



AXA'S CORPORATE GOVERNANCE OVERVIEW

(Governance, Corporate Officers' Compensation and Corporate Responsibility)

March 2019

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Introduction: AXA Group – Overview

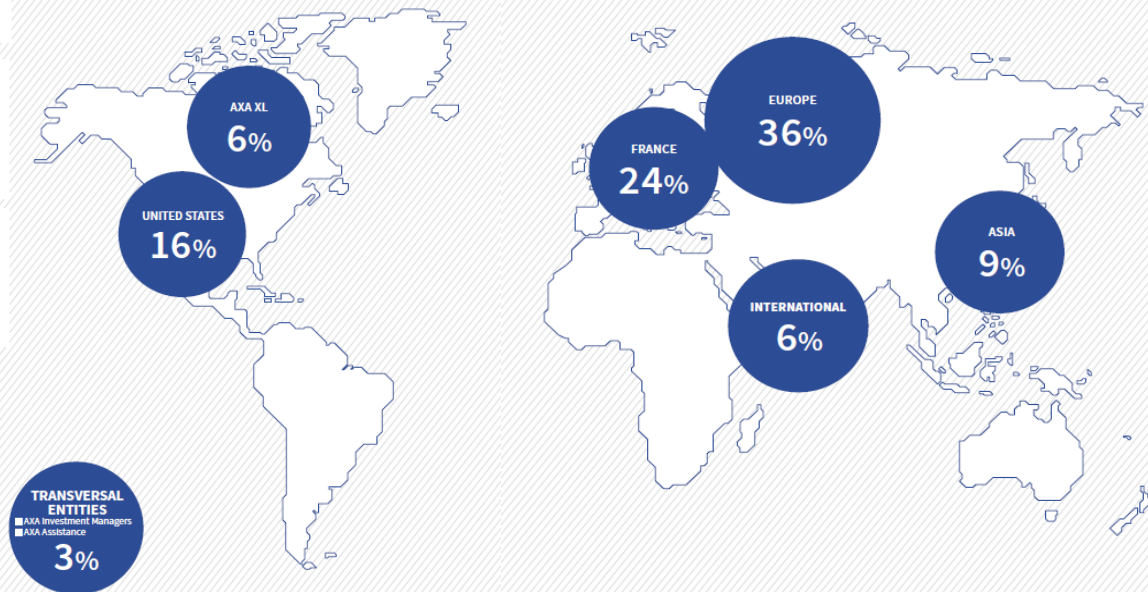
Group profile

#1 GLOBAL P&C
COMMERCIAL
LINES INSURANCE

HIGHEST EVER
REPORTED LEVEL
OF UNDERLYING
EARNINGS

GROSS REVENUES
GROWTH OF

+4%

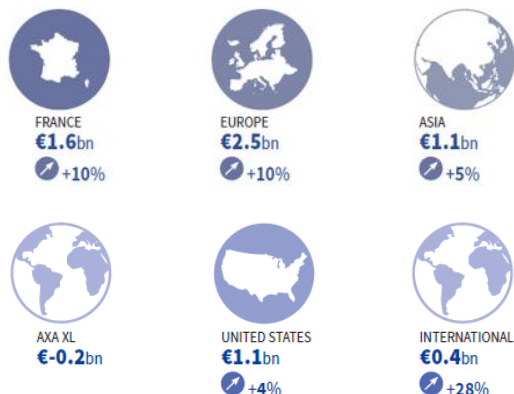


All percentages expressed are Group gross revenues contribution.

Full year earnings 2018



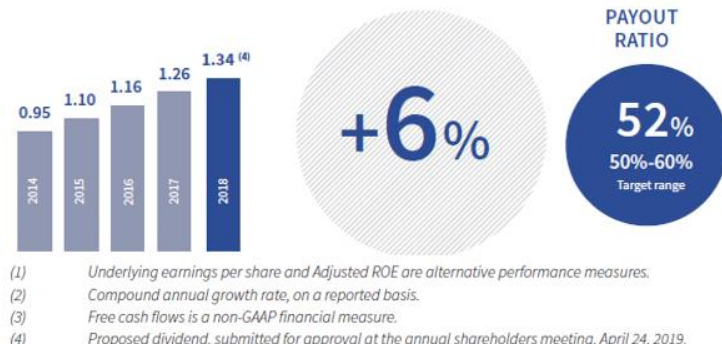
Underlying earnings by geography



Ambition 2020



Dividend





1

Corporate Governance

Corporate Governance

Role, responsibilities and powers of AXA's Chairman of the Board

Denis Duverne – Chairman of the Board of Directors



The Chairman has **relatively limited direct statutory powers** under French law (mostly limited to ensuring that corporate governance processes are effective)

AXA's Chairman has been granted **additional non-executive powers** by the Board including to:

- ✓ **promote the Company's values and culture**, in particular in relation to corporate responsibility and professional ethics
- ✓ upon request of the CEO, **represent the Company in its relations, nationally and internationally**, with public bodies, institutions, regulators, shareholders and the Company's main strategic partners and stakeholders
- ✓ **consult with the CEO on major topics and events relating to the Company** (including the Company's strategy, major acquisition or divestment projects, significant financial transactions...)

Corporate Governance

Role, responsibilities and powers of AXA's Senior Independent Director

Senior Independent Director (SID)

- ✓ Following the decision to separate the positions of Chairman and CEO (September 2016), the Board decided, on a voluntary basis, to **maintain the position of SID** (effective since 2010)
- ✓ Decision taken for a variety of reasons including the fact that the **Chairman is not considered as an independent Board member** due to his previous position as Deputy CEO of AXA
- ✓ **Not a statutory concept in France** but provided in AXA's Board's Terms of Reference
- ✓ Fashioned in a manner very **similar to the role of a SID** in the UK or the US
- ✓ Following the decision of **Jean-Martin Folz**, director for 12 years, Chairman of the Compensation & Governance since April 2013 and **SID since December 2016**, not to stand for reappointment, the Board decided to appoint **Jean-Pierre Clamadieu** as **new Chairman of the Compensation & Governance Committee** and **SID**
- ✓ Subject to his renewal during the next Shareholders' Meeting to be held on April 24, 2019, Jean-Pierre Clamadieu, a member of the Board since 2012 and of the Compensation & Governance Committee since 2015, would be appointed for the duration of his mandate

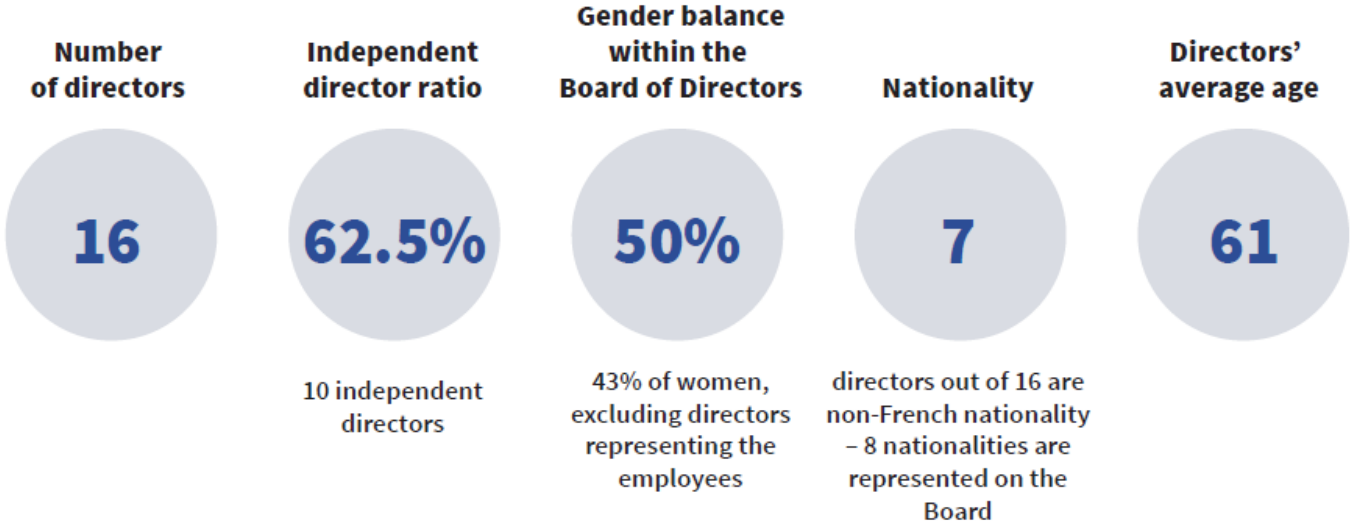
AXA's SID's responsibilities

- ✓ **Replace the Chairman** of the Board in case of incapacity
- ✓ **Review**, with the Chairman, the **agenda of every Board meeting**
- ✓ **Request the Chairman to convene the Board** on a **specific agenda**
- ✓ Support **regular dialogue** with the other directors and act as **spokesperson** towards the Chairman of the Board
- ✓ **Convene the Board members** without the presence of the Chairman and Executive Management
- ✓ Inform the Chairman and the Board of **potential conflicts of interests**
- ✓ **Chair the Compensation & Governance Committee**
- ✓ **Report** on his actions **to the Shareholders' Meeting**

Corporate Governance

Composition of the Board of Directors - Overview

On December 31, 2018



Corporate Governance

Board of Directors' diversity policy – Balanced and complementary composition in terms of gender and nationalities

Target: At least 40% of directors of each gender

➤ Gender balance at December 31, 2018



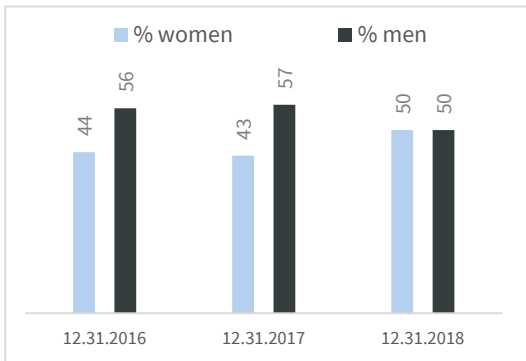
8 men



8 women

5 women joined the Board of Directors in 2018

➤ Gender balance over the last 3 years



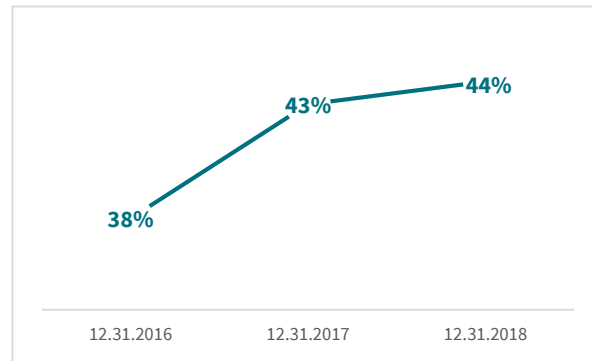
Target: At least 4 nationalities represented on the Board

➤ 8 nationalities currently represented on the Board



3 non-French nationals joined the Board of Directors in 2018

➤ Non-French directors over the last 3 years



Corporate Governance

Board of Directors' diversity policy – Independent directors

Target: At least 50% of independent directors

Independent directors:

In order to preserve a **well-balanced governance**, the Board ensures that **independent directors have a major role in all its Committees:**

- ✓ **each Committee is chaired by an independent director**
- ✓ **all members of the Audit Committee and the Compensation & Governance Committee are independent directors** (with the exception of the director representing the employees who sits on the Compensation & Governance Committee pursuant to the Afep-Medef recommendations)
- ✓ **AXA's corporate officers cannot be members of the Committees**

Employee representatives:

- ✓ Since 2004, one member of the Board of Directors is the **employee shareholder representative, appointed by shareholders** every four years from a list of candidates selected by the Group's employee shareholders, following an **internal selection process**
- ✓ In accordance with applicable regulations, **two new directors representing the employees** joined the Board of Directors in June 2018, one of which is a **member of the Compensation & Governance Committee pursuant to the Afep-Medef recommendations**

- ✓ At December 31, 2018, **10 out of 16 directors were independent**, i.e. **62.5%** of members of the Board of Directors
- ✓ The **Chief Executive Officer, the member of the Board representing the employee shareholders and the members of the Board representing the employees** (i.e. 4 directors), **are by definition not independent**

Corporate Governance

Board of Directors' diversity policy – Average tenure and age of directors

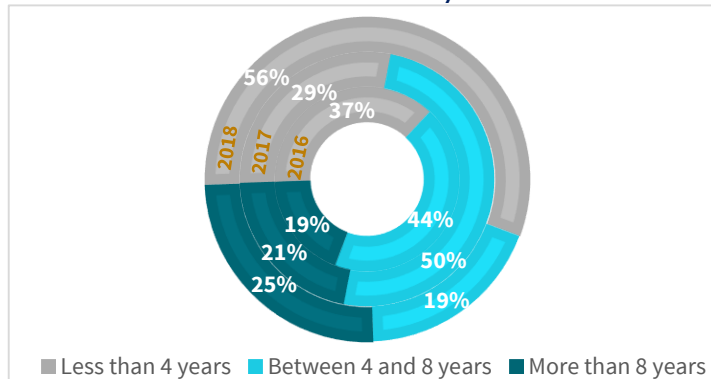
Target: Average tenure between 4 and 8 years

At December 31, 2018:

- ✓ Less than 4 years: 9 directors
- ✓ Between 4 and 8 years: 3 directors
- ✓ Between 8 and 12 years: 4 directors

=> Directors' average tenure: 5 years

➤ Directors' tenure over the last 3 years

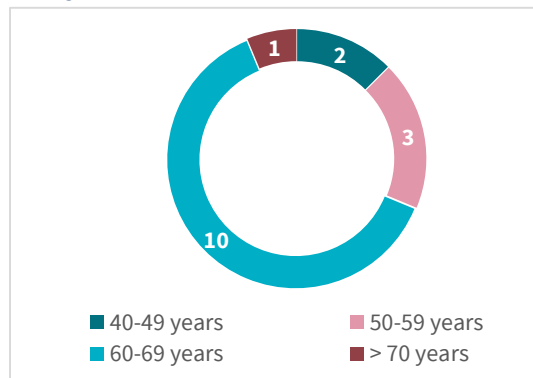


Target: No more than one-third of directors over the age of 70

At December 31, 2018:

- ✓ The **directors' average age** was 61 years old
- ✓ **1 out of 16 directors** is over the age of 70

➤ Age of directors



Corporate Governance

The Board of Directors and its Committees

Under French law, the Board determines the strategic orientations of the Company and ensures their implementation

3 Board Committees, each responsible for the review of specific matters defined in the Board's Terms of Reference



Board of Directors

Denis Duverne

Non-Executive Chairman of the Board

Audit Committee

Stefan Lippe *
Irene Dorner *
Angélien Kemna *
Ramon de Oliveira *
Elaine Sarsynski *

Compensation & Governance Committee

Jean-Martin Folz *
Jean-Pierre Clamadieu *
Bettina Cramm
André François-Poncet *

Finance Committee

Ramon de Oliveira *
André François-Poncet *
Stefan Lippe *
Doina Palici-Chehab

** Independent director*

Each Committee:

- ✓ **issues opinions, proposals or recommendations** to the Board on matters within the scope of its responsibilities (**no formal decision making power under French law**)
- ✓ **may request external consulting expertise** and **invite external participants** to attend its meetings
- ✓ is composed of **members with expertise in the relevant areas**

Corporate Governance

A committed Board of Directors

✓ Attendance

	Number of meetings in 2018	Attendance rate
Board of Directors	12	97%
Audit Committee	7	91%
Finance Committee	5	100%
Compensation & Governance Committee	7	100%

✓ Training

Several **training sessions** are organized by the Chairman of the Board and provided to new and existing members of the Board of Directors to familiarize them with the **Group's main activities and challenges**

During the last months, sessions were mainly focused on the General Data Protection Regulation (**GDPR**) and the presentation of **AXA XL activities**

Corporate Governance

Board of Directors' self-assessment (1/2)

- ✓ The Board of Directors conducts an **annual self-assessment** to review its composition, operating procedures and overall functioning
- ✓ Since 2013, this annual assessment has been **periodically carried out by an external consultant**

In 2018, the external consultant (SpencerStuart) collected **each of the individual director's input, views and suggestions on the Board work and its performance**

Each director's view on other members' contribution to the Board work was also collected:

- ✓ **reports on each director's personal contribution** were **shared only with the Chairman** who provided **individual feedback to each Board member during dedicated one-on-one meetings**
- ✓ **a report on the Chairman's personal contribution** was **transmitted to the Senior Independent Director** who **shared the results with the Chairman**

Corporate Governance

Board of Directors' self-assessment (2/2)

In December 2018, the Compensation & Governance Committee **reviewed in detail the results of the assessment** and **made recommendations** to the Board of Directors

Main conclusions:

The **functioning of the Board** has either **improved** or **remained unchanged at a high level** thanks to:

- ✓ the **maturity of its processes**, and
- ✓ the **efficiency of the team made of the Chairman and the Chief Executive Officer**

Main identified areas for improvements:

- ✓ **closely monitor the selection of future Board members** with the objective of (i) **appointing directors with predefined critical skills** (insurance and financial competencies, digital, technology, HR, marketing/branding skills) and (ii) **appointing an additional seasoned and active or former CEO of a large company**
- ✓ **reduce the number of directors** sitting on the Board
- ✓ maintain a **combined position of Senior Independent Director/Chairman of the Compensation & Governance Committee**
- ✓ **further develop the regular transmission by the CEO to the members of the Board of short information notes on insurance sector-related news** or public announcements made by the Company between Board meetings

Corporate Governance

Executive Management - Role, responsibilities and powers of AXA's CEO

Thomas Buberl – Chief Executive Officer



- ✓ The **CEO** is vested with the **broadest powers to act in all circumstances on behalf of the Company** and to **represent the Company** in its relationship **with third parties**
- ✓ The Board's Terms of Reference provide for specific **limitation of powers** of the CEO and require **prior Board approval** for:
 - ***Sales or acquisitions*** (over €500 million)
 - ***Financial operations*** that may ***substantially change the financial structure of the Company***
 - ***Significant operations out of the announced strategy***
- ✓ The CEO is **assisted on the operational management** of the Group by a **Management Committee** and a **Partners Group**

Corporate Governance

Executive Management - Leadership team



The **Management Committee**:

- ✓ is composed of **10 members**, including the **CEO** and **two Deputy CEOs** (*Directeurs Généraux Adjoints*) respectively acting as Group Chief Financial Officer and Group General Secretary
- ✓ **meets at least fortnightly**
- ✓ **discusses Group strategic, financial and operational matters**

The **Partners Group**:

- ✓ is composed of **approximately 30 senior executives from across the Group** (in addition to the 10 Management Committee members)
- ✓ **meets twice a year**
- ✓ **assists the CEO and the Management Committee to implement key strategic initiatives** in the context of “Ambition 2020” plan and **contributes to permanent strategic dialogue throughout the Group**

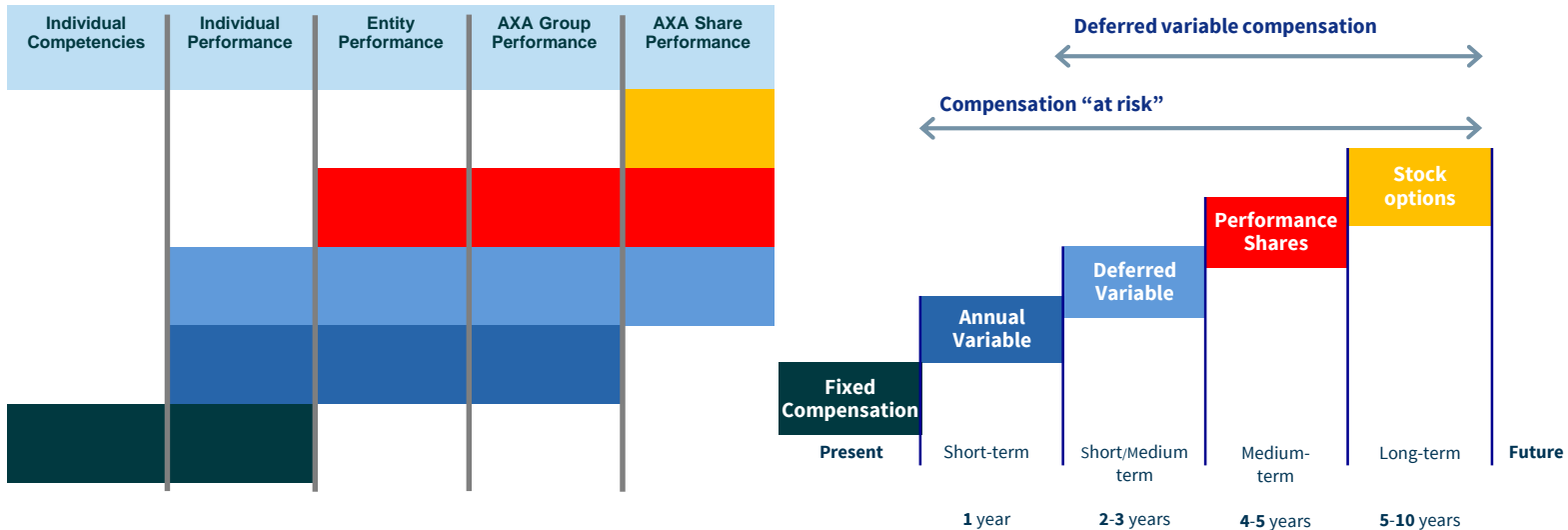


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Corporate Officers' Compensation

AXA's executive compensation policy

➔ AXA's global **executive compensation policy** is presented in the chart below:



AXA's executive compensation policy

Principles & purposes of AXA's compensation policy

- ➔ Designed to support the Group's long-term business strategy and to **align the interests of its management with those of its shareholders and all other stakeholders**:
 - ✓ **Close relation between performance and compensation** over the short, medium and long term
 - ✓ **Competitive offer** consistent with the various markets in which AXA operates
 - ✓ **Avoidance of any potential conflicts of interests** that may lead to undue risk-taking for short term gain
 - ✓ **Compliance** of the Company's practices **with all applicable regulatory requirements**
- ➔ Purposes of AXA's compensation policy:
 - ✓ **Attract, develop** and **motivate** critical skills and best talents
 - ✓ Drive **superior performance**
 - ✓ **Align compensation levels with business performance**

Compensation of AXA's CEO

Principles, structure and amount

- ➔ The CEO's compensation is based on a **pay-for-performance approach**:
 - ✓ Achievement of **challenging financial and operational targets aligned with the Group's strategy**
 - ✓ Promotion of **long-term sustainable performance**
 - ✓ Effective amount of compensation based on both **financial results and demonstrated individual leadership competencies**

- ➔ The **“at-risk” portion** of the CEO's total compensation (variable compensation and share-based compensation) represents a **significant component** (circa 70%) of his compensation structure

- ➔ The CEO's annual cash compensation target, set at **€2,900,000** by the Board of Directors at the time of Thomas Buberl's appointment, is composed of a:
 - ✓ **Fixed** annual compensation: **€1,450,000** and
 - ✓ Target **variable** compensation: **€1,450,000**

- ➔ **The amount and the structure** of the CEO's compensation remain **unchanged for 2019**

Compensation of AXA's CEO

Variable compensation – Group performance

- ➔ In 2018, the variable compensation of the CEO was based on the following two metrics: **Group performance** (50%) and **Individual performance** (50%)
- ➔ The determination of the actual amount of variable compensation to be paid to the Chief Executive Officer is based on the following formula: Variable compensation due = Variable target compensation * (Group Performance * Individual Performance)
- ➔ At the beginning of 2018, the Board of Directors decided that the **Group performance** would be assessed by **neutralizing the impact** of: (i) **M&A transactions in 2018** (including the **IPO of the US company AXA Equitable Holdings, Inc.** and **the XL Group acquisition**) and (ii) **share buy backs** in excess of volumes required to offset the dilution arising from annual equity grants to Group employees
- ➔ Given the very high Group performance score when neutralized by the above mentioned elements (137%), the Board of Directors, upon recommendation of its Compensation & Governance Committee, decided to also take into account the Group performance score including the two M&A transactions mentioned above (89%) and thus consider the **average of both Group performance scores, with and without neutralization**, to set the overall **Group performance score at 113%**

Compensation of AXA's CEO

Variable compensation – Individual performance

- ➔ The **individual performance** of the Chief Executive Officer is assessed on the basis of various indicators and **qualitative and quantifiable objectives** set by the Board of Directors through a written target letter drawn up at the beginning of each calendar year
- ➔ For 2018, this letter included detailed objectives about the **Group's progress in the elaboration of its strategic plan** as well as other performance indicators and objectives designed to **assess the level of achievement of global strategic initiatives** and/or relating to certain geographic areas, and the **evolution of certain investments contributing to the development of the Group's operations**:
 - ✓ Execution of the Initial Public Offering (IPO) of AXA Equitable Holdings, Inc. and implementation of strategic options for capital redeployment (20%) – (achievement rate: 125%)
 - ✓ Pursuance of the Ambition 2020 targets and the implementation of AXA's growth strategy (35%) – (achievement rate: 114%)
 - ✓ Acceleration of the Innovation strategy (20%) – (achievement rate: 75%)
 - ✓ Strengthening of the talent pipeline and development of the Group Senior Executive population (15%) – (achievement rate: 100%)
 - ✓ Strengthening of the internal control and IT security (10%) – (achievement rate: 100%)
- ➔ The Board of Directors, upon recommendation of its Compensation & Governance Committee, decided to set the **individual performance score at 105%**

Compensation of AXA's CEO

2018 Variable compensation

- ➔ The CEO's effective variable compensation may **not exceed 150% of his variable compensation target**, i.e. 150% of his annual fixed compensation
- ➔ **Deferral mechanism: 30% of the CEO's actual annual variable compensation will be deferred** over the course of 2 years and subject to the share price performance

Thomas Buberl (CEO)	Weighting	Achievement rate
Group Performance based on:	50%	113%*
– Underlying earnings per share	(55%)	(122%)*
– Adjusted return on equity	(15%)	(106%)*
– Gross revenues in Commercial P&C and Protection & Health	(15%)	(148%)*
– Net Promoter Score	(15%)	(51%)*
Individual Performance	50%	105%
<u>Global Performance</u>		119%

* Average of both performance scores with and without neutralization (cf. slide 23)

Compensation of AXA's CEO

Share-based compensation

- ➔ Annual grant of **Long Term Incentives** (LTI) to the CEO *i.e.* Stock Options (SO) and Performance Shares (PS)
- ➔ In **June 2018**, the CEO received **196,366 SO** (€229,748 - IFRS accounting valuation) and **112,211 PS** (€1,577,687 - IFRS accounting valuation). Next allocation to be decided by the Board in June 2019
- ➔ **Significant part of the CEO's compensation:** LTI allocations, added to the CEO's compensation in cash, should place his overall compensation between the median and the 3rd quartile of market references
- ➔ **Cap:** the number of LTIs (SO and PS) allocated to the Company's corporate officers may not exceed **10% of the total number of LTIs granted**
- ➔ Application of **demanding internal and external performance conditions** (*for PS¹: adjusted earnings per share, adjusted earnings, underlying earnings, CSR criterion, Total Shareholder Return, and for SO²: evolution of the share price at least equal to the European insurance sector index*): **no guarantee of any minimum gain**
- ➔ **Performance period: 3 years** (for PS) and **4 years** (for SO)

1. The same performance conditions will apply for the next grant of PS in June 2019

2. Management will propose to the Compensation & Governance Committee and the Board that, as of the next grant of SO (June 2019), SO vest only in case of over-performance of the share price against the European insurance sector index

Compensation of the Chairman of the Board of Directors

Structure and rationale

- ➔ The Chairman's annual compensation was set at **€1,200,000** by the Board of Directors at the time of his appointment
- ➔ **Compensation structure:**
 - ✓ Payment of a **sole fixed compensation**
 - ✓ The Chairman of the Board does **not benefit from any variable compensation**, any directors' fees or any options or performance shares, or any other long-term compensation elements
- ➔ **Rationale:**
 - ✓ **Extensive role** of the Chairman of the Board of Directors beyond the statutory duties of a Chairman under French law
 - ✓ Reliance on a **benchmark** carried out by an external advisory firm regarding compensation practices for **similar functions** within a sample of **CAC 40 companies** and within the **main European companies in the financial sector**
 - ✓ The Chairman **waived** for the duration of his term of office **the payment** of the benefits he was entitled to under the **supplementary pension scheme** (approximately €750,000 per year) - **without any retroactive payment**
- ➔ **The amount and the structure** of the Chairman's compensation remain **unchanged for 2019**



3

Corporate Responsibility

Using our expertise to build a stronger and safer society



*AXA's sustainability leadership is
founded on a **Corporate
Responsibility Strategy** activating four
priorities and two transversal core
topics.*

SRI / ESG market recognizes AXA as a sustainability leader...

AXA is the 1st insurer by number of Responsible Investment funds in its capital⁽¹⁾



2018: Sector Leader
1st / 49 insurance companies
Included in Euronext Vigeo indices



"A+" 2018 UN PRI Scorecard (focus
on Responsible Investment)



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



Score: **AAA**



2018: in Top 5%
Score: 79/100
Included in
DJSI Europe & DJSI World indexes

**Accounts for 10% of
AXA employee's
performance shares
attribution**



FTSE4Good

Included in the
FTSE4GOOD
index since 2008
Score: **4.0/5**

... This leadership is based upon AXA's Corporate Responsibility (CR) strategy focusing on 4 priorities and 2 transversal core topics...



Climate change and the environment

- ▶ First to apply **investment and underwriting restrictions** to coal and oil sands
- ▶ **Green investments** commitment
- ▶ Now exploring risks & opportunities related to **biodiversity loss**



Health and disease prevention

- ▶ Divesting from **tobacco** and stop providing insurance to tobacco manufacturers
- ▶ Become a **trusted health partner** for our customers and society
- ▶ Develop **prevention** with a priority of public health: the twin epidemics of obesity and type 2 diabetes



Social inequality and inclusion

- ▶ Investing in **Impact funds**
- ▶ Products and services accessibility to **more vulnerable populations**
- ▶ Fostering **philanthropy** for education and access to employment



Responsible Data and Artificial Intelligence

- ▶ Become a **trusted data steward**
- ▶ Develop thought leadership on the **ethical use of data and AI**
- ▶ **Giving data back** for common good

Employee engagement:



Diversity and Inclusion

... A CR Strategy co-built with high-level representatives of the Civil Society: the AXA Stakeholder Advisory Panel

- ➔ **Providing long term view on business issues and challenging strategy with a CR perspective**
- ➔ AXA's Stakeholder Advisory Panel was created in 2015. It is chaired by Group CEO, Thomas Buberl
- ➔ It gathers:
 - ➔ Senior and influential figures, representative, collectively, of AXA's stakeholder groups
 - ➔ AXA top-management and Board of Directors members
- ➔ The Panel addresses a balanced mix of business and ESG issues:
 - ➔ "Payer to Partner" business strategy
 - ➔ Divestment from coal, oil sands and tobacco
 - ➔ Open Data for Social Good
 - ➔ Future of Work

The Panel is composed of 6 permanent external members and meets twice a year





Climate Change and the Environment: What we stand for

Unsustainable business is un-insurable and un-investable



DIVESTMENT

4.5 billion € of divestments from carbon-intensive energy producers (coal, oil sands). First mainstream investor to act.



INVESTMENT

12 billion € of Green investments by 2020, twice as much as COP 21 / UN PRI-related recommendation.



UNDERWRITING

First insurer to ban covers (Property and Construction) for coal, oil sands and associated pipelines businesses.



RISK ANALYSIS

Disclose advanced climate risk analysis every year since 2016, in line with TCFD guidelines, spearheading financial and “warming potential” risk metrics.

AXA Research Fund: 40M€ to support climate-related academic research.



What about AXA XL?

AXA business restrictions will apply fully to AXA XL by 2020, representing an extra effort impacting **100 million €** of premiums and **660 million €** of assets.



Health and Disease Prevention: What we have achieved

Since 2016, AXA has supported a global tobacco-free momentum

Quitting tobacco in 2016...

2016

INVESTMENTS: €1,8 bn **divestment** from Tobacco manufacturers

INSURANCE: 1st insurer to stop providing insurance to tobacco manufacturers

...and fighting this global scourge

2017

On **World No Tobacco day**, AXA co-sponsored the first global investor statement with AMP Capital (Australia), CalPERS (USA), SCOR (France).

2018

AXA co-launched the **Tobacco-Free Finance Pledge** at the UN General Assembly. More than 150 signatories in the bank, insurance and asset management sectors



TOBACCO FREE
Portfolios



On-going initiatives

PREVENTION: “Stoptober” tobacco cessation campaigns in France and the UK

Development of health insurance products including services (coaching, reimbursement of nicotine substitute) to help smoking cessation



Responsible Data and Artificial Intelligence: What we have achieved

Since 2015, AXA's Data Privacy Advisory Panel challenges and supports the Group on Data Privacy matters

- Challenging AXA strategy and governance of AXA on data privacy and helping the Group to position itself in the public
- AXA's Data Privacy Advisory Panel was created in 2015.
- It gathers:
 - experts on privacy data, including academics, members of think tanks or former members of regulatory bodies
 - AXA top-management members, including Group Deputy CEO and General Secretary and Group COO
- 3 main topics are discussed:
 - Public policies, legislation and ethics
 - Concept of privacy-by-design and technological progress
 - Information technology, marketing and operational aspects

The Panel is composed of 8 permanent external members and meets twice a year





Responsible Data and Artificial Intelligence: What we have achieved

Fostering trust through responsible use of data

Becoming a trusted data steward

▪ Safeguarding customers data privacy – AXA has been among the first movers

- 2015 – AXA is one of the few companies which publicly declared it will not sell clients' personal data
- 2015 – Creation of AXA's Data Privacy Advisory Panel

▪ Addressing Big Data and Artificial Intelligence challenges


- Mobilizing internal and external expertise to keep a step ahead
 - The Data Privacy Advisory Panel has been repositioned as a Data Protection and Ethics Panel, addressing Big Data and Artificial Intelligence topics.
 - Leveraging the results of research supported by AXA Research Fund, a Research Guide dedicated to Artificial Intelligence, has been issued to fuel both internal and public debates.
- AXA is currently working on new commitments, ensuring that it will use AI in a fair and transparent manner.

Leveraging our data for good

AXA has also launched initiatives to share, on an anonymized basis, some of its data with customers, the general public and public authorities for common good purposes



Know your risks with 'Give Data Back'



<https://givedataback.axa>

Give Data Back

Statistical information on water damage and theft claims by neighborhood, showing frequency of incidents and average amount of damages.

Public access through a dedicated website in 6 European countries.



Road safety Hotspots in Mexico

AXA Mexico is developing an interface that allows to locate most dangerous traffic areas.

Government, academia, NGOs and society can access this information and design actions that improve road safety in the country.

Employee engagement: Promoting Diversity and Inclusion

Creating a working environment where individual differences are valued, and treated with respect and dignity

Four Main D&I Priorities...

Reaching Gender Parity

Commitment of 50% of women among top seniors leaders by 2023 (vs 32% today and 9% in 2009).

In 2018, We supported the UN Women's Empowerment Principles.

Pride in Bringing their all Selves to Work

In 2018, we expressed our support to the 'United Nations LGBTI Standards of Conduct For Business'.

Ability rather than Disability

In 2015, we signed the ILO Disability Business Charter.

The mix of generation

In some countries, we are managing up to 4 generations.

Relying on a Strong D&I Governance...

- ▶ The **Global D&I Advisory Council** (GDIAC) chaired by the CEO
- ▶ A D&I community with entities' representatives (**D&I Leads**) contributes on establishing a D&I strategic plan in line with local business priorities, working on common D&I projects and sharing good practices.

... and the engagement of our employees

- ▶ **Global Employee Resource Groups** (ERGs) are leveraged as a way to engage AXA's employees across the globe on various inclusion topics. They have grown in membership since their launch in 2014 (with over 2,700 members in total).
 - Allies@AXA_Pride, a group for LGBT allies (launched in 2014)
 - WoMen@AXA, a group for gender equality advocates (launched in 2014)
 - AXA Able, a group raising awareness on disability (launched in 2017)

Employee engagement: Embarking employees in our volunteering program

AXA Hearts In Action is a key lever to promote Corporate Responsibility

- AXA Hearts in Action, the Group's employee volunteering program, was founded in 1991.
- In 2019, AXA Hearts In Action strategy was aligned with the Corporate Responsibility pillars: social inclusion, environment, health, new technologies and solidarity. This strategy aims to:
 - Reinforce the fundamental elements of our DNA and demonstrate AXA's values through AXA HIA
 - Further develop AXA HIA as a lever to build internal engagement and a common group-wide culture across the globe

In France, **AXA GIE** volunteers coached refugees on their resume and their career plan to help them find a job

AXA Spain volunteers participated in a cleaning rivers and mountain campaign in 8 cities of Spain.



AXA Morocco organized 2 health caravans to provide medical consultations and distribute eye glasses to people in need .

Volunteers of AXA Philippines, packed meals for indigenous people and community in Cebu.



AXA
Hearts in Action

2018 key figures



34 K

AXA Volunteers



157 K

Volunteering hours
on workingtime*



€25.8 M

Cash donation

*Including 60,000 volunteering hours on the skill-based volunteering program implemented by AXA Atout Cœur France



Focus on **thematic initiatives** illustrating
how sustainability is embedded in AXA's
main business activities

Sustainable business: ESG integration into our investments

A comprehensive strategy leveraging three levers of Responsible Investment



CLIMATE CHANGE AND THE ENVIRONMENT

“ESG + CARBON” INTEGRATION

- Long-term ESG integration process: gradual and systematic integration of tangible ESG factors in AXA's investment mandates
- Euro 12Bn green investments target by 2020, exceeds recommendations from the UNPRI to dedicate 1% of AUMs to green
- Coal and oil sands divestment: Euro 4.5Bn total
- Member of the new Climate Finance Leadership Initiative (UN / Bloomberg)
- Co-chair of G20 Taskforce on Climate-Related Financial Disclosures (TCFD)
- Q2 2019: publication of our third TCFD / Climate report

BIODIVERSITY

- Launch new workstream to assess risks related to biodiversity loss



SECTOR GUIDELINES & EXCLUSIONS

- Current sector exclusions:
 - Coal-based energy production, coal mines, “new coal” developers.
 - Oil sands and associated pipelines
 - Tobacco
 - Controversial weapons
 - Palm oil production
 - Food commodity derivatives
- ESG Footprint Committee: ad-hoc exclusions and/or engagement for poorest ESG performers

Total divestments / restrictions,
including AXA XL AUMs and
business: **€7.15Bn and over €100M
premiums impacted**



IMPACT INVESTING

- Impact investment funds creating both financial returns and positive social or environmental impacts that are actively measured:
 - **Impact Fund 1:** inclusion, health, education (Euro 200 million)
 - **Impact Fund 2:** environmental & social resilience (Euro 150 million)
 - **PE fund:** Euro 155 million renewable energy managed by Ardian
- Impact KPIs examples (Fund 1): making available financial inclusion (micro loans and micro insurance) to 100 million beneficiaries; 23.6 million tonnes of CO2 emissions saved (Fund 2): help 2,1 million of students access education; save 8 Tones of food waste by promoting circular economy
- The funds support 10 out of the 17 UN Sustainable Development Goals

Sustainable business: Providing **insurance** to the middle class of tomorrow

Emerging customers: reinventing insurance to cover 70% of the population in emerging countries

Our vision

Accompany customers in their economic transition and prevent them from slipping back into poverty



9.3m

Customers insured
at end 2018
& development of
signature products:

Migrant workers

Remittance-linked insurance for migrant workers and their families at home

Digital Health

Call-a-doctor and other mobile health services bundled with health insurance

Women

Products for women as entrepreneurs and decision-makers for the holistic protection of the family

3bn
people

Low-to-middle income
customers in
developing
countries...

More than
\$15tr
By 2020

... increasingly
contributing to
the **world's**
consumption...

72%
By 2025

... and with
unprecedented
access to
affordable
smartphones.

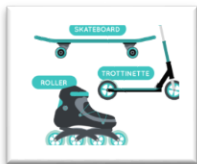
Sustainable business: Raising awareness on **prevention** via a major French non-profit

AXA Prévention, a key risk prevention partner in France

A risk “observatory” serving as a source of expertise and launching large-scaled risk prevention campaigns in France

- AXA France’s “**risk observatory**” has become a reference information source for the media and road safety players
- Topics include: **Road safety, Health, Daily life accidents, Natural catastrophes, Cyber risks**
- **12 million people** reached each year through risk prevention awareness campaigns

New mobility, new risks



Awareness campaign about new mobilities to prevent risks for the users on the road & for the pedestrians on the sidewalk

20,000 high visibility kits aimed at kids & seniors for pedestrian safety



Free online « road diagnostics » provided to over **1,500 companies**.

Developing a prevention culture with new services on **axaprevention.fr**



- **Consciencia**, a test to identify his risk profile on the road, at home, on the web...: **1,200 tests completed**
- **Intox Detox**, a new factchecking service to verify if health allegations circulating over the Internet are true or false : **232 answers**

Digital risks



- The « Internet License » for primary school children in partnership with public authorities (police etc.)

Almost 2 million children and more than 3 million parents sensibilized

Thought leadership: Funding academic research through a dedicated philanthropic vehicle, the AXA Research Fund

597
Research projects supported

36
countries

189 million € committed



AXA
Research Fund

Support is granted to research projects in the following fields:



Climate and Environment
(Climate Change, Biodiversity,
Natural catastrophes, Energy transition etc.)



Socio-economical
(inclusive finance, behavioral
economics, systemic risk etc.)



Health
(longevity, pandemics, medical
information, healthcare systems...)



Data and New Technologies
(AI, Cyber risk, robotics etc.)

- The AXA Research Fund, created in 2007, is AXA's scientific philanthropy initiative dedicated to support scientific discoveries that contribute to societal progress. It also encourages researchers to engage with the general public and feed the public debate.
- **The awarding of grants** is based on strict academic criteria, following a transparent and rigorous selection process, which is overseen by a Scientific Board mainly composed of top-class senior researchers
- **Supporting research dissemination goes beyond funding:** AXA uses its corporate networks and communication resources to help selected scientists go one step further in sharing their knowledge with a broader audience, empowering them to actively nurture public debate on risks faced by our societies.