



## One Planet Summit –CEO speech

### “Unsustainable business is un-investable and un-insurable business”

Dear Minister Bruno Le Maire, dear Commissioner Dombrovskis, thank you for inviting me to this truly historic event. I will take a few minutes to explain my vision as CEO of the AXA Group, a global insurance company, tell you what we have achieved so far, and why we want to go a step further.

#### **Now, where do we come from?**

- Two years ago, we said that a **“4°C” world was not insurable**. We also said that investors and insurers have a key role to play in the fight against climate change.
- We proved it through strong action:
  - We were the first global investor to initiate **divestment from coal**, the most carbon intensive form of energy.
  - We were also the first to **phase out the insurance coverage** of coal clients.
  - We also adopted ambitious **green investments** targets.
- Ahead of COP21, we signaled that **climate finance is a complex issue, but it can nonetheless be tackled**.
- This helped us overcome *paralysis by analysis* and helped others shift into **“action” mode**.
- Today we want to accelerate even further. Today I am glad to set a new ambition by announcing four new developments regarding
  - Investments
  - divestments
  - insurance business
  - and collective actions we can all partake in.

#### **For one, we will quadruple our green investments compared to our previous target.**

- In 2015, we committed to reach 3 billion euros in green investments by 2020. We have already reached that target.
- We have decided to set the bar higher and now want to reach **12Bn€ in green investments by 2020**, quadrupling our previous target.
- This far exceeds the recent recommendations by **Christiana Figueres**, one of the main architects of the COP21, to dedicate 1% of institutional investments to green. We heard her call and decided to meet the challenge. We actually double it to 2%.



## **Second, we will significantly ramp up our coal divestment effort**

- In 2015, we divested 500M€ from the coal industry, by targeting companies which derive over 50% of their revenues from coal.
- Today, we want to **expand our divestment five-fold, to reach 2.4Bn€.**
- This new divestment is based on the **Global Coal Exit List**, a new NGO tool using 3 criteria:
  - We divest from companies that derive over 30% of their business from coal.
  - This captures long term financial risks. But **we must not only ask if climate change harms our investments: we must also make sure our investments do not harm the climate.**
  - This is why we also divest from companies mining significant amounts of coal, and those building hundreds of new coal plants that are **locking countries into coal for the next 40 years.** In a nutshell: **AXA will not invest in new coal.**
  - This new approach captures “real” climate impact, **beyond pure financial risks.**
- But we don’t stop there. We will also phase out our investments in the main **oil sands producers and associated pipelines**, which represent an extra **divestment of over 700M€.**
- Why oil sands? Because just like coal, they are an extremely carbon-intensive form of energy. They also raise human rights concerns.

## **Thirdly, insurance, our main business**

- We will stop insuring new coal construction projects, whatever the client, whatever the region. Like I said, **AXA stands for “No new coal”.**
- Similarly, we will stop insuring the oil sands producers and pipeline businesses.
- It makes no sense to commercially support industries that we have divested from. We reconcile the insurance and investment sides of our business. It is the right thing to do, **both from a climate and a business point of view.**

## **Finally, we play collectively:**

- By supporting the Task Force on Climate-related Financial Disclosures and leading the High Level Expert Group on Sustainable Finance. They help **re-write the rules positively** - together with Marc Carney and Commissioner Dombrovskis.
- And most importantly by **practicing what we preach:** we will implement the TCFD guidelines in our upcoming Annual Financial Report. The work required is not easy, but the hardest part is making the first step.

## **Let me just just say a few words of conclusion**

- We all know climate change requires global collective action. This can be done through collaborations and partnerships, but it can also be done through **leadership by example.**



- Ultimately, our commitment today is to strive to align our business and our investments with the “2°C” trajectory that **science and the Paris Agreement are calling for.**
- Rather than seeing climate change only as a burden, we should reframe it as an opportunity to rise to **a challenge that is worthy of our best efforts.**
- Efforts that are:
  - tangible,
  - comprehensive,
  - replicable,
  - and verifiable.
- As a professional, but also as a father, I am like all of you here today: **I don’t want a 4-degree world – and I believe that it is our duty to stop supporting unsustainable business.**
- Instead of supporting the past, let’s invest in a future that is **well below 2°C.**