



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.**