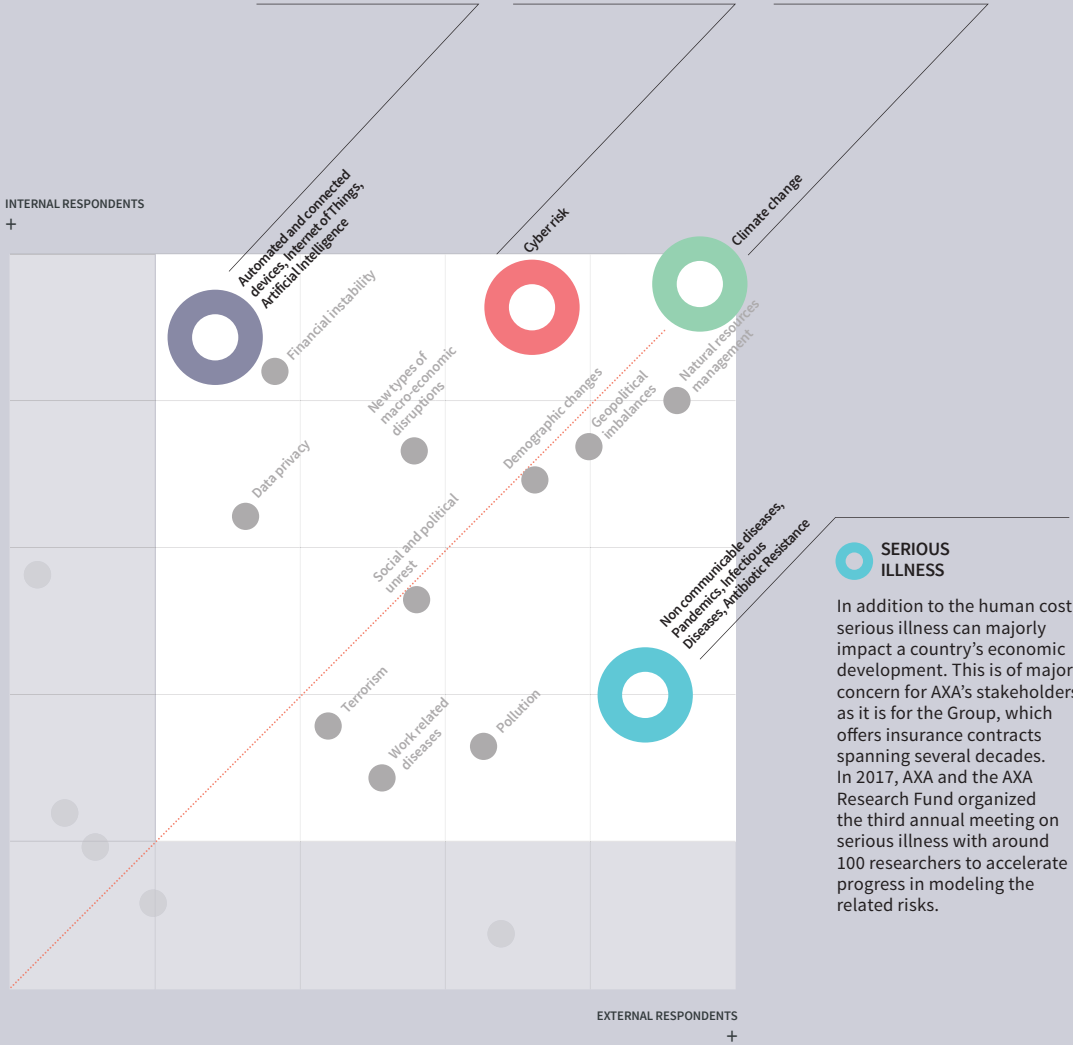
By shifting responsibility from the driver to the manufacturer, and switching from frequency risks (accidents) to cumulative risks (cyberattacks), autonomous cars carry new risks and opportunities. The Group is actively preparing for widespread adoption, particularly through its Foresight Squad analyses and its participation in pilot consortiums, such as the UK Autodrive project in Milton Keynes.

CYBER RISK

While cyber risk is being taken more seriously by companies, its exact impact remains hard to evaluate, given the lack of data. AXA is currently defining a scenario involving a major attack on its customers, to evaluate the impact on the Group's revenues and ensure that the risks taken by AXA stay within acceptable boundaries. At the same time, AXA is designing prevention tools and remediation solutions for its customers.

CLIMATE CHANGE

A +4°C world would be impossible to insure. To help fight climate change, the Group is proactively reducing its carbon footprint and is switching to sustainable energy. AXA is also helping local authorities to adapt – for example, by sharing its flood hazard maps.



Sustainable value creation

The value created by AXA cannot be measured simply in financial terms. Our approach to the insurance business is to use capital to generate not only financial wealth, but also human, social and societal benefits.

AXA CONSIDERS ITS VALUE CHAIN THROUGH THE EYES OF ITS STAKEHOLDERS TO BETTER UNDERSTAND HOW ITS PRODUCTS, SERVICES, INVESTMENTS AND PRACTICES CREATE LONG-TERM VALUE FOR SOCIETY.

Through our investments, we are helping fight climate change and improve access to education and health. We are also creating jobs and offering career development opportunities to our employees. Our Ambition 2020 strategic plan is aimed at continuing to create sustainable value for all our stakeholders.

WHO ARE AXA'S STAKEHOLDERS?

At AXA, we define our stakeholders as any individual or group impacted by our business or who, in turn, may impact our performance or operating environment. Our stakeholders include our investors, customers, employees, business partners and suppliers, as well as civil society – the governments, community groups and international organizations that shape our societies and economies.

WHY MEASURE THE GROUP'S IMPACT?

The interaction between the Group's resources and results generates an impact. By measuring it, we can identify key indicators of how AXA creates financial, human, social, environmental and intellectual value through research and innovation.

“For a long-term model such as AXA’s, integrated reporting offers a clear and concise vision of the sustainable value we create.”

DENIS DUVERNE, CHAIRMAN OF AXA'S BOARD OF DIRECTORS



Resources

FINANCIAL CAPITAL

INVESTORS
By purchasing AXA's shares and bonds, our investors provide us with the necessary financial resources to run our business.
€70bn shareholders' equity
25% debt gearing

HUMAN AND INTELLECTUAL CAPITAL

EMPLOYEES
We draw on our employees' expertise to develop and price our products, manage relations with customers and other stakeholders, and ensure our business remains profitable and well-managed.
116,514 salaried employees
228 days worked by employee
16,766 new hires in 2017

ECONOMIC AND SOCIAL CAPITAL

CUSTOMERS
Our customers are companies and individuals. They provide revenues to AXA through their premiums and payments.
€20bn of net inflows in asset management (AXA IM + AB)

PARTNERS
We work with distributors (agents, brokers, and/or bankers) in several markets. We also purchase goods and services from external service providers, consultants and auditors.
60k agents
Partnerships with more than **150** platforms in more than **20** countries

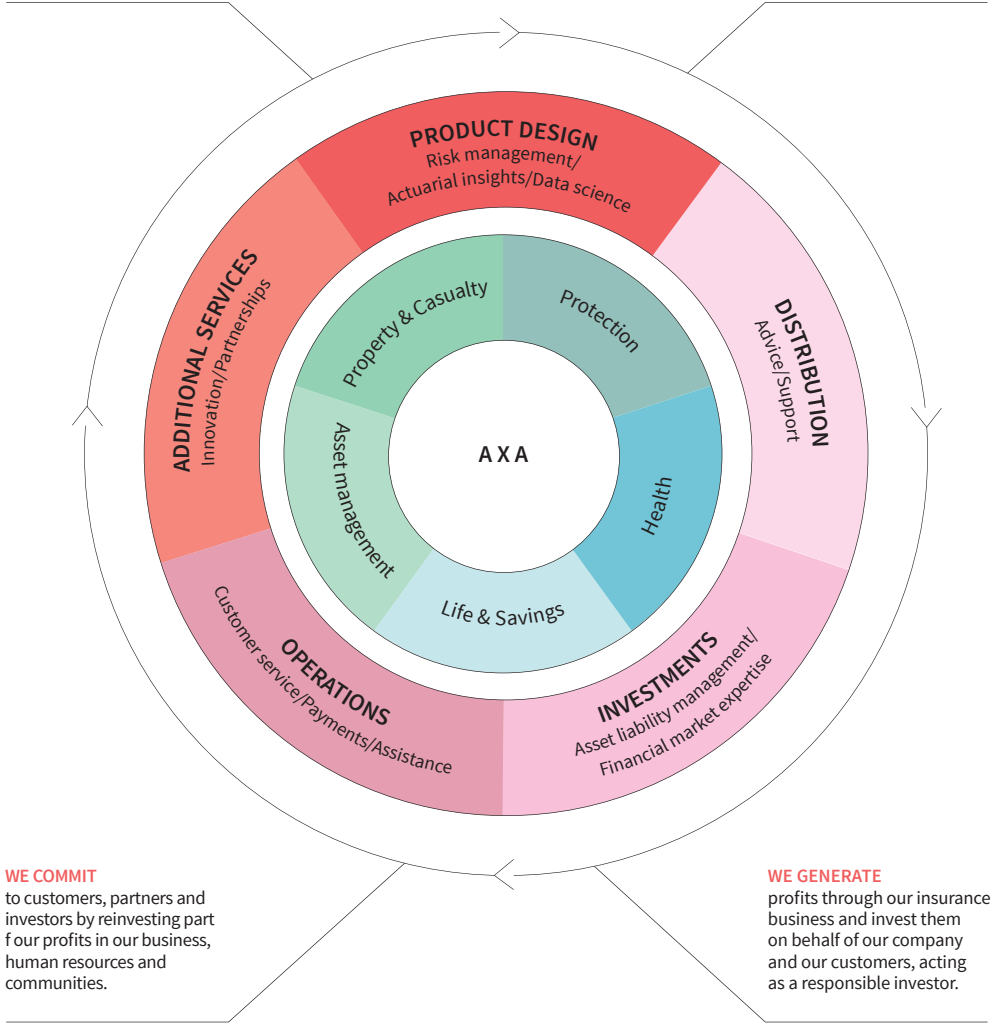
GOVERNMENTS AND REGULATORS
National and international authorities design the rules of the insurance industry, from the required legal capital to the taxes payable on our products and services.
205% Solvency II ratio

CIVIL SOCIETY
To conduct our business, we need stakeholders to trust us. Civil society plays a key role in supporting our action.
First Global insurance brand

Model

WE IDENTIFY,
evaluate and pool risks to people, property and assets for a more stable society. We help our customers reduce their risks.

WE CREATE
products and services enabling our customers to transfer their risks. In return, they pay us contributions, premiums or deposits, investing in the future.



WE COMMIT
to customers, partners and investors by reinvesting part of our profits in our business, human resources and communities.

WE GENERATE
profits through our insurance business and invest them on behalf of our company and our customers, acting as a responsible investor.

Impact

FINANCIAL CAPITAL

INVESTORS
Investors receive regular dividends on our shares and interest on our bonds.
€6bn underlying earnings
€2.40 underlying earnings per share
€1.26 dividend per share

HUMAN AND INTELLECTUAL CAPITAL

EMPLOYEES
We offer employees more than financial benefits, with opportunities to develop their skills and careers.
3.1 training days per employee
84.2% employees trained in 2017

ECONOMIC AND SOCIAL CAPITAL

CUSTOMERS
We offer customers peace of mind and develop services to help them before, during and after any claims.
€13bn increase in the value of our customer life insurance invested assets
€8bn paid in healthcare compensation 5m beneficiaries of health assistance services

PARTNERS
AXA is a reliable partner for client companies, working alongside them to help boost their growth.
Serving customers in over **100m** life moments through new economy partnerships

GOVERNMENTS AND REGULATORS
As a socially responsible company, we work closely with authorities to fulfill our obligations and scrupulously pay our taxes.
3 year average tax on profit : **€1.8bn/year**
Tax collection on insurance products
85/100 of DJSI score (ranked **2nd** in the insurance sector)

CIVIL SOCIETY
We create value for society by investing in communities, fighting climate change and improving access to healthcare.
85% of AXA's general account covered by ESG analysis
€1.8bn ongoing divestment from tobacco industry
€3.7bn divestment from coal and oil sands



This value chain is based on the capitals model recommended by the International Integrated Reporting Council (IIRC). We have selected the forms of capital most relevant to our business and our stakeholders: financial, human, intellectual and social. For more information: www.integratedreporting.org

Strategy: an integrated, responsible vision

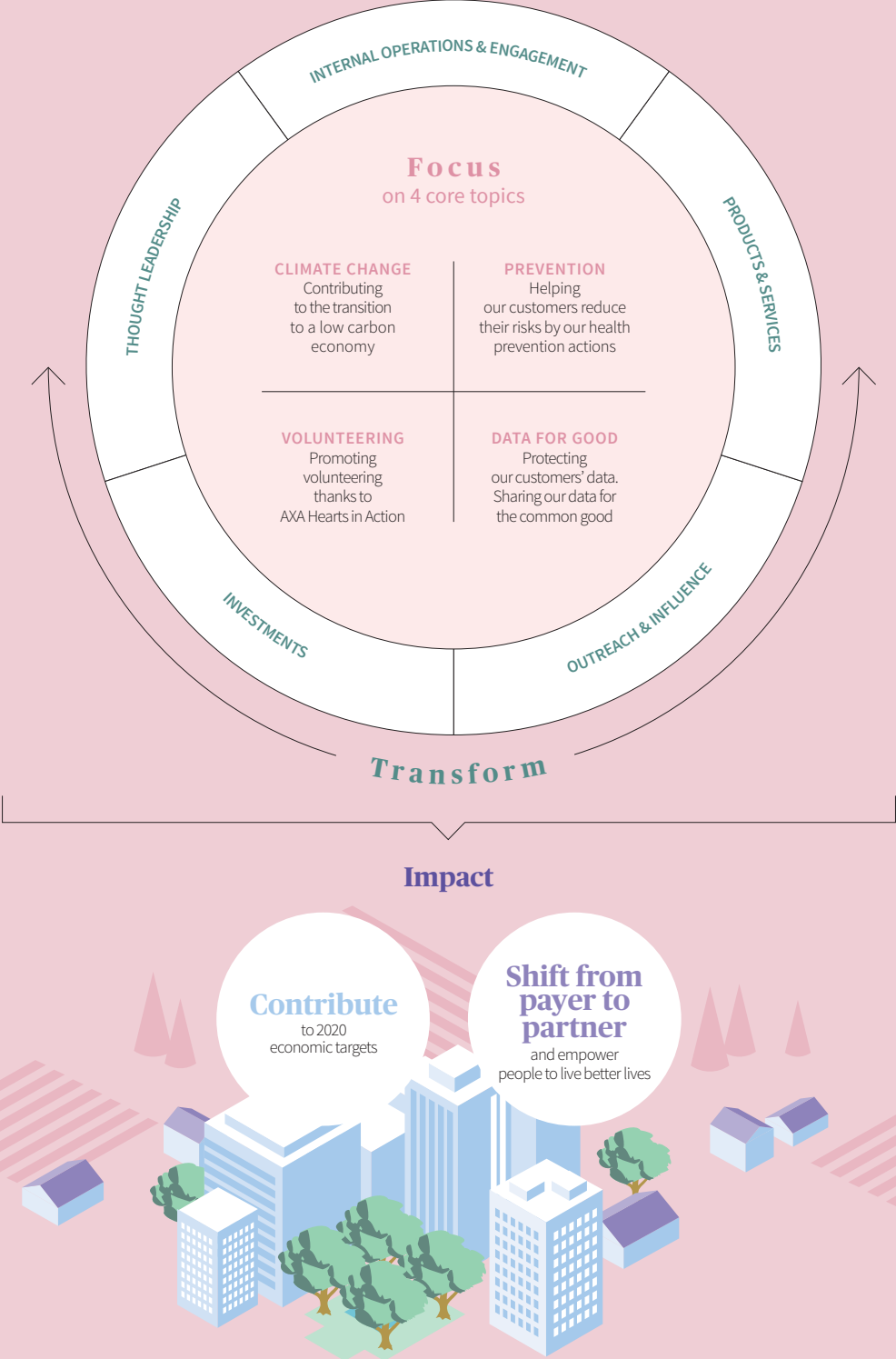
AXA'S AMBITION 2020 PLAN AND INTEGRATED CORPORATE RESPONSIBILITY STRATEGY ENDEAVOUR TO DRIVE SUSTAINABLE GROWTH, MEET SOCIETAL NEEDS AND MAINTAIN OUR ROLE AS RESPONSIBLE INDUSTRY LEADERS.

AXA operates in a volatile global environment challenged by low interest rates. Yet, it is also rich in opportunities, such as a growing need for protection, emerging middle classes and longer life expectancy. To maximize these opportunities and continue to meet evolving customer needs, AXA's Ambition 2020 strategic plan is built on two pillars: focus and transform.

The Group has simplified its organization, bringing decision centers closer to local customers to become more agile and improve its services. It is also planning to refocus its activity on the insurance segments that are least exposed to the volatility of financial markets. Finally, AXA is increasing its investments to seize the opportunities offered by new technologies. Ambition 2020 strengthens the Group's position in sectors with long-term growth potential and opportunities for more frequent customer contact. In particular, AXA will focus on three areas that will generate growing demand in the next few years: Health, Property and Casualty commercial lines, and Protection.

In addition to offering growth potential, these segments are also ready for innovation and new business models, enabling AXA to provide customers with new services alongside their existing insurance coverage.

IN LINE WITH THE AMBITION 2020 PLAN, AXA HAS ORGANIZED ITS INTEGRATED CORPORATE RESPONSIBILITY STRATEGY AROUND FOUR CORE TOPICS that are vital not only to the Group, but also to its stakeholders and society at large. In the first area, climate change, AXA is promoting the transition to a low-carbon economy through its investment policy and efforts to reduce emissions. The Group is also working on risk prevention, particularly in health. With the Data for Good program, AXA is sharing data with customers to help them better manage their risks. Finally, AXA intends to continue encouraging employees to volunteer internationally through its AXA Hearts in Action network. With initiatives like these, AXA's corporate responsibility strategy will help the Group develop its business, boost its performance and avoid a negative impact.



Responsible investment: an ambitious strategy

AT THE ONE PLANET SUMMIT, IN DECEMBER 2017, AXA MADE SEVERAL AMBITIOUS ANNOUNCEMENTS, IN LINE WITH ITS CONVICTIONS ON RESPONSIBLE INVESTMENT.

AXA DEFINES RESPONSIBLE INVESTMENT AS THE INTEGRATION OF ESG (environmental, social and governance) criteria into investment processes and ownership practices. AXA's conviction, based on empirical evidence and academic research, is that ESG integration can improve long-term investment performance by offering an enhanced understanding of some risk drivers. It is also a way to strive for alignment between investments and broader corporate responsibility commitments. The Group thus created a dedicated governance as well as a comprehensive responsible investment strategy covering the Group's general account assets.

IN 2017, AXA'S RESPONSIBLE INVESTMENT EFFORTS MOSTLY FOCUSED ON CLIMATE RISKS. Three years ago, the Group stated that a +4°C world was not insurable, and added that investors and insurers had a key role to play in the fight against climate change. It has been proved through strong action: AXA was the first global investor to initiate divestment from coal, the most carbon intensive form of energy. It was the first to phase out the insurance coverage of coal clients. AXA also adopted ambitious green investments targets. Ahead of COP21, the Group played a substantial role by signaling that, however

complex it may be, the role of finance in the fight against climate change had to be put on the agenda. This helped overcome paralysis by analysis and led others shift into action mode.

AT THE ONE PLANET SUMMIT, ORGANIZED IN DECEMBER 2017 BY THE FRENCH GOVERNMENT, THOMAS BUBERL ANNOUNCED SIGNIFICANT INVESTMENT AND INSURANCE-RELATED DEVELOPMENTS. In 2015, AXA committed to reach €3 billion in green investments by 2020. Having reached that target sooner than planned, the Group has decided to set the bar much higher: at €12 billion. This is twice as high as the recent recommendation by Christiana Figueres, one of the main COP21 architects, to dedicate 1% of institutional investments to green.

In 2015, AXA divested €500 million from the coal industry by targeting companies that derive over 50% of their revenues from coal. The Group has now decided to expand our divestment and to apply it to companies that derive over 30% of their business from coal – hence reducing long term financial risks. But AXA also stands for “no new coal” and strengthened its coal policy by divesting from companies mining over 20 million tons of coal or developing coal based power facilities. This new approach captures “real” climate impact, beyond pure financial risks. The application of this new coal policy led to a €3 billion equity divestment and fixed income run off.

A RESPONSIBLE INVESTMENT STRATEGY BASED ON FOUR PILLARS

Integration of ESG scores
and “carbon” performance
into investment processes

Exclusion policy for sectors
or companies that face acute
social, human rights, ethical
or environmental challenges

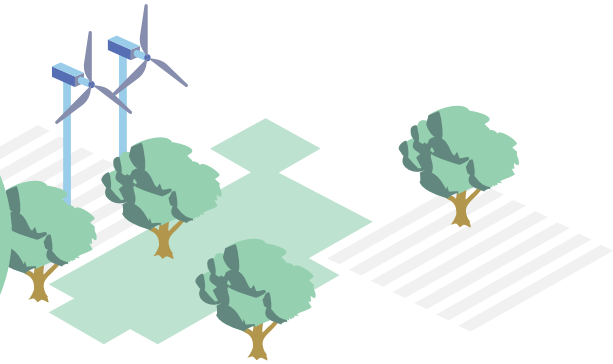
Impact investments
delivering positive environmental
or social returns on top
of financial returns

Active stewardship
through voting and engagement
on a range of ESG or
sustainability issues

The Group will also phase out its investments in the main oil sands producers and associated pipelines, which represent an extra divestment of over €700 million. Why oil sands? Because just like coal, they are an extremely carbon-intensive form of energy. They also raise human rights concerns. Since it makes no sense to commercially support industries that we have divested from, AXA will stop insuring the oil sands industry and new coal construction projects, whatever the client, whatever the region.

WE ALL KNOW CLIMATE CHANGE REQUIRES GLOBAL COLLECTIVE ACTION. AXA thus supports collective initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD), and chairs the High Level Expert Group on Sustainable Finance. Besides collaborations and partnerships, climate protection must also be pursued through leadership by example. This is why AXA has already implemented the TCFD guidelines in its 2018 Annual Financial Report. Ultimately, AXA's aim is to strive to align its business and investments with the +2°C trajectory called for by scientist and the Paris Agreement.

Rather than seeing climate change only as a burden, it should be reframed as an opportunity to rise to a challenge that is worthy of our best efforts.



Sustainable Development Goals

AXA's responsible actions are aligned with the United Nations' Sustainable Development Goals. AXA's initiatives cover all of these goals, we highlight six of them here.

13 CLIMATE ACTION



After divesting €500 million from the coal industry in 2015, AXA is committed to increasing this divestment to €3 billion and to stop insuring coal construction projects. Similarly, AXA is making a €700 million divestment from oil sands producers and associated pipeline businesses, as well as a pledge to stop insuring their activities. AXA also wants to create positive value in the fight against climate change and has increased its green investment targets to €12 billion by 2020.

11 SUSTAINABLE CITIES AND COMMUNITIES



The AXA Research Fund has launched a program on the resilience of cities to better understand future challenges in terms of demography and natural disasters, as well as the role insurance can play. AXA has signed a partnership with UN-Habitat to improve building standards in the urban areas most vulnerable to natural disasters.

1 NO POVERTY



An accident, illness or natural disaster can quickly plunge fragile populations into poverty. AXA is developing insurance products aimed at populations that do not have access to traditional insurance. Simpler, more flexible and more than just micro-insurance policies, these products form safety nets against poverty for these low-income populations.

3 GOOD HEALTH AND WELL-BEING



As a health insurer and responsible investor, AXA decided to dispose of its tobacco industry assets, valued at €1.8 billion. AXA has also stopped insuring tobacco producers and is terminating existing policies on their due date. The AXA Research Fund has launched a chair on exploiting health data to create predictive models that assess the risk of diabetes and related complications. AXA's aim, by developing adapted products, is to enable diabetics to adopt a lifestyle compatible with their illness.

5 GENDER EQUALITY

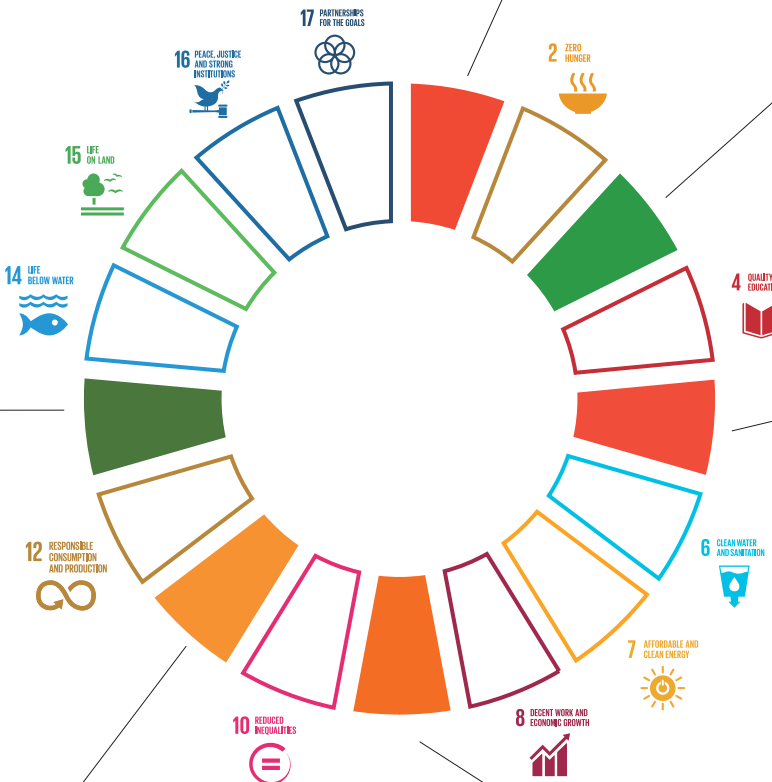


AXA is committed to gender equality both in its human resources management and in the practice of its insurance business. AXA innovates through the "Women in Insurance" initiative, to offer tailored coverage for the female market and build major partnerships in order to become the most trusted partner for women. In addition, the Group has made commitments internally to promote gender equality: wage gap compensation policy in France, target of 50% women in senior management positions.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



AXA is investing in infrastructure projects for the provision of water, energy and transport. In 2013, the Group announced its decision to invest €10 billion in the infrastructure debt market over a five-year period and to support numerous projects through its €350 million AXA Impact Investment Funds. In late 2017, AXA and the International Finance Corporation (IFC) launched an innovative \$500 million partnership supporting climate-related infrastructure projects in emerging countries.



Denis Duverne

CHAIRMAN OF AXA'S BOARD OF DIRECTORS

Supporting AXA's executive management in implementing Ambition 2020

SINCE 2016, I HAVE HAD THE PLEASURE TO FOCUS ON MY ROLE AS CHAIRMAN OF AXA'S BOARD OF DIRECTORS. The Board and I are more committed than ever to helping the new leadership team, led by Thomas Buberl, to implement the Ambition 2020 strategic plan.

AXA can rely on a broad range of experts in its Board of Directors, bringing fresh perspective to the challenges facing our business. I am delighted to see the Board paying particular attention to the Group's social and environmental responsibility, promoting sustainable economic development in the interests of society. I would like to mention three initiatives to illustrate the social impact of our business.

The first is our insurance and protection solutions for emerging consumers (with daily income between \$2 and \$20), enabling them to secure their newly earned place in the middle classes.

The second is AXA's commitment to fight climate change. At the One Planet Summit in Paris in December 2017, we increased our green investment objective from €3 billion to €12 billion by 2020.

Third, our involvement in health led us to withdraw from the tobacco industry in 2016. I am pleased that in 2017, the joint initiative led by AXA, CalPERS, SCOR and



AMP Capital encouraged more than 50 companies to sign the first global investor statement against tobacco.

Corporate social responsibility is at the heart of our business. The Group integrates environmental, social and governance criteria into its processes and investment decisions, as well as its insurance solutions and reporting. This approach is demonstrated in our second integrated report and our financial annual report which this year includes the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). These are sources of great pride for me, as I am sure they are for all AXA employees.

Board of Directors

DECEMBER 31, 2017



1 Denis DUVERNE, Chairman of AXA's Board of Directors, **2 Thomas BUBERL**, AXA Chief Executive Officer, **3 Jean-Pierre CLAMADIEU**,  Director, **4 Irene DORNER**,  Director, **5 Jean-Martin FOLZ**,  Senior independent Director, **6 André FRANÇOIS-PONCET**,  Director, **7 Angelien KEMNA**,  Director, **8 Isabelle KOCHER**,  Director, **9 Suet Fern LEE**,  Director, **10 Stefan LIPPE**,  Director, **11 François MARTINEAU**, Director, **12 Ramon DE OLIVEIRA**,  Director, **13 Deanna OPPENHEIMER**,  Director, **14 Doina PALICI-CHEHAB**, Director, employee shareholders' representative

 Independent Director

Management Committee



Thomas BUBERL,
AXA Chief Executive
Officer

George STANSFIELD,
Deputy Chief Executive
Officer and Group
General Secretary

Jacques DE PERETTI,
Chairman and Chief
Executive Officer of
AXA France

Gérald HARLIN,
Deputy Chief
Executive Officer and
Group Chief Financial
Officer

Astrid STANGE,
Group Chief
Operating Officer

Antimo PERRETTA,
Chief Executive Officer
Europe

Mark PEARSON,
Chief Executive
Officer of AXA US

Alban DE MAILLY NESLE,
Group Chief Risk Officer and
head of Group Insurance
Office

Gordon WATSON,
Chief Executive Officer
Asia

Benoît CLAVERANNE,
Chief Executive Officer
International and
New Markets

AXA ANNOUNCED A SIMPLIFICATION OF ITS OPERATING MODEL DESIGNED TO EMPOWER ITS ENTITIES TO DELIVER ON THE TRANSFORMATION PLANS AND OPERATE AS CLOSE AS POSSIBLE TO THEIR CUSTOMERS. The Group's objective is to let local teams focus their energy on growing the business and delivering excellent service

in their respective markets. AXA now operates through five geographies and a single simplified Corporate Center. To steer this new operational model, a new Management Committee has been appointed.

Highlights



Launch of an entity dedicated to parametric insurance

PARAMETRIC INSURANCE IS BASED ON THE USE OF A PARAMETER correlated to customer losses. Payments are triggered automatically when a threshold is reached on a selected index. A wide variety of risks can be covered by parametric insurance, such as adverse weather causing crop losses, transport costs, construction delays or theme park attendance decrease. As a pioneer

in this field, AXA has developed climate risk expertise for companies, international institutions and governments in 35 countries. In 2017, the Group reached a new milestone with the launch of a new subsidiary, AXA Global Parametrics, to boost the product offering and extend sales to SMEs and individuals.

Improving coverage for Uber workers

AXA AND UBER HAVE SIGNED AN INNOVATIVE PARTNERSHIP TO IMPROVE THE PROTECTION of independent workers in the digital sector. In case of an accident in France, the Group will cover the cost of care, disability compensation and death payments. Since October 2017, AXA has also been covering Uber's associate drivers

in 44 cities in Mexico. In addition to damage and health cover for drivers, AXA is providing liability insurance for personal injury to passengers and third parties. This coverage is offered free of charge to both drivers and passengers. In December 2017, AXA teamed up with Uber EATS to provide

social protection to delivery drivers in 10 European countries. Through these moves, AXA is demonstrating its support for new forms of independent work.



AXA automates compensation payments using blockchain

AXA IS THE FIRST MAJOR INSURANCE GROUP TO OFFER INSURANCE USING BLOCKCHAIN TECHNOLOGY. A first real life test was conducted with fizzy, a parametric travel insurance that automatically compensates clients when their flights are delayed for more than two hours. By connecting directly to global air traffic

databases, AXA can compensate clients proactively without requiring them to submit a claim. Based on feedback from this pilot project, the Group intends to integrate blockchain into other types of contracts.

Maestro Health: strengthening AXA's presence on the US health insurance market

IN LINE WITH AXA'S CONTINUED STRONG FOCUS ON THE HEALTH INSURANCE MARKET, the Group has acquired Maestro Health. This US company provides a full range of health benefit management services and third-party administration (TPA) for self-insured businesses through an integrated

digital platform. With its healthcare coordination services, Maestro Health empowers employees to make better health management decisions, while helping their companies to manage their healthcare costs.

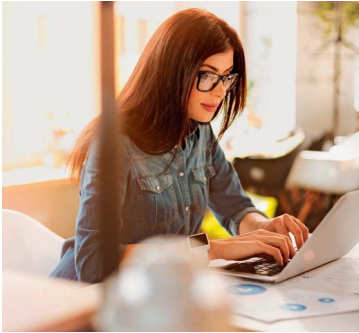


One Planet Summit:
AXA's ambitions for the climate

AT THE ONE PLANET SUMMIT, AXA INCREASED ITS GREEN INVESTMENT TARGET FROM €3 TO €12 BILLION BY 2020. The Group also decided to increase its divestment from coal to reach €3 billion and announced a €700 million divestment from

the main oil sands producers and associated pipelines. AXA will no longer insure any coal construction projects, or oil sand extraction businesses and their associated pipelines. "A +4°C world is not insurable. As a global insurer and investor, we know that

we have a key role to play," commented Thomas Buberl at the One Planet Summit.



Boosting internal
self-training with Coursera

TO ACCELERATE ITS TRANSFORMATION, AXA HAS DEVELOPED A NEW ONLINE SELF-TRAINING EXPERIENCE for employees. Through a partnership with Coursera, the global leader in online courses, AXA employees can now access more than 300 personalized courses delivered by 150 universities.

With data science, project management, digital marketing, foreign languages and more, these courses fit a wide range of professional profiles. AXA can also create its own tailored training content accessible through the Coursera platform.

100% renewable
electricity by 2025

USING 100% SUSTAINABLE ENERGY IN AXA PREMISES AND DATA CENTERS BY 2025: this was the commitment AXA made last July by joining RE100. Through this international initiative, more than 100 influential companies have agreed to work towards using 100% renewable power

and substantially increasing green energy supply and demand. This move highlights the Group's ongoing efforts to limit climate change and accelerate the global energy transition.



AXA commits to
gender equality
and against sexual
discrimination

AXA IS THE FIRST INSURANCE COMPANY IN FRANCE TO SUPPORT THE UNITED NATIONS LGBTI STANDARDS FOR BUSINESS, tackling discrimination against lesbian, gay, bi, trans and intersex people in business. To ensure respect and equality for all, the Group has committed to fighting discrimination and protecting human rights in all circumstances at work. AXA's aim is to allow all employees to be themselves in the workplace.

TO PROMOTE GENDER EQUALITY, AXA has also set an objective of 50% women among its global senior executives by 2023. Further, in France, a special budget has been allocated to eliminating the pay gap between men and women, while in the UK, AXA has signed the Women in Finance Charter.

THIS NEW COMMITMENT IS IN LINE WITH AXA'S LONGSTANDING POLICY OF PROMOTING DIVERSITY AND INCLUSION. On January 1, 2017, the Group launched an ambitious global parental leave policy, providing employees with a minimum of 16-week fully paid maternity leave and 4-week co-parenting leave, regardless of their family situation. Adoptive parents also qualify.

IN ADDITION TO ITS EFFORTS AS AN EMPLOYER, AXA IS ALSO TAKING ACTION AS AN INSURER. The Group has drawn insights from its SHEforSHIELD report published in cooperation with Accenture and the International Finance Corporation (a member of the World Bank Group), and launched Women in Insurance, under the direct responsibility of Thomas Buberl. This initiative promotes innovation to offer tailored coverage for the female market, build wide-scale partnerships and become the most trusted insurer for women.

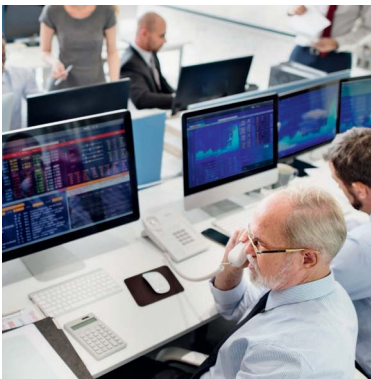




**Simplify to accelerate:
a new operating model**

AXA IS SIMPLIFYING ITS ORGANIZATION TO EMPOWER ITS ENTITIES to implement customer-centric transformation plans. The Group now operates across five geographies (France, Europe, the United States, Asia and International & New Markets) with a single simplified

Corporate Center. The aim is to let AXA local teams focus their energy on business growth and excellent service quality in their respective markets.



**AXA announces its
intention to IPO its US
operations**

ON NOVEMBER 13, 2017, AXA FILED A REGISTRATION STATEMENT WITH THE SEC⁽¹⁾, relating to its US life insurance and asset management businesses initial public offering on the stock market in the first half of 2018, subject to market conditions. The proceeds of the stock market listing would be used to finance AXA's acquisition of XL Group.

This report does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

(1) Securities and Exchange Commission



**AXA: first insurance brand
worldwide for the ninth
consecutive year**

INTERBRAND'S BEST GLOBAL BRANDS RANKING HAS ONCE AGAIN RECOGNIZED THE STRONG REPUTATION AND VALUE OF THE AXA BRAND. AXA is the world's leading insurance brand for the ninth consecutive year, continuing its move up in the overall ranking. This year, AXA has moved up four places, to rank 42 overall, and continues

to rank third in the financial services sector. The Group has embarked on a transformation of its business model to create more value and become a long-term partner for its customers. The AXA brand is instrumental in this transformation.



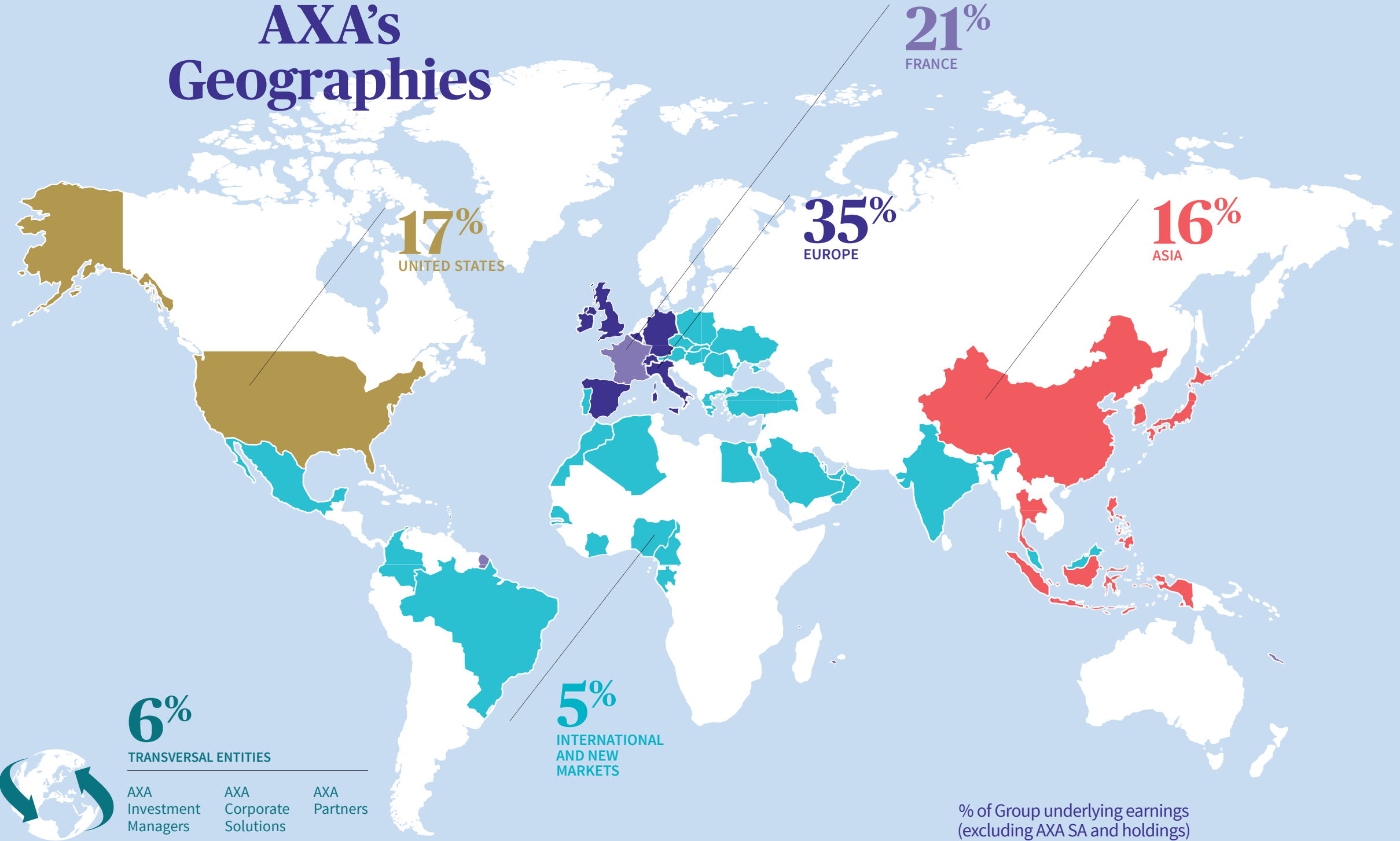
**AXA to acquire XL Group,
creating the n°1 global
Property & Casualty commercial
lines insurance platform**

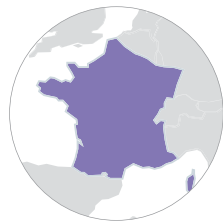
ON MARCH 5, 2018, AXA ANNOUNCED THAT IT HAD ENTERED INTO AN AGREEMENT TO ACQUIRE 100% OF XL GROUP, ONE OF THE GLOBAL LEADERS IN PROPERTY & CASUALTY COMMERCIAL AND SPECIALTY LINES. Founded in 1986, XL Group has 7,400 employees worldwide and generated \$15 billion of gross written premiums in 2017. This estimated €12.4 billion acquisition aims to create the global leader in Property and Casualty Commercial lines, one of AXA's three preferred segments.

It is aligned with AXA's Ambition 2020 strategy, which favors product lines with high frequency customer contacts, superior quality of service and technical excellence. The future AXA Group will therefore see its risk profile significantly rebalanced towards insurance risks and away from financial risks. The transaction is expected to offer significant long-term value creation for AXA with increased risk diversification, higher cash remittance potential, and reinforced growth prospects.

Completion of the transaction is subject to approval by XL Group shareholders and other customary closing conditions, including the receipt of required regulatory approvals, and is expected to take place during the second half of 2018.

AXA's Geographies





France

AXA France is further reinforcing its market leadership through the transformation of its distribution model, solutions to meet new customer demand, enhanced service quality and a targeted growth strategy.

AXA FRANCE WANTS TO BE AN EXPERT, MULTI-SPECIALIST LEADER STANDING OUT IN EVERY FIELD OF ITS BUSINESS.
To do so, it is not only leveraging its size and strength, but is also constantly evolving its practices. With its EasyAXA strategic plan, AXA France is simplifying its operations, products and services to make life easier for its customers.

- Reorganized teams by business expertise to streamline operations
- Numerous initiatives introduced; to make customers' lives easier: electronic signatures, paperless terms and conditions, automated underwriting, etc.;
- More instructive and interactive



financial advice delivered by AXA France's client facing employees thanks to the Discovery app;

- Innovative partnerships signed to support users of the new economy;
- Enhanced offering, especially in the health sector: a healthcare cost comparison via Hospiway on Itelis, telemedicine booths, and patient

guidance by pathology;

- Upcoming program to review the main customer interaction processes for simpler, more proactive service;
- Strong commitment to society, focusing on risk prevention, community and diversity.

To achieve this transformation and become a full-fledged partner for its customers, AXA France is drawing on its teams' expertise and engagement.



Europe

AXA is the European leader in Property and Casualty, group Protection and Health insurance. With strong profitability and growth in AXA's target segments, Europe is the largest contributor to the Group's results.

AXA IS DRAWING ON ITS OPERATIONAL EXPERTISE TO REINFORCE ITS LEADERSHIP AND MAXIMIZE THE GROWTH POTENTIAL OF EUROPEAN MARKETS.

- An omnichannel distribution to reach customers through partnerships and reorganized networks;
- Multiple modes of interaction for a 360° customer experience: merged physical and direct distribution networks in Spain, new eHome service in Belgium online and in the brokerage network;
- An enhanced service offering, with online claims management in Italy, instant messaging



on Facebook in Germany, new MyAXA features in Switzerland, etc.;

- Geared up healthcare activities in Europe: health and protection services in Italy with Floome and Pharmapp, the Meine Gesundheit platform for health journey in Germany,

and newly launched health business in Switzerland.

For closer proximity and faster decision-making, AXA is rethinking the organization of its European teams. Germany, Switzerland, Spain and Belgium have invested in new premises, offering creative spaces and new tools to AXA teams.





Asia

AXA, the leading international multi-line insurer in Asia, is focusing on its preferred segments, generating 86% of revenues in Property and Casualty, Protection and Health. The wide disparity in insurance coverage through the region offers AXA significant development opportunities.

AXA IS APPLYING ITS STRATEGY TO GENERATE GROWTH, CAPITALIZING ON ITS OPERATIONAL EXCELLENCE AND ITS HEALTH BUSINESS. THE COMPANY'S PROFITABILITY IS INCREASING IN THE REGION THANKS TO A HIGH QUALITY BUSINESS MIX.

- Improved operational excellence through transparent customer feedback: customers can rate and comment on AXA's services, helping the company improve processes and adapt its products and services to their needs;
- Numerous initiatives to develop the health business: Xtra by AXA in Hong Kong, a partnership with Dream Catcher, and new medical



- assistance services in Japan, etc.;
- Personalized local customer relationships: in Indonesia, claims can be submitted through Whatsapp, and in Hong Kong, a program pairs customers with agents based on their needs and expertise;
 - Strong revenue growth in

high-potential markets: +11% in China, +12% in Thailand and +22% in the Philippines.

As demonstrated by the One AXA Brand initiative in Japan, unifying all our businesses under the AXA name, the Group can draw on its strong brand image to maintain its leadership and develop its business in high-potential markets.

+11%
REVENUES IN
HIGH-POTENTIAL
MARKETS

86%
OF REVENUES IN
PROPERTY & CASUALTY,
HEALTH AND PROTECTION

+7%
UNDERLYING
EARNINGS



United States

AXA operates in the United States through its two franchises, AXA Equitable Life and AB. The Group is a leader in retirement plans for Individuals and groups, Protection, and Asset Management in the US market, which presents a favorable medium-term outlook.



AXA IS GENERATING ORGANIC GROWTH IN THE UNITED STATES BY FOCUSING ON THE MOST ATTRACTIVE MARKET SEGMENTS. THE COMPANY IS ALSO OPTIMIZING ITS CAPITAL MANAGEMENT AND RIGOROUSLY MANAGING EXPENDITURE TO BOOST PROFITS WITHOUT IMPACTING SERVICE QUALITY.

- An all-terrain strategy in individual retirement schemes to meet customers' needs and risk appetite across different market phases;
- Leadership position in group retirement schemes in the education sector (403(b) solutions for k-12 employees): 950 specialized advisers serving more than 8,700 plans in public schools;
- A new omnichannel model with stronger, wider networks (especially third-party networks) to boost distribution capacity;
- A unique offering in the employee benefits market for small and medium-sized companies;

- Good AB net inflows, mainly from individuals, higher average management fees and lower cost/income ratio.

AXA has filed a registration statement with the SEC relating to the proposed initial public offering of a minority stake in its US life insurance and asset management activities, subject to market conditions. Upon the announcement of the planned acquisition of XL Group, AXA has specified its intention to progressively reduce the AXA Group's stake in AXA Equitable Holdings.

+6%
LIFE & SAVINGS
NEW BUSINESS

+16%
UNDERLYING
EARNINGS

+€12bn
AB NET INFLOWS



International and New Markets

AXA gathers other markets in a fifth geographic zone, International and New Markets, tailoring governance to their specific needs.

SPREAD ACROSS THE WORLD, AXA'S INTERNATIONAL AND NEW MARKETS FACE A WIDE RANGE OF CHALLENGES AND OPPORTUNITIES. THIS ZONE INCLUDES HIGH-GROWTH MARKETS SUCH AS NIGERIA, EGYPT AND MEXICO. The objective of the Group's new organization is to give local businesses sufficient autonomy to focus their initiatives and investments on their growth, and become some of the future champions of the Group.

- An innovation laboratory for the Group's strategic initiatives: new transactional APIs in Singapore enabling any partner to connect to AXA's system



and offer AXA solutions to its customers;

- A partnership strategy including an agreement with Uber in Mexico;
- New solutions for previously uninsured populations: insurance for emerging consumers and parametric

insurance to boost economic development and push insurance boundaries, particularly in Africa and Asia;

- Numerous health initiatives, including the MyDoctor application in Egypt and new integrated medical centers in Colombia to improve patient support throughout their healthcare journey.

+15%
LIFE AND SAVINGS
NEW BUSINESS

82%
OF REVENUES IN
PROPERTY & CASUALTY,
HEALTH AND PROTECTION

+20%
UNDERLYING
EARNINGS



AXA Investment Managers

With its integrated multi-asset model, AXA Investment Managers (AXA IM) is a global expert in asset management. The critical mass induced by its position within the AXA Group enables it to develop cutting-edge expertise that is decisive in its development with third-party customers.

IN 2017, AXA IM EXPERIENCED A MIXED ENVIRONMENT, WITH ECONOMIC RECOVERY AND FAVORABLE MARKET CONDITIONS ON THE ONE HAND, AND LOW INTEREST RATES, HEIGHTENED COMPETITION AND INCREASED REGULATORY REQUIREMENTS ON THE OTHER. In this context, AXA IM boosted its performance and competitive edge, while enhancing its offering in alternative management, multi-asset solutions and specific bond products.

- Selective geographical expansion in key markets, particularly in Europe and Asia (Japan, China, Australia);
- Reinforced alternative

management capacities with Real Assets (acquisition of Eureka in Australia), Structured Finance and Chorus, our platform specializing in absolute return liquid strategies;

- Organization of Framlington Equities internal research (qualitative equity management) by long-term themes, and launch of innovative strategies such as robotics (€4 billion of assets under management) or the digital economy;
- Full ESG integration into Rosenberg Equity portfolios, reinforcement of climate policy, shareholder commitment and proxy voting;
- IT system optimization (unified front office system).



AXA IM is developing the use of new technologies in all of its activities to improve customer experience, complement investment decision-making mechanisms and increase its operational efficiency notably through blockchain, artificial intelligence and machine learning.

+€9bn
THIRD PARTY
NET INFLOWS

+9%
REVENUES

+16%
UNDERLYING
EARNINGS



AXA Corporate Solutions

AXA Corporate Solutions (ACS) serves major corporations worldwide. Its expertise includes property and casualty, civil liability and marine insurance. ACS also rolls out innovative solutions in cyber and parametric insurance.

IN 2017, AXA CORPORATE SOLUTIONS OPERATED IN A TENSE LARGE RISK MARKET, MARKED BY A NUMBER OF NATURAL DISASTERS. In this context, the company pursued its targeted growth strategy, based on four main levers:

- Building up services to smaller clients, while continuing to serve the major corporate segment;
- Accelerating on speciality lines and priority growth sectors, such as energy;
- Developing new business lines, especially cyber and parametric insurance;
- Focus on high-potential

markets such as the United Kingdom and Brazil.

To better serve its customers, AXA Corporate Solutions is accelerating its transformation by:

- Deploying a global claims management platform for all business lines to boost operational efficiency and optimize data management;
- Developing a platform to simplify and accelerate the underwriting process;
- Offering telematics tools for ACS customers' fleet management.



In all its local markets, AXA Corporate Solutions works closely with the Group's subsidiaries, sharing its expertise to build synergies and provide the most effective solutions.

1,500
EMPLOYEES

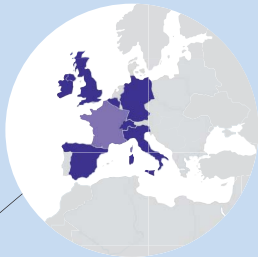
€2.3bn
REVENUES

Closer to the customer

AXA's new operating model provides entities with increased empowerment. Adapted to local specificities, their targets focus on operational performance and customer service.

FRANCE AND EUROPE

- Grow in preferred segments, reinforce market leadership
- Transform to blended distribution
- Focus on customer experience



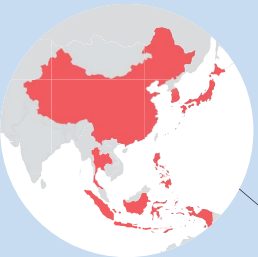
UNITED STATES

- Grow organically
- Improve efficiency
- Optimize capital



ASIA

- Expand distribution reach
- Grow top and bottom line



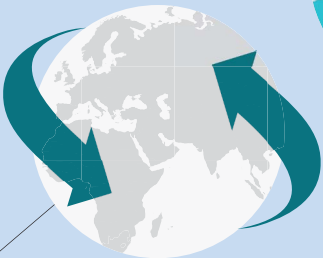
INTERNATIONAL AND NEW MARKETS

- Reduce and rationalize footprint
- Growth boosters of tomorrow



AXA INVESTMENT MANAGERS AND AXA CORPORATE SOLUTIONS

- Strategic growth enablers



Financial performance

AXA delivers in 2017 a strong performance, well on track towards its Ambition 2020 targets.

REVENUES BY GEOGRAPHY



€99_{bn}
REVENUES

PROPERTY & CASUALTY
CLAIMS PAID

€22_{bn}

HEALTH
BENEFITS PAID

€8_{bn}

HEALTH
ASSISTANCE SERVICES

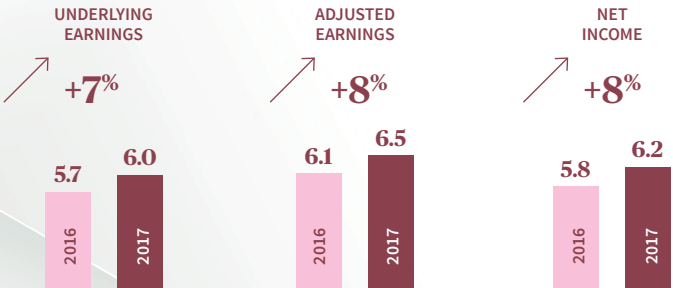
5_m
of beneficiaries

MOTOR
ASSISTANCE SERVICES

5_m
of beneficiaries

CLIENTS

EARNINGS



In euro billion, change at constant forex.

AMBITION 2020

UNDERLYING
EARNINGS
PER SHARE



3% - 7%
CAGR 2015-2020

OPERATING
FREE CASH
FLOWS



€28 - 32bn
Cumulative
2015-2020

ADJUSTED RETURN
ON EQUITY



12% - 14%
Target range

SOLVENCY II
RATIO



170% - 230%
Target range

Financial strength

AXA CAN RELY ON A BALANCED MIX OF ACTIVITY AND A GLOBAL PRESENCE TO REGULARLY DELIVER STRONG EARNINGS. In addition, the Group took early action to prioritize capital light products. Thanks to its strategic orientations and following its Ambition 2020 plan, AXA produces high and recurrent operating free cash-flows.

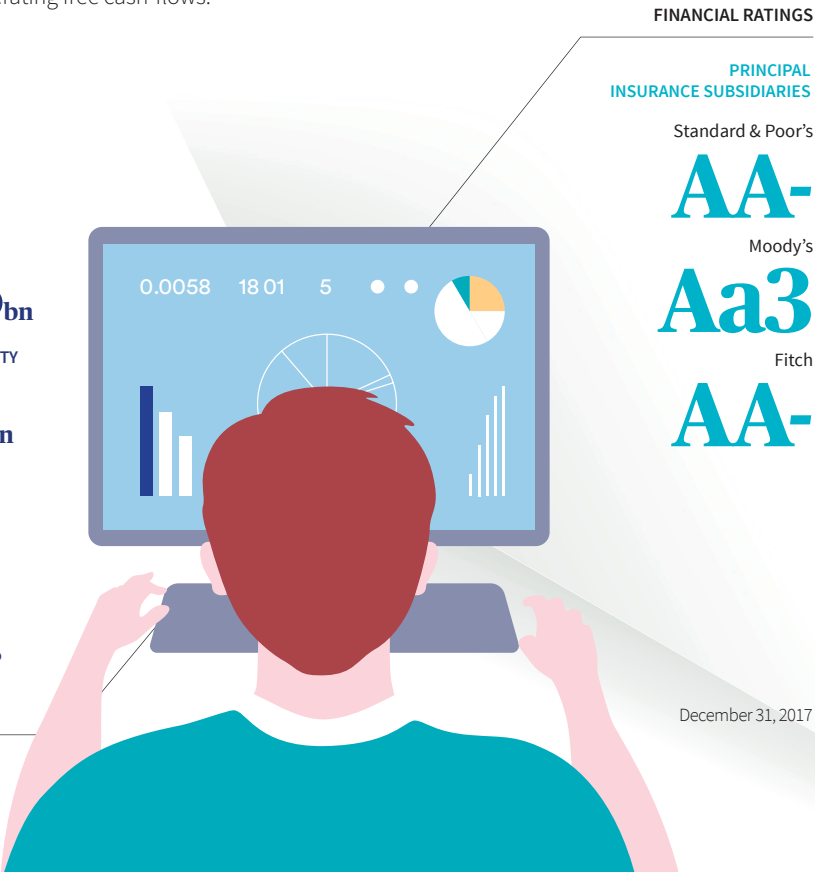
With a 205% solvency II ratio and €70 billion of shareholders' equity, the Group has a strong balance sheet. Furthermore, AXA's financial strength is ascertained by credit rating agencies.

OPERATING FREE CASH FLOWS
€6.3_{bn}

SHAREHOLDERS' EQUITY
€70_{bn}

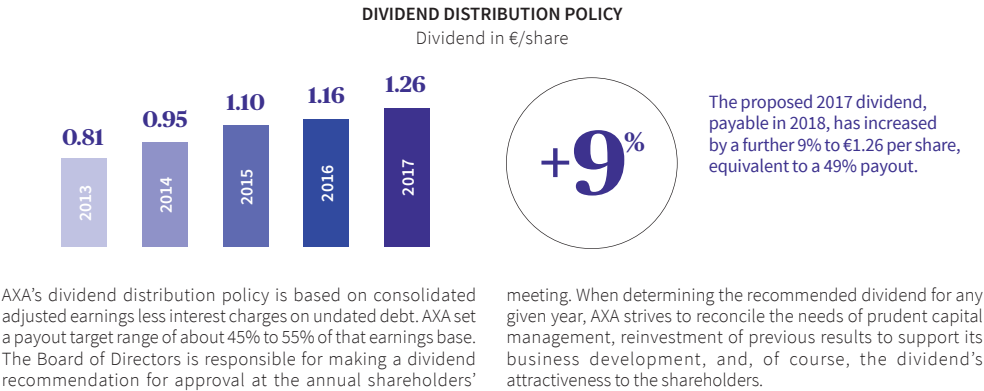
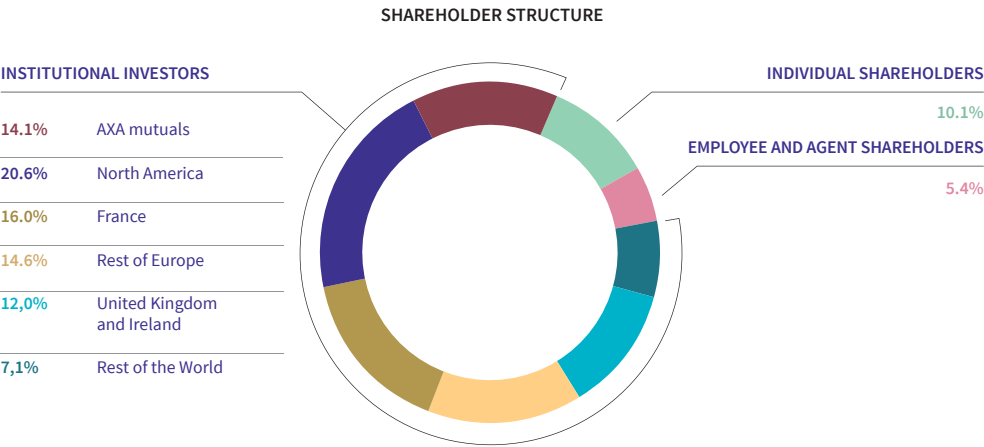
DEBT GEARING
25%

SOLVENCY II RATIO
205%



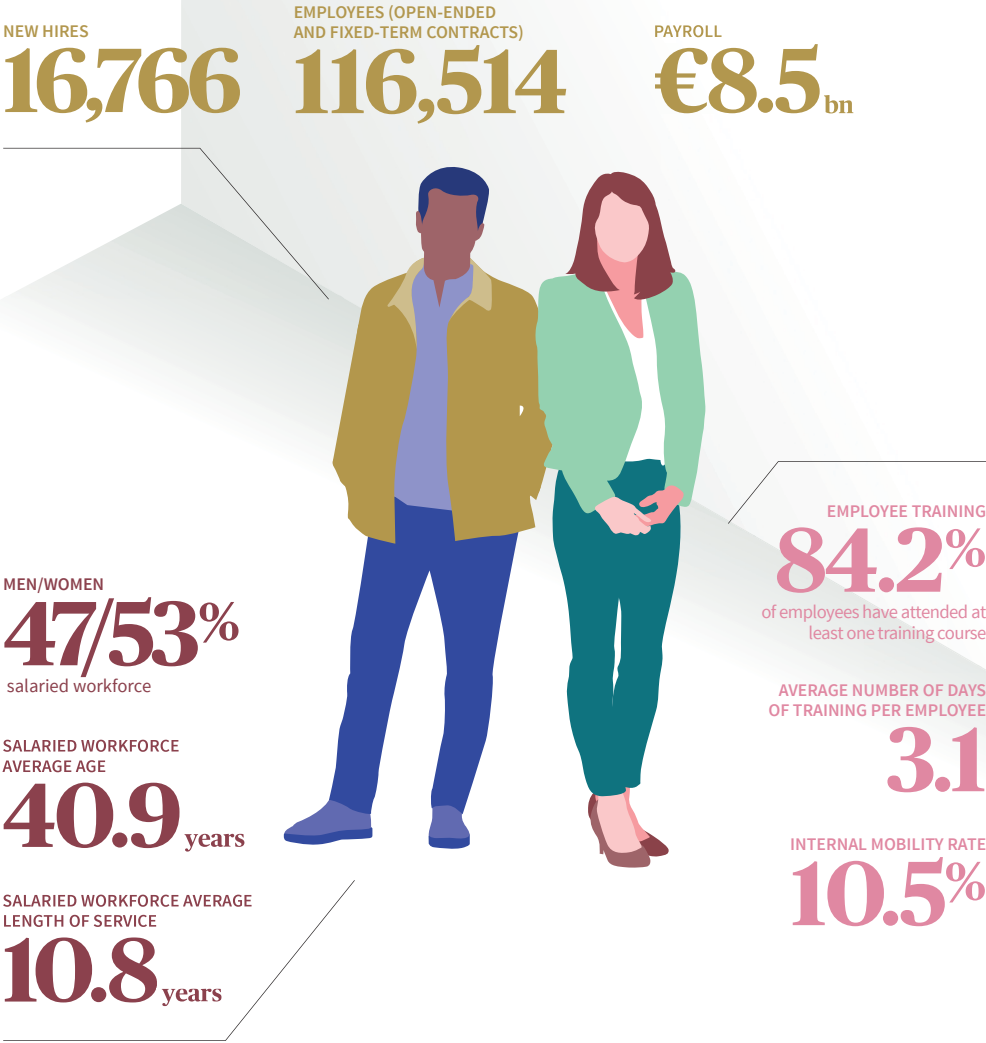
AXA and its shareholders

Institutional, individual and employee shareholders of AXA all have a close interest in AXA's performance and are regularly informed of the Group's main strategic orientations and results.



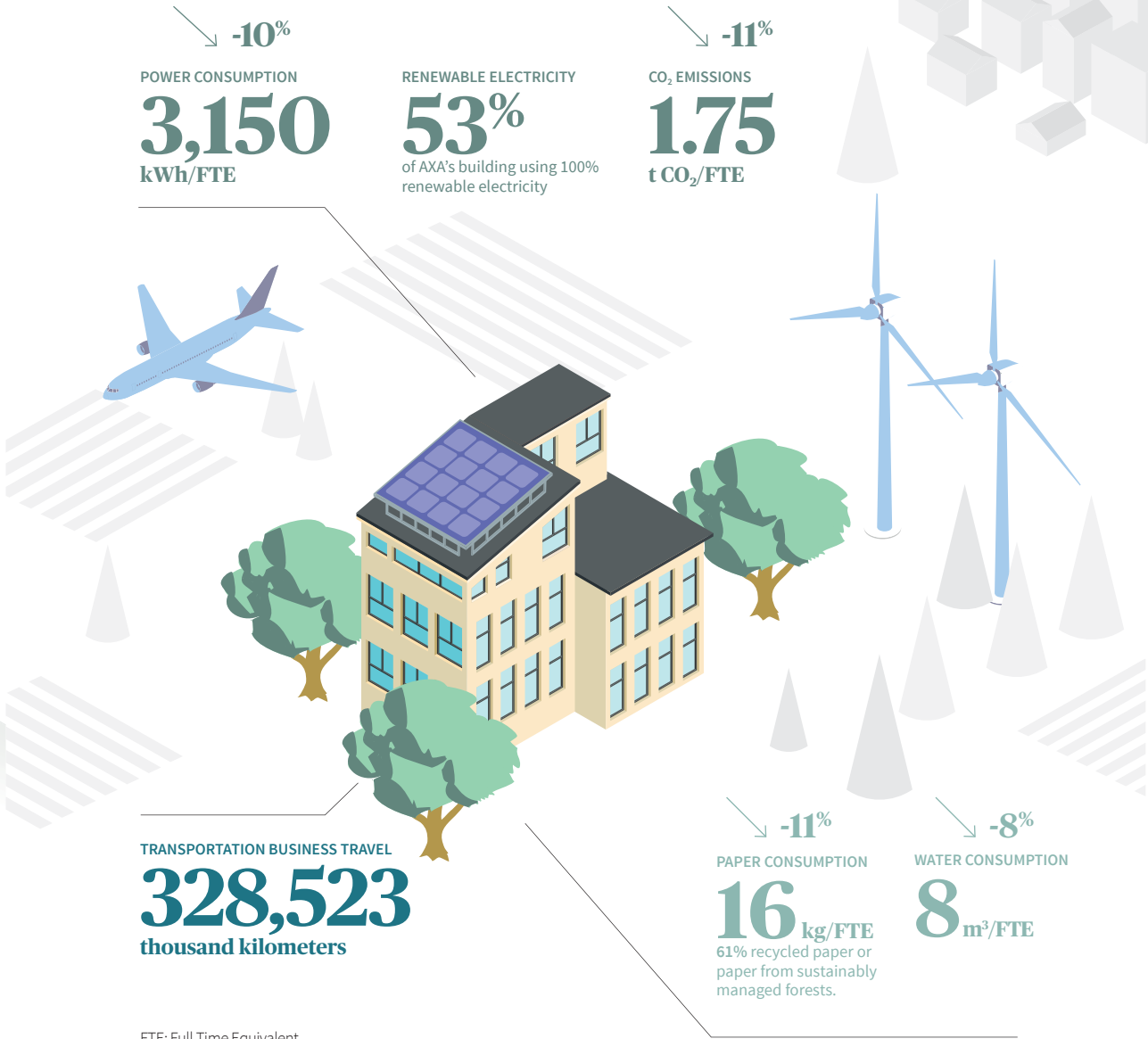
If you wish to join the AXA Shareholders' Circle, please visit: www.axa.com/en/investor/shareholders-circle

HR data*



* Our HR and environmental data are audited by our statutory auditors (see Annual report, section 7).

Environmental data*



FTE: Full Time Equivalent.

Stakeholders' opinion

AXA: A RECOGNIZED SOCIALLY RESPONSIBLE PERFORMANCE

THE GROUP'S SOCIAL AND ENVIRONMENTAL PERFORMANCE is assessed annually by various organizations, including Socially Responsible Investment (SRI) rating agencies. AXA takes these evaluations very seriously, incorporating the Group's performance on the Dow Jones Sustainability Index (DJSI) into its criteria for remunerating senior executives. This year, AXA's performance has again been acknowledged

by the main rankings, including the 2017 DJSI, which lists the Group among the world's most responsible insurance companies. This performance nurtures the trust placed in AXA by SRI investors, enabling AXA to innovate, seize long-term opportunities and absorb new risks.

MSCI (ESG rating)

AAA

DOW JONES SUSTAINABILITY INDEX (score)

85/100

Ranked 2nd in the insurance sector

UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT (UN PRI) (score)

A+

VIGEO EIRIS

Leader

in its sector

FTSE4GOOD
Part of the index since

2008

SUSTAINALYTICS
(score)

87/100

Ranked 2nd in the insurance sector

CDP
(score)

A-



Sustainable performance



THE AXA STAKEHOLDER ADVISORY PANEL: CO-BUILDING SOLUTIONS FOR SOCIETY

SINCE 2014, A PANEL OF CIVIL SOCIETY STAKEHOLDERS has been helping AXA integrate global, long-term trends into its strategy to build a stronger, safer and more sustainable society. Composed of eight external members, the Panel meets twice a year with Thomas Buberl and Denis Duverne. The purpose of these meetings is to identify key trends and define the appropriate strategy for AXA to maximize the positive impact on its customers and local communities.

Here are some examples of topics covered during these meetings:

WORKING METHODS ARE EVOLVING and AXA must stay ahead of this trend to develop relevant protection solutions. The partnerships signed with Uber and Deliveroo are good examples of Group innovations that have built on Stakeholder Panel discussions. As an employer, AXA is also evolving its culture to be more open, closer to its employees and conducive to continuous learning.

AXA AND THE STAKEHOLDER ADVISORY PANEL DISCUSSED THE ISSUE OF DATA SHARING AND PROTECTION. The Panel welcomed the Group's efforts to open up access to its data and encouraged it to identify specific environmental and societal fields where AXA could create significant value by making its data freely available. As a result, the Group now shares its data on natural hazards with local authorities to help them adapt to climate change.



GIVEN AXA'S PROVEN EXPERTISE IN RISK MANAGEMENT and understanding of healthcare systems, the Panel members reaffirmed AXA's priority of contributing to health security. In the face of growing inequalities in both public health spending and tangible health outcomes (infant mortality, vaccination rates, etc.), the Group recognizes the need to work closely with governments and build on the latest progress to optimize treatment pathways.

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per minute + cost of call

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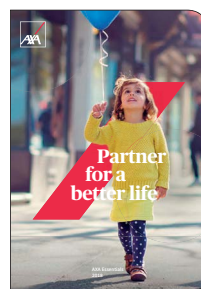
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**2017 integrated
report online**



**2017
Annual Report**



**2018 Edition
AXA Essentials**



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