4 SUSTAINABILITY SNFP

4.1 AXA GROUP'S SUSTAINABILITY STRATEGY

This chapter describes the sustainability strategy implemented by AXA Group and includes the extra-financial performance statement that AXA Group publishes in accordance with the provisions of the European Union (EU) Directive 2014/95 related to extra-financial reporting (the "**NFRD**") [(1)] and French law [(2)]. This statement includes the AXA Group's business model and information on its principal extra-financial risks ("sustainability risks") related to environmental, employer responsibility, society, human rights, and tax development strategy implemented by the AXA Group. For more information on the risks to which the Group is exposed, please refer to Section 5.1 "Risk factors" of this Annual Report.

Further detailed information on the AXA Group's sustainability policies and practices is also available in the "Integrated Report", AXA SA's annual "Climate & Biodiversity Report", the online "Group Human Capital Report" [(3)] and on the AXA Group's website (www.axa.com), in the section entitled "Commitments".

In this Section 4 of the Annual Report, unless provided otherwise, "ESG" and "sustainability", as used in the context of describing criteria, risks, or objectives, refer to Environmental, Social and Governance matters.

Sustainability is also an increasingly regulated area: AXA Group is currently working on the implementation of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022, as regards corporate sustainability reporting (the "**CSRD**"), which is applicable to financial years starting on or after January 1, 2024. It requires AXA Group to disclose for the first time in 2025, with respect to the financial year ending on December 31, 2024, the impacts, risks and opportunities in relation to Environmental, Social and Governance sustainability matters that are material to the Group's activities and operations. Thus, AXA Group is in the process of carrying out a double-materiality assessment of the risks and opportunities (*i.e.*, outside-in perspective) and its positive and negative impacts (*i.e.*, inside-out perspective) based on the European Sustainability Reporting Standards (the **"ESRS"** [(4)]).

The results of this assessment will be disclosed in the 2024 Annual Report (for the fiscal year ending December 31, 2024) to be published in compliance with the CSRD.

AXA Group's purpose entails sustainable value creation

Sustainability is considered both as a risk and an opportunity for AXA Group: it allows AXA Group to take steps to reduce social and environmental risks, while at the same time, opening market opportunities in emerging business segments and helping drive innovation.

AXA Group's purpose ***"Act for human progress by protecting what matters"***, which was announced in June 2020, highlights the creation of sustainable value for the environment and for society thanks to several factors: the Group's ability to invest in the global economy and to provide protection services to individual and corporate customers, its expertise in improving resilience against risks, but also the responsible management of its different stakeholders' interests. By leveraging its understanding of risks to help better protect the basic needs of individuals and communities (environmental protection, access to healthcare, prosperity, and quality of life), AXA Group's goal is to enable these individuals and communities to progress.

(1) Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014, amending Directive 2013/34/EU as regards disclosure of non-financial information and information relating to diversity by certain large companies and groups.

(2) Articles L.225-102-1, R.225-104 to R.225-105-2, L. 22-10-36, R. 22-10-29 and A. 225-1 to A. 225-4 of the French Commercial Code.

(3) No information, documents or items contained in AXA Group's "Integrated Report", or the Group "Human Capital Social Data Report", or AXA Group's "Climate & Biodiversity Report", or available on the Company's website in connection therewith, is incorporated by reference in this Annual Report.

(4) Commission Delegated Regulation (EU) 2023/2772 of July 31, 2023, supplementing Directive 2013/34/UE of the European Parliament and of the Council as regards sustainability reporting standards.

AXA Group is also committed to being:

- **a responsible employer** by creating a workplace that fosters diversity and equal opportunity for all, promotes engagement, encourages professional development, and supports employee well-being;
- **an inclusive and purpose driven employer** with the implementation of a flexible "*Smart Working*" policy for its global workforce and the launch of a global employee well-being program focused on both physical and mental health.

For more information on AXA Group's business model, please refer to the Section "Certain preliminary information about this Annual Report".

Preparing AXA's next chapter on sustainability

SUSTAINABILITY STRATEGY

In 2021, AXA Group started a new strategic cycle, with the plan *"Driving Progress 2023".* Recognizing the fundamental importance of ESG for the Group's business and its customers, the Management Committee dedicated for the first time a pillar of the strategic plan to the Group's ESG ambition: *"Sustain our Climate leadership position"* – please refer to Section "Certain preliminary information about this Annual Report".

The Group's sustainability strategy aimed to fulfill two main goals: to act against climate change and to develop health and protection activities as an inclusive insurer.

On February 22, 2024, AXA Group presented the main priorities of its new strategic plan "Unlock the Future" [1], which integrated climate and inclusion challenges. In line with its purpose, AXA remains firmly committed to help building a resilient society by putting at the core of its strategy financial inclusion and climate transition. As an integral part of the strategic plan, AXA Group will expand on the next chapter of its sustainability strategy in the second quarter of 2024.

"*AXA FOR PROGRESS INDEX*": MEASURING THE IMPACT OF OUR PURPOSE

AXA Group has implemented a set of strategic key performance indicators (KPIs) to measure and track its progress: the *"AXA for Progress Index".* Launched in April 2021 during the Annual Shareholders' Meeting, the "*AXA for Progress Index*" is a set of seven commitments, translated into targets and shared across the Group to further embed sustainable development in its activities: as an investor, as an insurer and as an exemplary company. In 2022, AXA Group announced its targets for the insurance pillar of the *"AXA for Progress Index"* (please refer to Section 4.3 "Climate change and biodiversity loss" and Section 4.4 "Inclusive insurer"). In 2023, the Group focused its efforts on delivering on the current *"AXA for Progress Index"* and designing the next edition of its strategic KPIs.

(1) *https://www.axa.com/en/press/events/2023-full-year-earnings*

AXA for Progress Index

As an **Investor**	As an **Insurer**	As an **Exemplary company**
Reduce the carbon intensity of the Group's portfolio (General Account assets) by 20% by 2025 [a] **Increase the Group's Green investments** to reach €26 billion by 2023 [b]	**Increase premiums on green insurance products** to €1.3 billion by 2023 [c] **Increase the number of customers covered by an inclusive protection** to 12 million by 2023 [d]	**Lead transformation by people:** upskill the Group's employees in climate issues by 2023 [e] **Achieve carbon neutrality:** reduce the carbon footprint of the Group's own operations (energy, car fleet, business travel, digital) by 20 % by 2025 & offset the residual emissions [f]

A transversal consolidated indicator: Group's S&P Global Corporate Sustainability Assessment (CSA) percentile ranking (95th-99th percentile) [g]

(a) Variation of the EVIC-based carbon intensity (Scope 1 ans 2) of AXA Group's General Account assets (scope: listed corporate debt and equities; and real estate equity assets where possible) between FY2019 and FY2025. Refer to Section 4.3 "Climate change and biodiversity loss".

(b) Scope: green bonds, infrastructure debt & equity, impact investments, real estate, and commercial real estate loans of AXA Group General Account assets. Refer to Section 4.3 "Climate change and biodiversity loss".

(c) Scope: Gross Written Premiums for Green Business offerings. Based on the strong performance in 2022, AXA Group decided to increase its ambition and set a floor at €1.7bn for 2023. Refer to Section 4.3 "Climate change and biodiversity loss".

(d) Number of customers covered by AXA Group's Inclusive Protection program: number of policies-in-force of products in scope of the Inclusive Protection program as defined in Section 4.4 "Inclusive insurer". The data is collected annually from AXA entities which have 'opted in' the Inclusive Protection program. See Section 4.7 " Transversal information" for the methodological definition of KPI.

(e) Share of permanent employees within the SDR (Social Data Reporting) scope who have been trained in climate issues, completing the AXA Climate Academy or with a similar local initiative, excluding new joiners and long absences (according to local management rules). Refer to Section 4.2 "Employer Responsibility".

(f) Variation of AXA Group carbon emissions (scope: energy, car fleet, business travel & IT equipment and services) between FY2019 and FY2025. Historical numbers have been restated compared to past publications. Refer to Section 4.3 "Climate change and biodiversity loss".

(g) The S&P Global Corporate Sustainability Assessment (S&P CSA) enables companies to benchmark their performance on a wide range of industry-specific economic, environmental and social criteria which are relevant both to the sustainability focused investors and to corporate success.

Note: the definitions are available in Section 4.7 " Transversal information".

The results of the seven commitments within the "*AXA for Progress Index*" are published annually since 2021.

Commitments	Unit	Result 2023	Result 2022	Result 2021	Result 2020	Result 2019	Target	Timeline
Reduce the carbon intensity of AXA Group's portfolio (General Account assets) [(a)]	tCO_2 eq/EVIC m€	34.2	41.5	46.9	59.8	65.3	52.2	2019-2025
	Variation against 2019 baseline in %	-48%	-36%	-29%	n/a	n/a	-20%	
Increase AXA Group's Green investments [(b)]	€ billion	29.9	25.1	22.6	16.1	11.7	26.0	2023
Strengthen the share of insurance products with a positive impact on the environment through the guarantees or services offered [(c)]	€ billion in premiums	2	1.7	1.4	1.1	n/a	1.3	2023
Promote inclusive insurance for vulnerable populations [(d)]	Million customers	14	11	10.6	7	n/a	12	2023
Lead transformation by people: upskill employees on climate [(e)]	Share of current employees	96%	87%	13%	n/a	n/a	100%	2023
Reduce the carbon footprint of AXA Group's own operations (energy, car fleet, business travel, digital) and offset the residual emissions [(f)]	tCO_2 eq	150,458	126,436	98,949	126,545	228,295	173,229	2019-2025
	Variation against 2019 baseline in %	-34%	-45%	-57%	-45%	n/a	-20%	
S&P Global Corporate Sustainability Assessment (CSA) [(g)]	Percentile ranking in CSA	98th	100th	97th	99th	97th	95th-99th	Annually

n/a: not available.
All footnotes are described on previous page.

ESG CRITERIA IN COMPENSATION PACKAGES

AXA Group has reinforced over time the integration of ESG criteria in the performance assessment of short-term and long-term compensation packages of its employees, which include metrics derived from the *"AXA for Progress Index"*.

For more details, please refer to Section 3.2 "Executive compensation and share ownership" of this Annual Report.

AXA Group's contribution to the Sustainable Development Goals of the United Nations

In 2018, the Group developed a strategic framework to identify its commitments to the UN Sustainable Development Goals (17 SDGs – see https://sdgs.un.org) based on its risk analysis expertise. In 2019, the Group aligned its sustainability strategic objectives with the 8 main SDGs with respect to which the Group's initiatives have a significant impact (approved as part of the 2021-2023 Group sustainability strategy).

AXA Group's sustainability strategy contributes significantly to the 8 following SDGs:

Climate and environment	SDG No.13 – Climate Action	As described in Section 4.3 "Climate change and biodiversity loss", AXA Group is incorporating climate change measures into its policies, strategies, and planning (SDG 13.2). Through the nature of its insurance activities, AXA Group contributes to strengthen resilience and adaptive capacities in the face of climate hazards and climate-related natural disasters (SDG 13.1). As a risk expert, AXA Group is active in improving education, awareness, and individual and institutional capacities regarding climate change adaptation, mitigation, and early warning systems (SDG 13.3). By training 96% of AXA employees on climate via the AXA Climate Academy, AXA Group has reinforced the contribution to this goal (please refer to Section 4.2 "Employer Responsibility"). In 2023, AXA Group announced new decarbonization targets [(a)] for its most material underwriting commercial and retail motor portfolios, in addition to its investment targets, to contribute to the global economic climate transition.
	SDG No.14 – Life below water	Since 2019, AXA Group has initiated actions to better take biodiversity into account. The Ocean Risk Initiative developed by its subsidiary AXA XL contributes directly to manage and protect marine and coastal ecosystems on a sustainable basis (SDG 14.2) and minimize ocean acidification and combat its effects (SDG 14.3). By adhering to the UNEP FI-Oceana Insurance Industry Statement and the Poseidon Principles for Marine Insurance (PPMI), AXA Group also contributes to effectively regulate fishing, put an end to overfishing and illegal fishing (SDG 14.4). Since 2022, AXA chairs the Board of Ocean Risk and Resilience Action Alliance (ORRAA), an initiative to bring together finance and insurance sectors with governments and NGOs to address marine risks and opportunities. From 2023 to 2024, AXA Group will support the TARA Ocean Foundation on its expedition "Tara Europa", an innovative research program aiming at understanding the impact of human activities on the biodiversity of European coastal ecosystems (please refer to Section 4.4 "Inclusive Insurer")
	SDG No.15 – Life on land	The participation in the Taskforce on Nature-related Financial Disclosures (TNFD) supports AXA Group's contribution to "mobilize financial resources from all sources and significantly increase them to preserve biodiversity and ecosystems" (SGD 15.a). Since 2021, AXA Group continues to strengthen its contribution to SDG 15, notably through a €1.5 billion target of investments in forests and the creation of the Natural Capital Fund managed by AXA Investment Managers (AXA IM) (please refer to Section 4.3 "Climate change and biodiversity loss"). In addition, AXA IM is actively involved in collaborative engagement initiatives to advance nature and biodiversity topics, such as Nature Action 100, FAIRR, and ChemSec. In 2022, AXA Group initiated the "AXA Forests for Good" project which aims at restoring damaged forests' ecosystems to make them more resilient to climate change and a better host for biodiversity (please refer to Section 4.4 "Inclusive Insurer" for more details).
	SDG No.7 – Affordable and clean energy	To support the development of renewable energy, AXA Group signed a Virtual Power Purchase Agreement (VPPA) [(b)] with the integrated energy company IGNIS, directly contributing to increase the share of renewable energy in the global energy mix from 2025 to 2035 (SDG 7.2). As part of the agreement, AXA Group undertakes to purchase 90% of the renewable electricity produced by a future solar power plant in Spain. This is equivalent to the annual electricity consumption of the buildings and data centers of the Group's European entities.

(a) Refer to https://www.axa.com/en/commitments/axa-net-zero-strategy-for-investment-and-underwriting
(b) Refer to AXA commits to the development of renewable energies in Europe: https://www.axa.com/en/press/press-releases/axa-commits-to-the-development-of-renewable-energy-in-europe

	SDG No.1 – No poverty	AXA Hearts in Action volunteers provide assistance to people living in extreme poverty (SDG 1.1 and 1.2). These actions are described in Section 4.4 "Inclusive insurer". During the 2023 *AXA Week for Good*, teams across the world participated in a global challenge to produce sanitary kits for women in difficult conditions. In 2023, AXA Group provided support to people in need, notably refugees from Ukraine and people affected by the earthquakes in Türkiye, Syria, and Morocco.
	SDG No.3 – Good health and well-being	AXA Group's initiatives to disengage from the tobacco manufacturing industry in its investment and insurance activities (refer to Section 4.4 "Inclusive insurer") are in line with the objective of implementing the WHO Framework Convention on Tobacco Control. In addition, AXA Group's Health initiatives are strongly focused on the prevention of non-communicable diseases. In 2023, AXA Group continued to facilitate access to healthcare for underserved populations in emerging and mature markets, following the €300 million commitment to finance a Global Health investment strategy in 2021. With its new "*We Care*" program, AXA also enhanced its health and wellbeing offer for employees (please refer to Section 4.2 "Employer Responsibility").
Social inequalities and inclusion	SDG No.5 – Gender equality	For many years now, AXA Group has been pursuing a proactive inclusion and diversity policy (described in Section 4.2 "Employer Responsibility"): ending discrimination against women and girls (SDG 5.1), guaranteeing the equal participation of women in management positions (SDG 5.5). The initiative "Women in Insurance" (described in Section 4.4 "Inclusive insurer") constitutes the "business" component of the program, providing women with adapted financial protection solutions. In 2023, AXA launched its Guide to "Women in Insurance" "It's a Woman's World" [c], focused on the key risks faced by women and what AXA entities around the world are doing to support women. Under the new brand promise "*Why should the future be a risk?*", AXA launched a dedicated campaign around the concept that "*Being a woman should not be a risk*" to empower women to take care of their health and business endeavor.
	SDG n°10 – Reduced Inequalities	As a responsible and inclusive employer, AXA Group is committed to ensure a living wage to all its employees worldwide by engaging with the Fair Wage Network and has signed the B4IG pledge as part of the UN Global Compact "*Forward Faster*" initiative (refer to Section 4.2 "Employer Responsibility"). AXA Group philanthropy partnerships and AXA Hearts in Action activities also contribute to the reduction of inequalities. These actions are described in Section 4.4 "Inclusive insurer". AXA Group strives to make insurance accessible to all, namely through initiatives such as the Inclusive Protection program aimed at empowering all people and promote their social, economic, and political integration, regardless of age, gender, disability, race, ethnicity, origin, religion or economic or other status (SDG 10.2) (refer to Section 4.4 "Inclusive insurer"). AXA Investment Managers is part of the *Just Transition* collaborative engagement initiative and has endorsed *Advance*, an initiative by the UN Principles of Responsible Investment to promote the integration of Human Rights into stewardship activities.

(c) https://www.axa.com/fr/presse/publications/it-s-a-woman-s-world-fr

Sustainability governance and Stakeholder dialogue

The AXA Group has established a dedicated governance framework described below in order to develop and implement its sustainability strategy.

In this context, the Board of Directors of AXA and its Committees play a major role by reviewing sustainability matters, including the Group's sustainability strategy and disclosures.

AT THE LEVEL OF THE AXA BOARD OF DIRECTORS AND ITS COMMITTEES

In 2022, the Board of Directors undertook a comprehensive review of its governance on sustainability matters to clarify the duties of each Committee and ensure regular inclusion of sustainability matters on the meeting agendas of the Board of Directors and its Committees. In this context, the Board of Directors decided to update the Board's Terms of Reference, rename the "Compensation & Governance Committee" the "Compensation, Governance & Sustainability Committee" in order to emphasize its leading role on sustainability matters, and specify each Committee's duties in respect of these matters.

More specifically:

- **the Compensation, Governance & Sustainability Committee** reviews, at least once a year, the Group's sustainability strategy as well as material sustainability-related commitments disclosed publicly and reports to the Board of Directors in this regard;
- **the Audit Committee** monitors the process for the preparation and control of the Group's extra-financial information, reviews the Group's extra-financial performance statement and the Climate & Biodiversity Report and considers and makes a recommendation to the Board regarding the appointment, reappointment, dismissal or resignation of the auditor(s) in charge of certifying sustainability-related information; and
- **the Finance & Risk Committee** reviews the Group's risk appetite framework for extra-financial exposures as well as its responsible investment policy.

In 2023, the Group's sustainability strategy (including its climate strategy and the measures, action plans and timeframes to implement such strategy) was reviewed and discussed during several meetings of the Board and the Compensation, Governance & Sustainability Committee before being formally approved by the Board of Directors, upon recommendation from its Compensation, Governance & Sustainability Committee.

For further information on the AXA Group's governance on sustainability matters, please refer to the Board of Directors and Audit Committee Terms of Reference, which are available on the AXA Group's website (https://www.axa.com/en/about-us/board-of-directors and https://www.axa.com/en/about-us/audit-committee), as well as Section 3.1 "corporate governance structure" of this Annual Report.

AT THE EXECUTIVE LEVEL

At the executive level, the **Management Committee** oversees material sustainability-related initiatives across the Group.

The Management Committee is supported by the **"Role in Society Steering Committee" (RISSC)**. The RISSC is charged with developing and overseeing the operational implementation of the Group's sustainability strategy and reviewing material sustainability-related issues faced by the Group as well as monitoring material sustainability-related initiatives across the Group. The RISSC meets monthly and is co-chaired by the Group Chief Underwriting Officer, Group Chief Investment Officer, and Group Chief Communication, Brand and Sustainability Officer. The RISSC reports back to the Group Management Committee on a regular basis concerning material sustainability-related decisions taken or to be taken and issues considered in respect of which Management Committee guidance and/or decisions are needed.

Furthermore, the **Audit Risk and Compliance Committee (ARCC)** is charged with reviewing all material audit, risk (including sustainability-related risks) and compliance issues faced by the Group. The ARCC also reviews mandatory sustainability reporting (including this Chapter 4). The ARCC meets monthly and is chaired by the Group General Counsel, and reports back to the Group Management Committee on a regular basis on such topics. For more information, please refer to Section 5.2 "Internal control and Risk Management" of this Annual Report.

The RISSC and the ARCC report regularly to the Board on material topics of this nature.

The RISSC is supported by the **"Responsible Investment Committee" (RIC)** and the "**Group Underwriting Committee**" **(GUC)** in respect of the Group's sustainable investment and sustainable underwriting strategies respectively. For more information, please refer to Section 4.3 "Climate change and biodiversity loss" of this Annual Report.

In addition, the Group's sustainability strategy and sustainability-related initiatives are presented at least once a year to the Group's social partners.

Across the local entities, a network of sustainability executives oversees the implementation of the sustainability strategy and promotes best practices.

RELATIONSHIP WITH STAKEHOLDERS

The Group also maintains a regular dialogue with shareholders and other stakeholders such as NGOs through meetings or responses to requests (*e.g.,* questionnaires). At the 2023 annual Shareholders' Meeting, AXA Group held a roundtable discussion with four members of the Group's Management Committee on climate issues, the sharing of value created by the Company and investment in the real economy, enabling the Group to explain the main actions and commitments in these areas.

In addition, AXA Group participates in more than 50 coalitions, working groups and pledges, gathering both NGOs and public authorities, around climate change and biodiversity loss, as well as inclusion themes (please refer to Section 4.3 "Climate change and biodiversity loss" and Section 4.4 "Inclusive insurer" of this Annual Report). External stakeholders are also regularly invited to dialogue sessions with the members of the different governance bodies described above. These numerous exchanges enable the Group to integrate major and emerging issues into its strategy.

Sustainability risk assessment

AXA Group has conducted an internal risk assessment to identify its main sustainability risks, in accordance with the **NFRD**.

Furthermore, in connection with the future application of the **CSRD** mentioned above, AXA Group is in the process of carrying out a double-materiality assessment of the financial risks and opportunities (*i.e.*, outside-in perspective) and its positive and negative impacts (*i.e.*, inside-out perspective) based on the **ESRS** for each of the sustainability topics assessed.

For further information about the CSRD, please refer to Section 7.3 "General information - Climate and sustainable finance-related regulatory initiatives" of this Annual Report.

SUSTAINABILITY RISK ASSESSMENT METHODOLOGY

The sustainability risk assessment is updated every year.

For the purpose of the sustainability risk assessment performed in 2023, the approach was led by the Group sustainability team and supported by other relevant departments in order to identify non-financial ESG risks and assess their materiality.

First, risk factors for each area related to sustainability (governance, responsible employer, climate change and biodiversity loss, inclusive insurer and business behavior) are identified, based on sustainability risks studied in prior years and the 2023 Future Risks Report, which outlines major trends on the risk landscape for society at large.

Second, those risks are cross-referenced with the AXA Group Operational Risk Profile (for more information please refer to Section 5.7 "Operational risks") and compared against the S&P Global Corporate Sustainability Assessment (the "S&P CSA").

The S&P CSA provides scores, which are among the key factors considered for determining eligibility of companies for potential inclusion in the ESG Indices. It applies a best-in-class approach for each of the 62 industries that are covered through detailed assessments that contain a mix of cross-industry and industry-specific questions.

Following this comparison, these risks are internally assessed by an expert panel, identified based on their knowledge of specific sustainability risks. The assessment is conducted, using the AXA Group Operational Risks guidelines, to analyze and rate the risks based on three criteria: severity, frequency and impact on interests and expectations of stakeholders. Each expert is asked to rate the risk(s) related to his or her expertise.

After the risks are assessed by the expert panel, cross-sectoral experts, identified based on their transversal knowledge of the extra-financial risk universe, are utilized to assess the relevance of those ratings during the first stage. In that aim, they are asked to rate all the risks, using the same three criteria (severity, frequency and impact on interests and expectations of stakeholders) and the same scales.

During these two steps, the experts are able to take into account the interests and expectations of our stakeholders thanks to regular dialogue between them, notably through the more than 50 coalitions, working groups and pledges gathering both NGOs and public authorities, as described in Section 4.1 "AXA Group's sustainability strategy - Sustainability governance and Stakeholder dialogue". In addition, some experts are in regular contact with investors, journalists and extra-financial ratings agencies.

Following these two steps, a rating is calculated representing, for each risk, the overall materiality (considering the ratings on severity and frequency) and the overall impact on interests and expectations of stakeholders.

SUSTAINABILITY RISK MAPPING IN 2023

The sustainability risk mapping is approved by the Group Audit Risk & Compliance Committee (the ARCC). The ARCC assessed **18 sustainability risks** (detailed in Section 4.7 "Transversal information - 2023 Key performance indicators") for AXA Group in 2023 around **five main themes** (1) (governance, responsible employer, climate change and biodiversity loss, inclusive insurer and business behavior) which are further broken down into the following sustainability risks:

- **governance:** stakeholder engagement;
- **responsible employer:** safe environment, inclusion and diversity, talent management/loss of key staff;
- **climate change and biodiversity loss:** AXA Group's impact on biodiversity loss; AXA Group's impact on climate change as an investor, impact of climate change on AXA Group as an investor; AXA Group's impact on climate change as an insurer, impact of climate change on AXA Group as an insurer; AXA Group's own operations' impact on climate change, impact of climate change on AXA Group's own operations;
- **inclusive insurer:** inclusive protection, partnership and philanthropy; and
- **business behavior:** anti-bribery and fight against corruption, business ethics, responsible use of data and AI, data privacy and data security, sustainable procurement and tax policy.

AXA Group defines the risks for each of these themes, the policies and the mitigation initiatives in Chapters 4.1 to 4.5 of this Annual Report and exposes the indicators (KPIs or qualitative results) and their methodology in Chapter 4.7 of this Annual Report.

ESG ratings

The Group's ESG performance is evaluated by specialized rating agencies. The Group generally ranks close to the top in its industry (*e.g.*, for socially responsible investment by S&P CSA, FTSE ESG, Sustainalytics and MSCI) and is also included in the main international sustainability indexes.

These ratings are described in further detail in Section 1.1 "The AXA Group – Key Figures" of this Annual Report.

Third party verification

EY & Associés, one of AXA SA Statutory Auditors, appointed as an independent third-party, presents in its report, featured in Section 4.8 of this Annual Report, a limited assurance opinion on the compliance of the extra-financial performance statement with the provisions of French regulations (article R.225-105 of the French Commercial Code) and on the fairness of the information provided.

(1) The sustainability risks identified in 2023 remain the same compared to 2022.

4.2 EMPLOYER RESPONSIBILITY

AXA is committed to acting for human progress by protecting what matters. That purpose is at the heart of everything AXA does, and AXA's 113,696 employees across the globe play a vital role in bringing it to life. AXA's employees are a diverse and dedicated group of professionals who assist the Group in working towards delivery of its promises to customers, partners, and society at large.

AXA believes in fostering a culture of inclusion which promotes and encourages diversity and endeavours to allow all voices to be heard. AXA is committed to employee engagement, well-being, and continuous learning. Throughout last year, AXA continued to invest in employees by:

- making significant progress on inclusion and diversity and notably on gender balance;
- investing in learning and implementing initiatives to upskill and develop AXA's employees (one of the most significant was the AXA Climate Academy);
- launching the "*We Care*" program in October 2023, a global health and wellbeing policy which will be deployed in all entities (in compliance with local practices and legislation) by end 2024.

2023 has been marked by a record high engagement with AXA eNPS (employee Net Promoter Score), reaching +40. In this chapter, AXA will showcase how our company is fulfilling its purpose through our HR policies, detailing key initiatives and accomplishments from 2023.

HIGHLIGHTS AND KEY FIGURES: GEOGRAPHICAL FOOTPRINT DISTRIBUTION AND AVERAGE AGE

Continent	Headcount [(a)]	Distribution	Evolution	Average age [(b)]
Europe	66,053	58.1%	(0.0 pts)	43.4
Asia-Pacific	26,057	22.9%	(-1.2 pts)	38.6
Americas	13,901	12.2%	(+0.7 pts)	39.5
Africa	7,685	6.8%	(+0.5 pts)	34.0
TOTAL	**113,696**	**-**	**-**	**41.3**

(a) Open-ended and fixed-term contract headcount.
(b) Open-ended contract average age.
AXA's overall salaried workforce on December 31, 2023, was 113,696 employees (open-ended and fixed-term contracts), which represents an increase of 3.1% compared to 2022.

4

AXA: a purpose-driven and inclusive organization

INCLUSION SURVEY

It is a point of principle at AXA that employees should feel welcomed and fairly treated. To learn about the experiences of its employees and constantly improve, AXA conducts a voluntary and anonymous survey called the *Inclusion Survey* each year. The third *Inclusion Survey* ran in 2023 across 51 countries with a strong and steady participation rate similar to the last 2 years (a 58% participant rate for 2023).

While the survey was adapted to respect nuances of local culture, each version contributed to AXA's overall inclusion Net Promoter Score ("iNPS") (1). That score increased by 7 points (from 40 in 2022 to 47 in 2023), and there was also an improvement in all other scores compared to 2022: 88% of respondents felt they belonged and were included at AXA (+2 pts) and 75% felt they had equal opportunities (+4 pts).

"WE CARE" PROGRAM

In 2023, AXA went one step further in its global health and wellbeing policy for its employees by announcing the launch of its "*We Care*" program, designed to support AXA's workforce at different life stages and during moments that matter. The program aims to provide AXA's employees with the time, support, and resources to make personal and professional decisions with confidence. The new program reflects an important evolution in the existing offering and enables AXA to progress further on its long-term commitment towards an inclusive and supportive global workplace culture.

"*We Care*" program will be deployed across all AXA entities by the end of 2024 (2) through four main pillars:

1. caregiver policy;
2. parent policy;
3. domestic and sexual violence policy;
4. and the "*Healthy You*" program.

Caregiver policy

A new policy was introduced to provide employees caring for immediate family members who require eldercare or care due to a serious health condition and/or disability with up to five days of fully paid leave.

Parent policy

Alongside the existing 16 weeks fully paid parent leave for the primary parent, the "*We Care*" program will also double the length of fully paid co-parent leave from 4 weeks to 8 weeks. Additional leave and flexible working arrangements will be offered to support employees receiving and recovering from in-vitro fertilization, or in the case of pregnancy loss.

Domestic and sexual violence policy

Since 2015, AXA has been combating domestic, intra-family and sexual violence through the Elle's Angels program established by AXA France and AXA Hearts in Action. This unique model, structured around a team of volunteer lawyers and an endowment fund, offers legal and financial support to women victims of violence. 1,700 persons have been supported since the program's inception, including customers, victims taken in by partner associations, and – since 2021 – AXA employees in France.

Actions to support employees impacted by domestic, intra-familial and sexual violence have also been taken in AXA Sigorta, AXA Spain, and AXA UK – and AXA will now expand their commitment to this topic at Global level. All entities will, by the end of 2024, roll out a program of support for all impacted employees by providing access to psychological support, specialist support services, flexible working arrangements, and five days of fully paid leave. In 2023, AXA also joined the Generation Equality Action Coalition on Gender-Based Violence, organized by UN Women.

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(1) The inclusion Net Promoter Score (iNPS) is measured by asking employees one question: "How likely are you to recommend AXA as an inclusive and diverse workplace" The answer scale is from 0 to 10, and the result is calculated by taking the percent of promoters (answers of 9-10) and subtracting the percent of detractors (answers of 0 – 5). This then produces a metric on a scale from (-100) to (+100).

(2) In compliance with local practices and legislation. The program sets global minimum standards, and some entities may decide to exceed them.

"*Healthy You*" – for physical and mental health

Since 2020, the "*Healthy You*" program has been improving the physical and mental wellbeing of employees and is now included in the "*We Care*" program. It covers the following services (the list is not exhaustive):

- an in-person medical check-up for all employees over 40 years old every four years and a digital medical check-up for all employees every two years;
- on-site health-related prevention and awareness days;
- an annual flu vaccination campaign;
- an Employee Assistance Program with 24-hour mental health and psychological support;
- medical teleconsultation services;
- digital programs focusing on prevention, and raising awareness on topics related to health and wellbeing;
- a second medical opinion service for employees with a critical illness; and
- financial support (covering at least 75% of medical expenses) as well as mental health support for employees with cancer.

As part of the broader "*We Care*" program, *"Healthy You"* program will expand in 2024 to provide a supportive working environment for employees experiencing menstrual health conditions, menopause or andropause.

In 2023, a second digital medical check-up campaign took place with the participation of more than 39,000 employees, reflecting three main global health risk factors: cardiovascular diseases, musculoskeletal disorders, and nutrition. On top of the digital medical check-up, 26,000 employees have benefited from the in-person medical check-up.

2023's Global Health Days focused on physical activity, nutrition, and mental health. Local entities made the days their own, with AXA buildings hosting physical trainers and other well-being and health prevention activities. Educational resources were also made available to all AXA employees with a video series explaining how and why to adopt a healthy lifestyle. And podcasts, featuring internal and external experts exploring "Mind Health Matters" from the perspective of an individual, a family, a workplace and the society as a whole, were published on internal and external platforms. The topic of cognitive health was revisited in a Group-level conference titled *Caring for your Aging Parents* where speakers taught an online audience of thousands how to support relatives and caregivers and to protect their own mental health.

The AXA Group pays particular attention to providing access to information regarding the benefits, services and entitlements proposed to employees in the various entities.

PROGRESSING TOWARDS GENDER BALANCE

The Group continues to progress towards gender parity at all levels of the organization with a strong focus from managers and leaders across the entire Group. This is illustrated by AXA Group's commitment to reaching gender parity amongst the Global Leadership Network ("GLN", see the definition in the footnote (c) of the table below), which has led to measurable progress. For example, the proportion of women in top executive positions is currently at 40%, up 1 point from 2022 and up 10 points from March 2019. In addition, significant progress has been made in the Partners Group: the proportion of women is up from 24% in 2022 to 48% at the end of 2023.

	Management Committee (a)			Partners Group (b)			Global Leadership Network (c)		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Women	38%	20%	21%	48%	24%	27%	40%	39%	36%
Men	62%	80%	79%	52%	76%	73%	60%	61%	64%
TOTAL	**16**	**15**	**14**	**42**	**41**	**45**	**253**	**237**	**243**

(a) Please refer to Section 3.1 "Corporate governance structure" of this Annual Report for more information.
(b) The Partners group is composed of the members of the Management Committee and over thirty other senior executives from across the Group.
(c) The Global Leadership Network (GLN) is made up of the CEOs and Executive Committees of AXA's largest markets, growth engines, and major transversal entities, as well as senior leaders from the corporate functions, markets, and some country CEOs.

4

AXA continues to roll out and strengthen inclusive processes, goals and action plans. Steps have been taken to close unjustified pay gaps and give women equal access to mentors, development opportunities, job roles, and promotions. Since 2012, AXA has run yearly programmes across its entities to support women's careers. AXA Evolve has helped talented individuals – the majority of them women – reach GLN-level roles. The program provides 12 months of assessments, sponsorship, development, and feedback. 23 executives participated in the program in 2023, 52% of them women. Alongside this, members of the Management Committee and Partners took part in the Thrive initiative for a second year running, mentoring 40 of AXA's talented women. Thrive is organized to coincide with International Women's Day and this year it was expanded to include members of the GLN, creating a further 101 mentoring opportunities alongside entity mentoring actions. Such efforts embody AXA's purpose and culture as an inclusive employer.

Annually, AXA monitors its unadjusted pay gap which mainly reflects gender balance within organizational structures. An unadjusted pay gap is a broad measure of the difference between the average pay of all women in the organization and the average pay of all men in the same organization, regardless of their role, seniority, level, or location. In 2022, the average global gender pay gap was assessed at 26% on fixed remuneration and at 32% on total compensation.

Moreover, AXA's Group Management Committee and Chief Executive Officers gave specific attention to internal coherence and external market compensation positioning in the past years, which resulted in closing the average compensation gaps towards market positioning between women and men in the GLN population.

CLOSING PAY GAPS

AXA also monitors its adjusted pay gap which compares the average pay of the women with that of the men after accounting for a selected set of professional characteristics. Because it considers characteristics like job families, locations and grades, the adjusted pay gap is a finer calculation than the unadjusted pay gap. A residual gap may still be justifiable based on relevant professional characteristics – other than job families, locations and grades – at AXA, the global residual adjusted pay gap is currently assessed at 2%, below the EU Pay Transparency Directive [1].

The residual adjusted pay gaps that are not justified through relevant professional reasons are unjustified. The Group made significant progress in closing unjustified pay gaps to ensure pay is consistent and free from discrimination, that is, not relating to personal factors such as age, nationality, ethnic origin, gender, sexual orientation, gender identity or expression, religion, marital status, or disability. Entities annually monitor and address unjustified pay gaps with dedicated budgets to close any remaining unjustified equal pay gaps.

Since 2022, AXA has been applying a new equal pay methodology applicable to all entities through a regression analysis to ensure a consistent and robust approach to equal pay assessments, while also anticipating regulatory developments (including the EU Pay Transparency Directive). Group standards and processes across entities (relating to recruitment, compensation reviews, and promotions) have also been strengthened to ensure gaps do not arise or reappear in the future as detailed in this chapter - Section 4.2 "Employer Responsibility".

Reporting on ethnicity (especially ethnicity pay gaps) has been harder to address across locations – mainly because of local regulations. Only one entity was able to request data on ethnicity and had the opportunity to gain some insight on ethnicity-related issues.

INCLUSIVE RECRUITMENT

Building a diverse organization begins with recruitment. In 2023, the recruitment process was scrutinized to ensure people feel welcomed and fairly treated at every stage of their relationship with AXA. The result was the AXA Inclusive Recruitment Guide which was published in multiple languages. Teams working in Talent Acquisition, as well as in Inclusion and Diversity, have been trained in best practices – planning interviews around candidate accessibility requirements, for example, and placing job adverts where they are likely to be seen by underrepresented groups.

At the same time, several measures were introduced across the Group, such as asking candidates on recruitment platforms whether they had adequate support during the recruitment process and introducing a pathway for candidates to report any concerns they had.

(1) *Directive (EU) 2023/970 of the European Parliament and of the Council of May 10, 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms.*

REINFORCING AXA'S FAIR PAY ACTION

AXA has reinforced its Fair Pay approach by considering that employees' pay should not only be fair and competitive, but also at a level determined sufficient for the location they work in. A living wage goes beyond any current statutory minimum wages (although some countries like Ireland have commenced the process to transpose living wages into their domestic law). The living wage is more comprehensive and is defined as the wage needed for employees and their families to cover basic needs including decent housing, food, and access to healthcare and education (depending on their working location).

AXA contracted the Fair Wage Network to conduct an analysis in all the Group's countries of operation to assess employees' pay against local living wages, following which AXA Group has been certified as a Global Living Wage employer. To build onto AXA's journey towards Pay Transparency that will be pursued over the next strategic plan, AXA has made a new commitment to offer all employees a total cash remuneration of at least 110% of local living wage by the end of 2026.

This complements AXA's Fair Pay Framework that includes the newly launched "*We Care*" program (detailed above) next to other forms of remuneration and local benefit offerings. Such recognition enables AXA to progress on its long-term commitment towards an inclusive and supportive workplace culture around the globe.

MULTI-GENERATION ACTION PLAN

AXA takes action to support and value all generations, while combatting age-related stereotypes. In recent years, a number of initiatives have attracted young people with diverse backgrounds to AXA, and many more activities aimed at enhancing the working experience for employees over the age of 50.

At AXA France, a communications campaign launched this year to enhance the status of employees over 50 in the company. Called *L'audace n'a pas d'âge* ("Daring is ageless"), the campaign was aimed internally at combating age-related stereotypes. Externally, it resulted in the release of a series of eight podcasts featuring French celebrities who entered a new career trajectory around the age of 50, with the aim of inspiring and raising awareness among listeners. At the same time, AXA France has set up an HR process dedicated to this target group of employees with tailor-made interviews and collective development workshops.

To mention other entities' practices: AXA Switzerland held conferences to help employees prepare for retirement, and in AXA Japan, older employees can ask for flexible working arrangements like transitioning to a part-time role.

AXA is interested in opening exchanges between generations, so it can continue to be a harmonious workplace for people in diverse age groups. Alongside local measures, AXA Group will implement an action plan to support employees over 50 from January 2024. The action plan will include a global awareness campaign, similar to the one launched in 2023 by AXA France, and will include opportunities for training and development for employees over the age of 50 and for recruiters to ensure everyone has equal opportunities to succeed no matter their age.

DISABILITY INCLUSION

AXA was one of the first signatories of The Valuable 500 – a global collective made up of 500 CEOs and their companies, innovating together for disability inclusion. In 2022, AXA announced its intention to join their new program, Generation Valuable. The program pairs a Group-level executive with a rising leader who has a connection to disability, for the purpose of making progress on disability inclusion.

During 2023, 13 pairs took part in a global mentorship program called Exchange and focused on local disability priorities, which ranged from digital accessibility to the creation of employee resource groups and education programs. Coming together at the AXA Disability Inclusion Forum in Paris allowed for the transference of learning across the Group, as well as raised awareness of other businesses acting for people with disabilities. Leaders from AXA, the Valuable 500, L'Oréal Group and Sanofi shared their perspectives.

Under the sponsorship of AXA's Deputy CEO and the General Counsel for AXA UK and Ireland, entities will take further actions on disability inclusion – adopting practices and reporting against four measures:

1. entity-level executive sponsorship for disability;
2. annualised plans;
3. centralized budgets for workplace accommodations;
4. policies for workplace accommodations.

This approach should create a consistent and comparable baseline from which to track progress on disability inclusion. A playbook and information hub were made to support entities on their journeys.

REWARDING SUSTAINABILITY ACHIEVEMENTS

To engage employees on AXA's purpose and maintain its leadership position in sustainability, AXA keeps building Environmental, Social, and Governance ("ESG") criteria into its total rewards offer. The Group has reinforced ESG's place within its culture and values through short-term and long-term incentives (please refer to Section 3.2 "Executive compensation and share ownership" of this Annual Report for further details):

- the GLN are assessed on qualitative climate and diversity objectives, which are included in their annual target letters;
- a quantitative climate objective is included in the AXA Group performance grid, impacting around 2,000 employees' variable remuneration pay out; and
- long-term incentives include ESG criteria (climate and diversity objectives in Performance Shares plan, AXA ranking in the S&P Global CSA - Corporate Sustainability Assessment- in both Performance Shares and Restricted Shares plans), covering a population of around 6,000 employees every year.

It is also AXA's ambition to increase the weight of sustainability criteria in profit sharing agreements to 30% (prevalent in certain European countries, impacting over 20,000 employees every year) which also ensures employees are empowered to personally take inclusive and tangible actions.

In 2023, around 65% of France-based AXA entities had profit-sharing schemes with at least 20% of their performance conditions being related to ESG. AXA XL has taken the challenge a step further by targeting 40% of performance conditions in their profit-sharing agreement, including a specific criterion for employees' training on climate.

AXA employees: empowered to deliver their best

GLOBAL PULSE SURVEYS

AXA's Global Pulse Surveys are important tools to check how AXA Group employees feel about AXA – both its business and its culture. For example, the survey measures how confident they are in AXA's strategic direction, and how connected they feel to their teams. The surveys are held biannually and ran in June and November 2023.

The survey reached its highest participation rate to date in November 2023: 82% (*versus* 80% in 2022). The level of employee engagement also set records for the Group. At +40 eNPS (+3 pts since June 2023), it is the highest score AXA has ever achieved.

HIGHLIGHTS AND KEY FIGURES: EMPLOYEE NET PROMOTER SCORES

	2023	2022	2021	2020	2019
eNPS [(a)] target	38	36	37	25	14
eNPS [(a)] result	40	35	36	35	21
EMPLOYEE COVERAGE	**100%**	**100%**	**100%**	**100%**	**90%**

(a) The employee Net Promoter Score is measured by asking employees one question: "How likely are you to recommend AXA as a place to work?". The answer scale is from 0 to 10, and the result is calculated by taking the percent of promoters (answers of 9-10) and subtracting the percent of detractors (answers of 0 – 5). This then produces a metric on a scale from (-100) to (+100).

SOCIAL DIALOGUE

AXA has always considered social dialogue at local and global level as essential to its culture. At a Group level, the European Works Council ("EWC") serves as a crucial forum. It meets twice a year in plenary sessions chaired by the Group CEO, and seven times in bureau sessions, which are more restricted. Together, members of the Committee are representing the employees' point of view in the different discussions.

The EWC offers several benefits. It provides a platform for stakeholders with diverse perspectives. Collectively, they can review decisions with the knowledge of working in many regions and markets. There is always a fruitful exchange of ideas, which ultimately helps make AXA more agile, as it adopts tactics and strategies from around the world.

In 2023, the EWC signed a Charter on age inclusion, inspired by the Club Landoy Charter and the initiatives implemented at AXA France. It binds the whole Group to enhancing the role of employees over the age of 50 in the Company from January 1, 2024. Therefore, the EWC is a valuable asset for AXA as it represents its employees.

"SMART WORKING"

In 2020 AXA rolled out a Global Smart Working policy to all employees based on 2-3 days a week in the office, with local adaptations according to local market specifics. By dividing their time between remote working and office hours, employees are empowered to take advantage of each working style, while maintaining service to the customer and connection to their team. Though AXA and its employees have embraced the flexibility that comes with remote work, spending time together in person is an anchor of AXA's culture. For AXA, the office remains a crucial place to collaborate, socialize, share ideas, and feel part of a wider organization.

To support teams in discussing and agreeing how to work most effectively as a hybrid team, Team Agreements are an important tool used across all of AXA. It is a written document that sets out how teams agree to work together – formed through regular, collaborative discussion. When asked about *"Smart Working"* in the 2023 June Global Pulse survey, 81% of all employees said they have a team agreement in place, and 86% said they felt connected to their teams.

LEADERSHIP CAPABILITIES

In a hybrid organization, leadership is as important as ever. "Lead the Way" is the flagship learning journey for the GLN – the organization's top 250 executives. Since its launch in 2022, 16 cohorts have experienced AXA's executive development program, representing 90% of the GLN. During the sessions, participants were joined by members of the Management Committee – who shared their vision and experience in fireside chats – and partners – who acted as coaches – in France's Rambouillet National Forest. The off-site brought AXA's leadership model to life, and individuals had the option of continuing their learning through coaching and check-ins.

The success of "Lead the Way" was evidenced by the GLN's desire to share learning with their colleagues and entities. That feedback inspired the design of "Lead Together", a collective offsite session with the full executive team of the Entity which aims at fostering collaboration between leaders and functions at an entity-level. Seven leadership teams went through "Lead Together" in 2023, including senior leaders from AXA Spain who attended the pilot. The Spanish team were highly involved in the initial design of several activities that have since been developed into a deployment toolbox.

LEADERSHIP MODEL

The leadership model was initially developed for the GLN, but the model has proven so beneficial that it will be shared with the Group's whole community of people managers. In 2024, 10,000 managers will receive information and training explaining the model. They will learn about four pillars of behaviors: energize, navigate, dare and deliver. "Care" is also at the heart of the model. AXA's leaders should exhibit care for customers, for employees, for shareholders, and for society.

The Group model has already inspired development activities. For example, AXA Italy launched *#ANewKindOfLeadership*. All 260 managers from the entity attended four in-person workshops, plus four talks with inspiring testimonials from outside the financial sector.

MANAGEMENT CAPABILITIES

AXA launched the AXA Managers Academy in 2020 to support and upskill people leaders; the first program, "Smart Working at AXA", has been followed by 2,991 managers, representing a major milestone for the Academy.

Since the beginning of 2023, the academy has broadened its focus from the challenges of managing a hybrid team to the skills needed to support, motivate, and develop teams more generally. Managers will learn those skills through a program called "Leading for Growth" which consists of four learning journeys:

1. "Lead with Purpose": connecting individual and Group purpose;
2. "Make it Happen": delivering results through goal-setting and performance management;
3. "Grow Team Potential": developing the skills of teams and enhancing the careers of individuals;

4. "Care & Thrive": creating a work environment where people feel psychologically safe.

"Leading for Growth" is available to any of the 5,058 managers who have been onboarded since the Managers Academy started spreading [1] (in 2023, two new entities joined the program: AXA Philippines and AXA UK). The first 2 learning journeys have been made available ("Lead with Purpose" and "Make it Happen"), while the third one has been successfully piloted in December 2023 ("Grow Team Potential"). Each journey is composed of a blend of live events, discussion groups, and self-guided study. By mid-2024, all four journeys will have been made available to the participating entities.

AXA Spain stands out as an entity that found an innovative way to support managers. Around 350 professionals were invited to join a community of AXA Spain's Managers. At a practical level, the community (known as Connected Leaders) is a place for managers to regularly share best practices and experiences.

INVESTMENT IN TRAINING

AXA is committed to investing in the learning and development of its employees. As a result, total learning costs have increased by 6.4% and the average cost per employee has increased by 3.8%. The following activities underpin the strong efforts taken in 2023.

In November 2023, employees all over the world were invited to participate to the first edition of the AXA Week for Growth, an initiative designed to empower them; foster personal and professional growth; and equip them with the skills needed to thrive in the future.

Among the many global and local initiatives, employees could:

- exchange with leaders and experts on the future of insurance or personal development;
- discover AXA's diverse expertise and markets;
- discover employee testimonies, illustrating diverse types of career journeys at AXA;
- attend learning sessions;
- learn about open positions and network across professional families;
- engage in career conversations;
- attend a cross-entity career fair organized by 8 entities in France (400 visitors).

All employees at AXA can access to the large library of courses on LinkedIn Learning according to their needs (approximately 68,000 have activated their account). On top of that, AXA has proposed dedicated programs to support key areas of transformation: climate change, tech, data, and AI.

The AXA Climate Academy has increased climate literacy and an understanding of the overall impacts of climate change among AXA employees, since its inception in 2021. By the end of 2023, 96% of employees were climate certified.

To address AI, AXA launched a new program "Data & AI for Leaders" together with the world-class business school HEC. 80 participants have strengthened their understanding of the topic through three weeks of online learning and a two days bootcamp. They worked in cross-entity teams to apply their knowledge to a business scenario – eventually pitching their ideas to a jury made up of representatives from several AXA functions.

2023 also saw the relaunch of an important program for senior leaders: AXA FINE. It focuses on developing finance and insurance business acumen. AXA FINE has been redesigned – in partnership with IMD – as a residential program in Lausanne and deployed to 30 individuals from 19 entities (with a 50/50 gender balance). The NPS of 91 of this session underlines the impact of such a learning journey. More sessions will be offered to executives in 2024.

These global initiatives and learning journeys were complemented by local programs. For example, AXA Italy developed a program titled "Mastering Data for Insurance" with Bocconi University and AXA Japan invited their 9,000 employees to a course about human rights.

PEOPLE@AXA

Finally, there has been investment in the systems that support the delivery of AXA's People Strategy. The People@AXA program was launched in 2023 and aims to transform AXA's Human Resource Information Systems.

Between now and 2026, the program will modernize systems for:

- talent acquisition and internal mobility;
- performance management – to allow for continuous feedback, and new ways of working;
- data management – to increase seamless data management across HR processes;
- learning – to improve learner experience, support reskilling and upskilling, and simplify delivery and reporting.

(1) 22 entities have already implemented this program.

Group social indicators

Workforce Structure [a]	2023		Evolution	2022		2021	
Total headcount of salaried workforce as of December 31	**113,696**	**emp.**	**3.1%**	**110,302**	**emp.**	**110,477**	**emp.**
Headcount of salaried workforce with fixed-term contract	4,445	emp.	0.5%	4,425	emp.	4,349	emp.
Headcount of salaried workforce with open-ended contract	109,251	emp.	3.2%	105,877	emp.	106,128	emp.
■ Headcount of salaried non-sales force	94,682	emp.	3.7%	91,274	emp.	91,218	emp.
■ Headcount of salaried sales force	14,569	emp.	-0.2%	14,603	emp.	14,910	emp.
■ Proportion of Executives [b]	1.8	%	-0.1pp.	1.9	%	1.9	%
■ Proportion of all Professionals	44.4	%	0.1pp.	44.3	%	45.6	%
■ Proportion of Associates	53.8	%	-0.1pp.	53.8	%	52.5	%
Women representation	**54.5**	**%**	**0.2pp.**	**54.3**	**%**	**54.1**	**%**
■ Proportion of Executives women	35.3	%	1.0pp.	34.3	%	33.3	%
■ Proportion of all Professional women	47.3	%	0.6pp.	46.7	%	46.2	%
■ Proportion of Associates women	61.1	%	0.0pp.	61.2	%	61.6	%
Age ranges representation							
■ Proportion of employees aged 30 years or less	19.8	%	0.1pp.	19.7	%	19.2	%
■ Proportion of employees aged from 31 to 40 years	31.3	%	-0.2pp.	31.5	%	32.1	%
■ Proportion of employees aged from 41 to 50 years	25.2	%	-0.1pp.	25.3	%	25.5	%
■ Proportion of employees aged 51 years and more	23.7	%	0.2pp.	23.5	%	23.2	%
Average Full-Time Equivalent [c] of salaried workforce	**108,356.5**	**FTE**	**2.5%**	**105,764.3**	**FTE**	**NA**	**FTE**
Average Full-Time Equivalent of salaried workforce with open-ended contract	104,177.3	FTE	2.6%	101,508.4	FTE	103,985	FTE
Average Full-Time Equivalent of salaried workforce with fixed-term contract	4,179.2	FTE	-1.8%	4,255.8	FTE	NA	FTE
Average Full-Time Equivalent [c] of temporary non-salaried staff	**12,997.4**	**FTE**	**-0.2%**	**13,026.3**	**FTE**	**13,564.5**	**FTE**
■ Non-salaried temporary staff and contingent workers	10,075.7	FTE	0.0%	10,077.3	FTE	10,763.5	FTE
■ Trainees/Apprentices	2,921.7	FTE	-0.9%	2,949.0	FTE	2,801.1	FTE
Employee Profile							
■ Average age of salaried workforce	41.3	yrs	-0.1%	41.3	yrs	41.1	yrs
■ Average length of service of salaried workforce	10.3	yrs	-2.6%	10.6	yrs	10.6	yrs
■ Average number of working days per year	226.1	days	0.2%	225.6	days	226.8	days
■ Proportion of part-time salaried workforce	9.2	%	-0.1pp.	9.3	%	9.4	%
■ Proportion of Teleworkers	85.3	%	1.8pp.	83.4	%	75.5	%
Number of employees with disabilities - concerns entities operating in France only	841	emp.	2.8%	818	emp.	776	emp.

(a) The rates and ratio within this section are the Headcounts as of December 31 of the reporting year.
(b) A global and consistent definition of Executives was implemented in 2021, resulting in a reduction of the global Executives population.
(c) Headcount converted into average Full-Time Equivalent during the reporting year.

Workforce Dynamics [a]	2023		Evolution	2022		2021	
Movements of salaried workforce: net headcount evolution (entries *minus* departures)	**2,430**	**emp.**		**(72)**	**emp.**	**(4,130)**	**emp.**
Entries	19,065	emp.	7.4%	17,755	emp.	14,142	emp.
■ Number of external recruitments (incl. Rehires)	16,855	emp.	-	15,915	emp.	12,508	emp.
■ Number of fixed-term contracts transformed into open-ended contracts	1,598	emp.	-	1,729	emp.	1,517	emp.
■ Number of entries following external mergers and acquisitions	612	emp.	-	111	emp.	117	emp.
Departures	16,635	emp.	-6.7%	17,827	emp.	18,272	emp.
■ Number of resignations	10,789	emp.	-	12,187	emp.	10,597	emp.
■ Number of economic/collective layoffs	541	emp.	-	219	emp.	1,266	emp.
■ Number of individual layoffs	2,499	emp.	-	2,044	emp.	1,611	emp.
■ Number of retirements/pre-retirements	1,601	emp.	-	1,424	emp.	1,474	emp.
■ Number of departures due to external transfers [b]	1,015	emp.	-	1,703	emp.	3,135	emp.
■ Number of other departures	190	emp.	-	250	emp.	189	emp.
Internal mobility rate of salaried workforce	**8.3**	**%**	**0.0pp.**	**8.3**	**%**	**8.3**	**%**
Turnover rate *of* salaried workforce	**14.5**	**%**	**-0.8pp.**	**15.4**	**%**	**14.1**	**%**
■ Involuntary (layoffs/dismissals)	2.8	%	-	2.2	%	2.7	%
■ Voluntary (resignations)	10.0	%	-	11.6	%	9.9	%
■ Other reasons (pre/retirements and miscellaneous)	1.7	%	-	1.6	%	1.5	%

(a) The rates and ratio within this section are the Average Headcounts of the reporting year.

(b) External transfers: Salaried workforce who have left AXA because of an activity/job transfer to an external company or due to disposal of businesses, are no longer under a contract with AXA.

Compensation, absenteeism and training [a]	2023		Evolution	2022		2021	
Compensation cost of salaried workforce	**8,639.9**	**M€**	**3.4%**	**8,353.9**	**M€**	**7,999.9**	**M€**
■ Proportion of fixed pay (related to wages)	81.8	%	-	80.2	%	80.7	%
■ Proportion of variable pay (related to wages)	18.2	%	-	19.8	%	19.3	%
Absenteeism rate of salaried workforce	**4.5**	**%**	**-0.2pp.**	**4.7**	**%**	**4.4**	**%**
■ Sickness absenteeism rate	3.2	%	-	3.3	%	3.0	%
■ Work-related accidents absenteeism rate	0.1	%	-	0.1	%	0.0	%
■ Maternity/paternity leave absenteeism rate	1.2	%	-	1.3	%	1.4	%
■ Number of work-related accidents	800	emp.	-	649	emp.	440	emp.
Number of training days of salaried workforce	**354,445.9**	**days**	**13.4%**	**312,574.5**	**days**	**344,195.3**	**days**
Average number of training days per salaried workforce	3.3	days		3.0	days	3.2	days
■ Average number of training days per salaried non-sales force	3.0	days	-	2.5	days	2.7	days
■ Average number of training days per salaried sales force	5.1	days	-	6.3	days	6.5	days
■ Average number of training days per men	3.3	days	-	3.1	days	NA	days
■ Average number of training days per women	3.3	days	-	2.9	days	NA	days
Percentage of salaried workforce having received at least one training course	100	%	-	100	%	100	%
Training cost of salaried workforce	**90.5**	**M€**	**6.4%**	**85.0**	**M€**	**77.5**	**M€**

(a) As per the definition of compensation, it includes the individual fixed pay, the individual variable pay, employer social contribution and collective profit sharing (if any) and excludes equity based compensation (stocks options, performance shares, AXA Miles).
Compensation and absenteeism: the rates and ratio of those categories are the average salaried FTEs of the reporting year.
Training: the rates and ratio of those categories are the Average Headcounts of the reporting year.
Training costs include external costs: such as (1) the external trainer cost and external instructional designer; (2) the external annual licensing for on the shelves e-learning content, or external unitary cost of acquisition of e-learning modules; (3) the logistics cost; and internal costs: such as (1) The compensation cost of internal trainers meaning any AXA employee whether belonging to the Learning and Development team or other parts of the organization; and (2) the Learning Management System cost.

HEADCOUNT OF SALARIED WORKFORCE BY COUNTRY AS OF DECEMBER 31, 2023

	Europe			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
France	10,072	12,676	215	502
United Kingdom	5,133	6,203	138	190
Germany	4,190	4,668	112	136
Switzerland	2,708	2,191	83	90
Belgium	1,814	2,140	26	70
Spain	1,800	2,525	16	22
Italy	1,162	1,123	67	81
Ireland	1,116	1,201	23	29
Türkiye	564	635	16	18
Poland	288	476	11	18
Czech Republic	102	201	19	58
Portugal	249	189	6	24
Luxembourg	148	184	5	7
Finland	31	66	4	4
Netherlands	54	40	0	0
Austria	36	44	0	3
Sweden	40	44	1	3
Greece	4	7	0	0
Norway	5	5	0	0
Denmark	5	4	0	0
TOTAL	**29,521**	**34,622**	**742**	**1,255**

	Asia-Pacific			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
Japan	3,827	4,383	284	835
India	3,026	2,938	0	0
China	1,496	1,310	0	2
Philippines	897	1,360	13	7
Hong Kong	696	1,142	14	28
Republic of Korea	568	1,081	5	31
Indonesia	358	335	6	6
Thailand	160	320	3	15
Malaysia	139	57	3	2
Singapore	122	127	1	0
Australia	112	101	3	5
Lebanon	53	93	0	0
UAE	3	3	0	0
TOTAL	**11,457**	**13,250**	**332**	**931**

	Americas			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
Mexico	2,253	2,437	76	77
Colombia	1,668	3,093	42	186
United States	1,355	1,296	3	3
Brazil	246	275	14	9
Argentina	122	191	0	0
Canada	130	154	1	5
Bermuda	51	109	0	0
Chile	14	48	0	0
Panama	14	27	0	1
Peru	0	1	0	0
TOTAL	**5,853**	**7,631**	**136**	**281**

	Africa			
	Open-ended		Fixed-term	
Country	Men	Women	Men	Women
Morocco	1,814	2,956	40	51
Egypt	543	635	330	211
Algeria	196	188	41	49
Nigeria	198	160	0	0
Ivory Coast	40	24	10	6
Gabon	23	22	13	13
Senegal	34	26	0	4
Cameroon	35	23	0	0
TOTAL	**2,883**	**4,034**	**434**	**334**

4.3 CLIMATE CHANGE AND BIODIVERSITY LOSS

Environmental protection and more specifically the interconnected issues of climate change and biodiversity loss are a strategic pillar of the Group's approach to sustainable development. As a result of the sustainability risk assessment performed by the Group in 2023, climate change and biodiversity loss were identified as two of the main sustainability risks faced by the Group, as described above in Section 4.1 "AXA Group's sustainability strategy" of this Annual Report.

As discussed further below, the issues of climate change and biodiversity loss are interconnected and addressed separately. AXA Group has developed policies and defined key performance indicators to track progress in reducing the adverse impacts associated with these risks. Climate change as a sustainability risk is considered in this section, with a double-materiality approach, with respect to **(i)** AXA Group's investment, **(ii)** AXA Group's insurance activities, and **(iii)** AXA Group's own operations. Biodiversity loss as a sustainability risk is considered in this section in terms of impacts of **(i)** AXA Group's investment, and **(ii)** AXA Group's insurance activities. For more details, please refer to the following sub-chapters of Section 4.3 of this Annual Report.

AXA Group follows the guidance of the voluntary disclosure requirements of the "Task Force on Climate-related Financial Disclosures" (TCFD) [1], which focuses exclusively on climate-related factors. AXA SA is also subject to the disclosure requirements set out in the French regulations implementing article 29 of the Law No. 2019-1147 of November 8, 2019, regarding energy and climate, which considers more broadly, ESG issues. For more detailed information, please refer to AXA Group's annual "Climate and Biodiversity Report" [2] that will be published on the AXA Group's website (www.axa.com) in the second quarter of 2024.

Risks and impacts in relation to climate change and biodiversity loss

As explained in Section 4.1 of this Annual Report, the CSRD, which is applicable to financial years starting on or after January 1, 2024, will introduce an enhanced concept of "double materiality" in the context of corporate sustainability reporting in the EU. This approach considers **(i)** the risks and opportunities (*i.e.*, outside-in perspective) and **(ii)** its positive and negative impacts (*i.e.*, inside-out perspective) of sustainability matters of the company.

For now, AXA only considers climate change from a double materiality perspective (*i.e.*, AXA Group's impact on climate change as an investor, impact of climate change on AXA Group as an investor; AXA Group's impact on climate change as an insurer, impact of climate change on AXA Group as an insurer; AXA Group's own operations' impact on climate change, impact of climate change on AXA Group's own operations).

In respect of biodiversity loss, as detailed in Section 4.1, AXA Group's impact on biodiversity loss was identified as a sustainability risk (*i.e.*, inside out perspective only).

RISKS AND IMPACTS OF CLIMATE CHANGE

Definition

AXA identifies the risks and impacts of climate change on AXA Group's activities and the impacts of AXA Group's activities on climate change (considering the double materiality approach). For further details refer to Section 5.1 "Risk factors" and Section 5.8 "Other material risks" of this Annual Report.

(1) https://www.fsb-tcfd.org

(2) No information, document or item contained in AXA Group's annual "Climate and Biodiversity Report", or available on the Company's website in connection with AXA Group's annual "Climate and Biodiversity Report", is incorporated by reference in this Annual Report.

Risks associated with climate change usually comprise the following key risk drivers impacting companies' valuation and profitability:

- **physical risk** refers to the direct impacts of climate change on persons (Life and Health) and Property, such as those arising from rising temperatures, the increase in the frequency and severity of extreme weather events, fires, rising sea levels and changes in exposure to vector-borne diseases. For (re)insurers, the physical risks may significantly impact business and the (re) insurance industry more broadly, including with respect to risk perception, pricing and modelling assumptions, the need for new insurance products, the amount, frequency, and quantum of claims. Physical risk has a direct impact on undertakings, both through the impairments in value associated with assets held by (re)insurers and through changes in the frequency and cost of these risks on the liability side of the balance sheet;
- **transition risk** refers to the risks linked to the transition to a low-carbon economy, including those related to the modification of behavior and strategies of industrial actors, market participants and customers in response to climate change and related policy, regulatory and technological developments including as a result of the cross-sectoral structural changes stemming from the transition towards a low-carbon economy. Transition risk has an impact on (re)insurance products, underwriting and impairs the value of investments held by (re)insurers; and
- **liability risk** refers to the risk of climate-related disputes, claims for compensation and legal proceedings. Examples include legal proceedings brought against insured, companies (re)insurers are invested in and potentially directly against insurers, seeking damages for contribution to climate change or for inaccurate or insufficient disclosure around material financial or operational risks. There is also an increasing risk of other forms of climate-related litigation, in particular claims by shareholders and other stakeholders for so-called "greenwashing" actions, misrepresentation, misleading conduct, mis-selling, false or misleading advertising, fraud, breaches of fundamental human rights, breaches of fiduciary duties and breaches of disclosure obligations in listing rules or other corporate regimes, or for having deficient controls or processes in place.

Assessing the financial risk of climate change

Climate change could have a negative impact on AXA Group's assets and investment activities, as well as on its balance sheet liabilities and insurance activities.

For this reason, Risk Management frameworks must be adapted to the specificities of climate change related risks, whose trajectories and impacts are particularly unpredictable. In this regard, scenario analysis and climate stress tests based on different trajectories of future climatic, macroeconomic, and financial conditions are relevant tools to conduct a forward-looking assessment of potential vulnerabilities related to climate change risks. The development of climate scenario analyses and stress testing has been accelerating, starting with the "pilot climate exercise" launched in June 2020 by the ACPR [(1)] (the "2020 Pilot Exercise") and followed by a new voluntary ACPR climate stress test exercise in June 2023 (the "2023 Stress Test Exercise"). AXA Group contributed to these exploratory exercises and sees the use of climate scenario analysis as an opportunity to map out potential long-term implications of climate change on its investment portfolios and insurance business. Through this type of active cooperation with supervisory authorities and industry peers, AXA Group aims to keep improving its framework, which is aimed at addressing medium (5 to 10 years) to long-term (30 years) climate change risks, although the exercise is highly uncertain, and many methodological challenges remain.

As part of AXA Group's ORSA (Own Risk and Solvency Assessment), the ACPR scenarios published in connection with the ACPR's 2020 Pilot Exercise and 2023 Stress Test Exercise have been supplemented to better reflect AXA Group's own risk profile. In particular, Property & Casualty (P&C) physical risks have been assessed in 2023 through modular approaches (from simple to sophisticated modeling) to encompass the three drivers of natural risks (changes in hazard, exposure, and vulnerability) and assess potential impacts (*i.e.,* evolution of Modelled Average Annual Losses (AAL) of forward-looking scenarios in a range of uncertainty (pessimistic *versus* optimistic views).

Based on risks to which the Group is exposed (including flooding in Europe, hurricanes in the U.S., urban atmospheric pollution and vector-borne diseases in France, climate-related financial risks), the estimated financial impacts on the Group using ACPR and AXA Group's ORSA scenarios are still relatively limited:

- **investments:** in terms of investments, the impact of financial market scenarios on AXA Group's in-Scope investments (*i.e.*, corporate bonds and equities in AXA Group's General Account assets) remains contained, based upon the 2020 ACPR Pilot Exercise. This is notably due to AXA Group's low exposure to carbon-intensive sectors likely to be the most affected by the climate transition;
- **Property & Casualty (P&C):** the same is true for Property & Casualty insurance, due to AXA Group's worldwide footprint of exposures, which creates a high level of diversification. The evolution of AXA Group's future P&C natural catastrophes (Nat

(1) *Similarly, the Bank of England and the "Prudential Regulation Authority" (PRA) ran their "Climate Biennial Exploratory Scenario" (CBES) exploratory exercise in 2021 with the objective of testing the resilience of current business models of the largest banks and insurers to the financial risks associated with climate change.*

Cat) claims remains largely driven by changes in AXA Group's future exposures (demographic changes, wealth growth) rather than an increase in the climate hazard itself. The Group's studies based on 2020 ACPR Pilot Exercise [1] show that, in France, the flood risk would increase by 1.5% per year up to 2050 (80% due to evolving exposure and 20% due to changing physical flood characteristics) under a pessimistic climate scenario in which greenhouse gas emissions continue to rise to the end of the century. Such a change could be adequately managed in a timely manner by adapting AXA's underwriting, pricing, reserving or reinsurance strategy and fostering prevention initiatives; and

- **Health & Protection:** in terms of health and Life insurance, the 2020 ACPR's Pilot Exercise again showed that the main impact stems notably from higher mortality due to the deterioration of air quality. Nevertheless, the impact was expected to be limited because, even using a very conservative approach, the assessed impact would be absorbed through management actions such as realistic repricing. The premiums would be adjusted to reflect the changes in the observed claims pattern and ensuring fair premiums for both the customers and AXA.

AXA Group also explores the potential impacts of climate change on its investments with a model developed by MSCI (applicable only to corporate bonds and listed equity) where risks and opportunities are combined and translated into a "Climate Value-at-Risk" indicator (please refer to the Section "Consideration of Climate in Portfolio Management" below).

Mitigation of the impacts of AXA Group's activities on the environment

Risks related to climate change could have adverse long-term macroeconomic effects, especially under a disorderly transition scenario that may affect all sectors.

As an investor, as an insurer and as responsible company, AXA Group seeks to mitigate the adverse effects of its activities on the environment notably through the following actions:

With respect to investment activities:

- developing a "warming potential" (WP) concept for its investments (government bonds), aligned with a +1.5°C trajectory by 2050, and an implied temperature rise (ITR) for corporate bonds & equities. The AXA Group WP as of December 31, 2022, was at 2.0°C and the Group ITR at 2.5°C [2];
- reducing the carbon intensity of AXA Group General Account assets by 2025 by -20% (*versus* 2019). As a reduction of 36% [3] has already been achieved between 2019 and 2022, AXA has set, in June 2023, a new target of a 50% reduction between 2019 and 2030. Moreover, the Group has set a 2023 target of €26 billion of green investments (€29.9 billion were reported in 2023).

With respect to underwriting activities:

AXA published in July 2023 for the first time new targets to drive the decarbonization of various of its Property & Casualty insurance portfolios and to develop its insurance activities dedicated to the transition:

- increasing its business in the field of renewable energies, and more broadly across sectors transitioning to low carbon business models, as well as developing environmentally sustainable claims management for its motor business by 2026;
- reducing the carbon intensity of the most material personal motor portfolios in the Group by 20% by 2030 compared with the 2019 baseline;
- reducing the absolute carbon emissions of the Group's largest commercial insurance clients by 30% and the carbon intensity of other corporate clients by 20% by 2030 compared with a 2021 baseline;
- strengthening the dialogue with its customers, particularly its corporate customers, but also with its external stakeholders and partners to better support them in the transition.

With respect to AXA Group's Energy Policy published in July 2023 (the "2023 Group Energy Policy"):

- exiting the coal industry backed by strict investments and underwriting restrictions, as well as on other carbon-intensive industries;
- reinforcing its energy policy on investments & underwriting with a specific focus on new oil "greenfield" explorations and unconventional activities, and an alignment of climate and biodiversity ambitions.

For further details, please refer to Sections 4.3.2 "AXA as an investor: climate change and biodiversity loss maters" and 4.3 "AXA as an insurer: climate change and biodiversity loss matters" of this Annual Report for information of the scope of the 2023 Group Energy Policy in AXA's investment and underwriting activities.

With respect to AXA's own operations:

- the Group has set a 20% reduction target between 2019 and 2025. Greenhouse gas emissions related to energy consumption, car fleets, business travel and IT decreased by -34% between 2019 and 2023.

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(1) The 2023 ACPR Stress Test Exercise results will be published along the second quarter of 2024.

(2) The "WP" and "ITR" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.

(3) Following methodological enhancements in 2023, historical figures including baseline have been restated.

Finally, developing services to help AXA customers adapt to climate change is a strategic priority for the AXA Group. Tools aimed at preventing the risks of forest fires in France and flooding have already been developed and will be extended. In addition, the AXA Climate entity helps customers and investors to understand the physical risks linked to climate change that could affect them, thanks to a range of training courses and a tool called Altitude covering numerous climate risks and scenarios over time horizons up to 2050. It is also worth noting the collaboration between AXA Prevention and AXA Climate which led to *Ma commune en Action* ("My City in Action" in English) to help local communities better manage climate risks.

RISKS AND IMPACTS ON BIODIVERSITY LOSS

Definition

The United Nations Convention on Biological Diversity (1992) defines **biological diversity** as *"the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems"* (1). The **sustainable use** of the components of biological diversity is *"the use of such components in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations* (2).

As set out in Section 4.1 "*Sustainability Risk Assessment*" in the context of AXA's 2023 internal risk assessment, AXA has again identified the Group's impact on biodiversity loss (*i.e.*, the risks and impacts of AXA's investment and underwriting activities on biodiversity loss) as one of the main sustainability risks in 2023. For now, the Group only considers the risk of biodiversity loss from an inside-out perspective.

In the context of the implementation of the CSRD, the Group will consider and disclose with respect to financial year ending December 31, 2024, from a double materiality, inside-out and outside-in perspective, the impacts, risks and opportunities in relation to Environmental, Social and Governance matters that are material to the Group's activities and operations, including the risks and impacts of biodiversity loss.

Biodiversity risk has been defined for AXA's internal risk assessment as AXA's investments and insurance activities' impacts on biodiversity, by considering impacts that can adversely affect the integrity of a geographic area, either directly or indirectly, by substantially changing its ecological features, structures, and functions across its whole area, and over the long term, so that habitat, its population levels, and the particular species that make the habitat important cannot be sustained. As a result, AXA Group has announced a series of initiatives, designed to contribute to the protection of ecosystems, and actions, intended to mitigate the impacts of AXA Group's activities on biodiversity loss.

AXA views the biodiversity challenge as a natural extension of its climate efforts (3). Biodiversity loss endangers ecosystem services and poses risks to society and businesses that depend on them, and in turn investors and insurers that rely on a well-functioning economy. Furthermore, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), IPCC and the Taskforce on Nature-related Financial Disclosures (TNFD) all identify climate change as a key driver of changes to nature and by extension, biodiversity. AXA did not wait for a precise calculation of the pressures and impacts of its activities on biodiversity to act. As with AXA's approach to climate change, AXA aims to harness its expertise as both an investor and insurer. As a result, the Group has announced a series of initiatives designed to contribute positively to the protection of ecosystems and to act on the nexus between climate and nature, along with ongoing efforts to improve quantitative analyses relevant to biodiversity loss to support future target setting.

Assessing the impact of AXA Group's activities on biodiversity loss

AXA Group is continuing its efforts working with peers to accelerate the quantification of risks and impacts related to biodiversity loss. For example:

- in partnership with the WWF, in 2019, AXA Group released the "Into the Wild – Integrating nature into investment strategies" report (4) at the G7 Ministerial meetings. The report contained a series of recommendations, including the launch of a Task Force on Nature Impact Disclosures which resulted in the TNFD (officially launched in June 2021) and creating the creation of biodiversity risk metrics for investors;
- AXA Group is currently a Taskforce Member of the TNFD and contributed to the TNFD's Metrics and Targets working group until the publication of the v1.0 of the TNFD recommendations in September 2023;

(1) United Nations. 1992 "The Convention on Biological Diversity" Last modified May 13, 2016. https://www.cbd.int/convention/text/

(2) United Nations. 1992 "The Convention on Biological Diversity" Last modified May 13, 2016. https://www.cbd.int/convention/text/

(3) It is important to note that biodiversity and climate change are interdependent and connected, as concluded in a scientific report on biodiversity and climate change drawn up and co-sponsored by the IPBES-IPCC (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services-Intergovernmental Panel on Climate Change). For example, climate change (including in terms of extreme weather and climate conditions) exacerbates risks to biodiversity and natural and managed habitats; at the same time, natural and managed ecosystems and their biodiversity play a key role in attenuating climate change and in supporting climate adaptation, as confirmed in the IPCC's Sixth Assessment Report (2023).

(4) "Into the wild: from nature to investment strategies": https://www-axa-com.cdn.axa-contento-118412.eu/www-axa-com%2F16f23c6d-5f4d-4fca-a349-4686811749ce_axa_wwf_france_into_the_wild_2019.pdf

- regarding the assessment of the impact of AXA Group's investment activities on biodiversity loss AXA Group is using the Corporate Biodiversity Footprint (CBF) metric to explore how tools can be used to analyze the biodiversity-related impact of investment activities. It has partnered with an external biodiversity data provider, Iceberg Data Lab, to develop biodiversity impact metrics based on the concept of Mean Species Abundance (MSA) and published for illustrative purposes the CBF of one of its portfolios for the first time in 2023 in its Climate and Biodiversity Report [1] ;
- on the insurance side, AXA is not yet in a position to globally measure the impact of AXA Group's underwriting activities on biodiversity loss, as biodiversity loss is driven by many root causes such as urbanization, invasive species, deforestation, chronicle pollution and climate change.

At AXA Group level, AXA has identified the insured assets based in Natural World site heritage and this study has helped AXA to set up the Natural World site heritage policy and restricts project-specific construction covers for oil and gas, mining, large scale hydropower and large-scale infrastructure projects located in Natural world heritage sites.

In addition, AXA XL has developed a dedicated tool to assess the environmental risks of the Insured site including the risks to biodiversity loss notably in protected natural areas. The Environmental Sensitivity Mapping [2] also supports the Insured's Risk Management and prevention by developing dedicated action plans reflecting each location's potential issues and exposures. This tool is available for Europe and UK and will be available worldwide in 2024 and considered for further deployment.

Mitigation of the impacts of AXA Group's activities on biodiversity loss

As an investor, as an insurer and as a responsible company, AXA Group seeks to mitigate the adverse effects of its activities on biodiversity loss, notably through the following actions:

- integrating of ESG criteria into its insurance business processes and investment strategy to address risks related to deforestation and ecosystem conversion, and protected areas of key biodiversity value;
- investing in natural capital fund to finance projects aiming to protect and restore natural capital, for example in forests, mangroves and peatlands, and invest in project developers to enhance their capacity to develop and deliver natural capital projects;
- developing active partnerships with academia and organizations addressing biodiversity loss risks and carry out dissemination to ensure science-based decisions and address this critical issue (see Section 4.3 "Climate change, biodiversity loss and ESG-related "outreach" and engagement");
- supporting through its philanthropic activities research program focusing on marine biodiversity in the land-sea interfaces across European coastlines to improve understanding of the coastal ecosystem, especially the impacts of anthropic pollution on microbiome and its interactions (see Section 4.4 "Inclusive insurer - Corporate philanthropy and engagement"); and
- partnering with a consortium of scientists, NGOs, and forestry experts to experiment with new methods of forest restoration and management, including mixed species plantations, propose a more effective and sustainable way to restore damaged plantations and promote the multifunctionality of harvested forests (see Section 4.4 "Inclusive insurer - Corporate philanthropy and engagement").

AXA as an investor: climate change and biodiversity loss matters

The Group defines Responsible Investment (RI) as the integration of ESG considerations into investment processes, including ownership practices. Thus, the Group's objective is to align investments with its sustainability agenda of protecting people over the long term and creating stronger and more sustainable societies. This agenda is in line with its interests as a global insurer and investor.

To this end, the Group has developed a global RI strategy covering the Group's General Account assets, and for its Unit Linked offering, where relevant. The implementation of this strategy is overseen by a specific RI governance, the Group's Responsible Investment Committee (RIC), which is chaired by the Group's Chief Investment Officer and includes notably representatives from AXA's asset managers, Sustainable Development, Risk Management and Communications teams.

(1) *https://www.axa.com/en/press/publications/2023-climate-report*

(2) *https://axaxl.com/environmental-sensitivities*

Ultimately, the RIC reports to the Group Investment Committee, chaired by the Group Chief Financial Officer, and sensitive and/or strategic climate finance-related decisions debated in the RIC are approved by the RISSC. The Group's RI strategy is supported by the RI Center of Expertise, a transversal working group which includes representatives from its local investment teams and sustainability network.

CONSIDERATION OF CLIMATE CHANGE IN INVESTMENT PORTFOLIO MANAGEMENT

Carbon footprint: Impact of AXA Group's investments on climate

The carbon footprint is the total amount of greenhouse gases (GHGs) emitted directly or indirectly as a result of a specific activity such as an individual, a corporate or a product. It can be expressed in different manners. AXA Group publishes the carbon exposure metrics of its investments using three different approaches [(1)]:

- **absolute emissions (tCO_2e):** total amount of GHGs emitted over a specific period (one year);
- **carbon intensity per revenue (tCO_2e/$m revenue):** amount of GHGs emissions normalized by the revenue generated by the corporate;
- **carbon intensity per Enterprise Value Including Cash (tCO_2e/€m EVIC):** amount of GHGs emissions normalized by the Enterprise Value Including Cash of the corporate.

The carbon intensity normalized per Enterprise Value Including Cash (EVIC) approach was chosen by Net-Zero Asset Owner Alliance (NZAOA) members, partly because of the robustness of the CO_2 reporting methods and partly because of the availability of data. As part of its participation in NZAOA, AXA Group commits to publishing intermediate targets every five years to track progress towards "net zero" by 2050.

In December 2020, AXA Group announced its first "intermediate target" of a 20% reduction in the carbon intensity of AXA Group's General Account assets between 2019 and 2025 (*e.g.,* 20% cumulative reduction for listed corporate debt and equities, and real estate equity assets where possible), using the NZAOA 2025 Target Setting Protocol.

Between 2019 and 2023, AXA Group's balance sheet carbon intensity per EVIC (tCO_2e/€m EVIC) decreased by -47.6%, from 65.3 tCO_2e/€m to 34.2 tCO_2e/€m, and by -17.7% in 2023 alone. The GHG emissions financed by our listed corporate debt and equities, and real estate equity assets amounted to 4.5 million tonnes of CO_2 equivalent ($MtCO_2e$) at the end of 2023 and are covering 81.3% of the in-scope assets. This target is part of the "*AXA for Progress Index*".

In line with this first intermediate target, AXA announced in June 2023 a second intermediate carbon intensity reduction objective of 50% by 2030. The measure used is the GHG emissions normalized with EVIC, using Scope 1 and 2 greenhouse gas emissions data (according to the GHG Protocol). In terms of asset classes, this metric applies to the same universe: bonds and equities of listed companies as well as real estate equity, representing a total amount under management of €163 billion at 2023 year-end.

AXA Group aims to measure the carbon emissions of all its proprietary investments. The sovereign debt [(2)] is an important part of its total assets, representing €135 billion at the end of 2023. AXA follows the accounting methodology recommended by the NZAOA. It is based on the current version of the PCAF's Global GHG Accounting and Reporting Standard and using the Scope 1 GHG emissions *i.e.* domestic production emissions as defined by UNFCCC. Based on this approach, the carbon intensity of AXA Group's proprietary sovereign assets is the production emissions (tCO_2e) per Purchase Power Parity (PPP) - adjusted GDP. The carbon intensity of a sovereign issuer cannot be directly compared with the carbon intensity of other asset classes due to differences in the calculation approach.

The carbon intensity for AXA Group's sovereign assets represented 166 tCO_2e/€m at the end of 2023. The GHG emissions and GDP data sources are public (World Bank, PRIMAP). It covers 99.98% of AXA's sovereign debt issuers. The GHG emissions financed by our sovereign debt assets reached 22.4 $MtCO_2e$ at the end of 2023.

Additionally, AXA Group continues its investigation of the concept of an "investment temperature" to develop its knowledge of the impact of AXA Group's investments on climate change (climate impact). This approach labelled "implied temperature rise" in

(1) *AXA Group's carbon footprint is computed based on the data made available by its providers at the close of AXA Group's data collection process and as such, may include data from previous years. Similarly, AXA Group relies on the availability of emissions data from activities for them to be included in the modelization process:* **(i)** *normalized per revenue (direct emissions, i.e. greenhouse gas emissions generated from burning fossil fuels and production processes which are owned or controlled by the Company and first tier indirect emissions, i.e. greenhouse gas emissions from direct suppliers);* **(ii)** *normalized per Enterprise Value Including Cash (Scope 1 and 2);* **(iii)** *in absolute terms (Scope 1 and 2). GHG Scope 3 Upstream & Downstream emissions are currently excluded from the communicated results considering the volatility and poorly reliable character of the estimations for these emissions.*

(2) *Sovereign debt is typically issued by the central government or Treasury Department. Sub-sovereigns, supra-nationals, and municipals are explicitly not part of this outline and will be considered in a separate workstream.*

MSCI's methodology, prospectively measures the companies' alignment with global temperature goals. AXA Group's analysis shows that in-scope AXA Group's General Account listed corporate bonds and equities had a +2.5°C "implied temperature rise" at the end of 2022 [(1)]. The equivalent metric applied to sovereign debt, called "warming potential" developed by Beyond Ratings, represented 2.0°C for the AXA Group's General Account sovereign debt assets at the end of 2022 [(2)]. This is below the benchmark [(3)] of +3°C, but nonetheless shows that investors are operating in a carbon-intensive economy that is not aligned with the COP21 Paris Agreement yet.

Impact of the risk related to climate change on AXA Group's Corporate Investments: Climate Value-at-Risk

AXA Group continues to explore a model developed by MSCI for listed corporate assets to assess selected physical and transition risks and opportunities.

This model represents an estimate of how the value of corporate bonds and listed equities in AXA Group's General Account Assets investment portfolio might be impacted by climate policy risk, technology transition opportunities and extreme weather events on a 15-year time horizon. This model currently only applies to corporate bonds and listed equities and is under continuous development. Annual updates to this model allow AXA Group to expand the range of measured climate-related financial risks of AXA Group's investments and to assess them more precisely. In 2022, AXA Group changed the climate scenarios used in this metric, by adopting the five available Network for Greening the Financial System (NGFS) scenarios from +1.5°C to +3°C by 2100. The NGFS scenarios are recognized by central banks and supervisors, making them a credible reference in the field.

To assess future potential costs/benefits for companies in a given climate scenario (+1.5°C NGFS orderly and disorderly, +2°C NGFS orderly and disorderly or +3°C), policy risks, technological opportunities and physical risks are combined into a single Climate Value-at-Risk [(4)] metric. AXA Group applied this Climate Value-at-Risk model to its corporate bonds and listed equities investments under the five NGFS scenarios.

According to the Climate Value-at-Risk methodology, the climate change impact on the valuation of the companies in which AXA Group invests represents an aggregated risk of 10% [(5)] of the market value of AXA Group's investment portfolio under the best scenario (+1.5°C NGFS orderly scenario).

Corporate Biodiversity Footprint: Impact of AXA Group's investments on biodiversity loss

Biodiversity plays a fundamental role for human well-being and economic activities through the provision of a range of ecosystem services, including food and water production.

Many policy makers, central banks, financial supervisors are starting to recognize the risks biodiversity loss poses to economic activities and financial systems, with potential consequences for price and financial markets.

The quantification of business impacts on biodiversity is still a relatively new field. AXA Group uses the Corporate Biodiversity Footprint (CBF) metric developed by Iceberg Data Lab (IDL) on a pedagogical basis to explore the extent to which such tools allow an investor to analyze, at a portfolio level, the biodiversity-related impact of investment activities following a similar logic to the calculation of an investment portfolio's carbon footprint.

The CBF assesses the estimated annual impact of corporate/asset/sovereign's activity based on products and measures their impact on biodiversity throughout the value chain, caused by changes in land use, greenhouse gas emissions (climate change contribution), water, and air pollution generated by a company's activities.

For the reasons set out below, while the Biodiversity Footprint tool enables investors to obtain an approximate analysis of the key pressures and impacts of its investments on biodiversity, it is not yet appropriate for investment decisions or target-setting purposes.

The single unit of biodiversity impact used to calculate CBF is the Mean Species Abundance (MSA) [(6)]. MSA measures the average percentage abundance of native species in a delimited space under the influence of biodiversity loss pressures in comparison to undisturbed ecosystems. Aggregated, CBF provides a measure of negative impact, expressed as the volume of biodiversity loss caused by pressures generated by a company's economic activities in equivalent km^2 of MSA identical to pristine forest loss or, in other words, in equivalent surface of km artificialized in any given year.

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(1) *The "implied temperature rise" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.*

(2) *The "warming potential" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.*

(3) *The benchmark used for corporate equity is MSCI World ACWI; for corporate debt, the benchmark used is ICE BofAML Global Market corporate.*

(4) *Climate Value-at-Risk (Climate VaR) is designed to provide a forward-looking and return-based valuation assessment to measure climate related risks and opportunities in an investment portfolio. The Climate VaR provides a stressed market valuation of a security in relation to aggregated transition and physical cost and profit projections until the end of the century.*

(5) *At the end of financial year 2022. The Climate value-at-risk at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.*

(6) *This indicator was proposed as part of the development of the GLOBIO3 model, the objective of which is to simulate the impact of different human pressure scenarios on biodiversity. The GLOBIO model was developed by PBL Netherlands Environmental Assessment Agency to quantify global human impacts on biodiversity. (Source: IDL Methodology).*

The methodology to compute the biodiversity footprint of AXA Group's investments is evolving continuously, and further work is required to understand the limits and strengthen tool robustness. It is also necessary to encourage increased data availability and data quality at a company level. However, for illustrative purposes only, the Group published in the 2023 Climate and Biodiversity Report, the biodiversity footprint for one portfolio (please refer to 2023 Climate and Biodiversity Report, section G. AXA Group's strategy for alignment with long-term biodiversity goals and related targets, page 31).

In addition, AXA Group continues to support the Taskforce on Nature-related Financial Disclosures (TNFD) to help build understanding and consensus on tools available to corporates and investors to support future actions including target setting. To address risks related to deforestation and protected areas of key biodiversity values AXA Group applies its Group Ecosystem Conversion and Deforestation policy to its investments as detailed in the following section.

INVESTMENT RESTRICTIONS

Over time, the Group has developed specific "sector guidelines" to address certain activities in sectors that may pose certain risks to AXA Group as an investor and insurer. Among them, Coal, Oil and gas, and Ecosystem conversion and deforestation policies, which apply to both investment and underwriting activities, aim to contribute to the transition toward a more sustainable and less carbon-intensive economy.

These policies are published on AXA Group's website (https://www.axa.com/en/about-us/investments).

AXA 2023 Group Energy Policy

The AXA Group Coal Policy and AXA Group Energy Policy have been updated in July 2023 and consolidated into a single policy which is the 2023 Group Energy Policy. AXA Group restrictions apply to AXA's General Accounts including, notably, direct investments in equity and corporate bonds, infrastructure, and Unit-Linked assets in fully dedicated mandates.

THERMAL COAL POLICY

AXA Group bans investments, for General Accounts and in Unit-Linked assets in fully controlled mandates, in a company with the following characteristics, and with immediate effect:

- power generation companies with coal share of power production (energy mix) over 15% and/or over 10 GW of coal-based power installed capacity;
- mining companies with coal share of revenues over 15% and/or with annual coal production over 20 million tons and/or developing new coal mines; and
- certain coal industry partners, defined as manufacturers (*e.g.*, equipment suppliers) and infrastructure players (*e.g.*, port terminals, dedicated railways) developing significant new coal assets.

From January 1, 2026, the above characteristics will be more restrictive:

- power generation companies with coal share of power production (energy mix) over 10% and/or over 10 GW of coal-based power installed capacity;
- mining companies with coal share of revenues over 10% and/or with annual coal production over 20 million tons and/or developing new coal mines; and
- certain coal industry partners, defined as manufacturers (*e.g.*, equipment suppliers) and infrastructure players (*e.g.*, port terminals, dedicated railways) developing significant new coal assets.

In addition, AXA Group is committed to a long-term "exit" strategy reducing exposure to the thermal coal industry to zero by 2030 in respect of companies established or with principal operations in the European Union and OECD countries, and by 2040 in the rest of the world, as suggested by the main climate scenarios (such as the IEA "Beyond +2°C" scenario). This approach is applied both to its investments and underwriting activities (please refer to Section "Climate and biodiversity matters as an insurer" below).

The main database used is the "Global Coal Exit List" (GCEL) [(1)] released in 2023.

OIL AND GAS POLICY

Since 2017, AXA Group has divested from oil sands-related businesses (defined as companies deriving more than 20% of their revenue from oil sands, including pipeline operators).

As an asset owner, AXA Group has stopped any new investment in oil and gas companies in developed markets belonging to upstream, oilfield services and downstream subsectors, as well as midstream companies. Given the undiversified nature of their core business, AXA believes these companies will be the hardest to transition in the oil & gas value chain.

(1) *https://www.coalexit.org/*

For details in respect of AXA Group's investment restrictions with respect to conventional oil & gas, please refer to the AXA Group Energy Policy.

In respect of unconventional oil and gas exploration and production, the AXA Group Energy Policy stipulates:

- **Arctic**: AXA no longer directly invests in companies deriving more than 10% of their production from the AMAP Region (relative threshold) or producing more than 5% of the worldwide volume of total AMAP -based Oil and Gas (absolute threshold).

  AXA has aligned its definition of the Arctic Region with the Arctic Assessment & Monitoring Program (AMAP), based on ecosystems. The AMAP Region extends beyond the Arctic circle and AXA's previous 70°N zone. However, AXA excludes Norwegian operations from the Scope, given their high environmental standards and lower operational carbon footprint;
- **Tar Oil Sands:** AXA no longer directly invests in companies deriving more than 5% of their production from tar oil sands and in companies producing more than 5% of the worldwide volume of tar oil sands;
- **Fracking/shale Oil and Gas**: AXA Group no longer directly invests in companies deriving more than 30% of their production from fracking/shale Oil and Gas;
- **Ultra-Deepwater:** AXA Group no longer directly invests in companies deriving more than 20% of their production from Ultra Deepwater Oil and Gas projects. Ultra Deepwater oil & gas extraction is defined as drilling that takes place at least 1,500 meters below sea level;
- **Infrastructure:** AXA Group no longer directly invests in infrastructure assets exposed to unconventional oil and gas exploration and production.

The main database used is the "Global Oil & Gas Exit List" (GOGEL) [1] released in 2023.

AXA will also consider exceptions, on a case-by-case basis, for pure players which are focusing on transition with a majority of CAPEX in low carbon activities. To note that AXA's selection process currently results in a very limited number of companies meeting the investment criteria; less than 2% of the approximately 900 companies identified in the Global Oil and Gas Exit List by NGO Urgewald. This Policy is monitored and reviewed on an annual basis.

Full details of the AXA Group Energy Policy are available at https://www.axa.com/en/about-us/investments.

AXA Group Ecosystem conversion and Deforestation policy

The policy on the protection of ecosystems and deforestation seeks to address risks related to deforestation and protected areas of key biodiversity value. Curbing deforestation conserves water resources, prevents flooding, controls soil erosion, and preserves habitats and biodiversity, in addition to preserving key carbon sinks.

This policy is implemented at Group level and is subject to the oversight of the Responsible Investment Committee and the Group Underwriting Committee. This policy has been implemented by all AXA entities. In the case of the Asset Management entities of the Group, the policy has been applied to the extent that they manage General Accounts assets.

This Policy is currently under review. Full details of the current AXA Group Ecosystem conversion and Deforestation Policy is available at https://www.axa.com/en/about-us/investments.

GREEN INVESTMENTS

To support its green investment strategy, AXA Group has developed an internal framework defining "green" investments based on external labels, certifications, and environmental standards as appropriate. Green investments are defined as: green bonds [2], infrastructure debt & equity, impact investments, real estate, and commercial real estate loans. Green investments encourage various sectors to strengthen their climate strategy.

In November 2019, AXA Group committed to invest through its General Account assets, €24 billion in green investments by 2023. In 2021, this target was increased to €26 billion. As of December 31, 2023, AXA Group's green investments reached €29.9 billion (€25.1 billion end of 2022) achieving the green exposure target. This includes government bonds and green corporate bonds, debt and equity linked to green infrastructure, and real estate that meets the highest quality standards.

In 2021, AXA Group also committed to a new "Natural Capital" target of €1.5 billion dedicated to reforestation by supporting forestry management projects in developed markets and nature-based solutions through initiatives such as afforestation, restoration and avoided deforestation which outcome can often be measured through the production of carbon credits with the objective being to sequestrate/avoid 25 $MtCO_2$ on an annual basis.

As of December 31, 2023, AXA Group invested more than €900 million in Forests and €300 million investment allocated in the Natural Capital Fund managed by AXA IM, financing projects that aim to protect and restore natural capital, such as forests, mangroves and peatlands.

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(1) https://gogel.org/

(2) The invested green bonds do not necessarily fall under the "European Green Bond" standards which is only expected to come into force on or about December 2024.

ACTIVE STEWARDSHIP

As an investor AXA Group engages with the management of the companies in which it invests, in order to contribute to the emergence of positive developments on certain topics (such as climate change, health, governance, market practices, etc.). These engagement activities are carried out either directly by the Group or by AXA Investment Managers (AXA IM) on behalf of the Group and third-party clients.

In 2023, AXA Group extended its direct engagement with issuers as part of its NZAOA commitment to transitioning its investment portfolio to net zero GHG emission by 2050.

The engagement objectives are to:

- assess issuers' commitments, strategy, and performance in achieving their 2030 and 2050 net zero targets; and
- align AXA Group investments with its intermediate and 2050 net zero commitments.

Regarding coal in particular, AXA encourages issuers to develop and disclose an exit or closure plan aligned with AXA Group Energy Policy.

The engagement is also performed by AXA Investment Managers (AXA IM) with key climate engagement objectives and indicators are shaped by the TCFD framework, which has established itself as the *de facto* reporting framework on this issue. AXA IM's engagement approach encourages companies to:

- commit to short-, medium- and long-term carbon emissions reduction targets that are based on climate science and with a clear explanation of corresponding capital expenditure plans;
- perform scenario analysis using a scenario where global warming is limited to the COP21 Paris Agreement goal of "well below 2°C"; and
- align executive remuneration to climate change objectives.

For more information, please refer to AXA IM's annual Active Ownership and Stewardship report, published on AXA IM's website (https://axa-im.com).

A COLLECTIVE LEADERSHIP RESPONSIBILITY

AXA's reduction objectives reflect an optimistic-yet-possible view of real economy efforts for a stable and just transition. Achieving these new intermediate targets depends on a number of variables. In particular:

- the real economy and the companies in which we invest transitioning in line with those scientific 1.5°C pathways [1] which have been used for AXA's investment portfolio reduction calculation;
- governments and regulators (including insurance and financial regulators) around the world retaining, strengthening and evolving policies to achieve the emission reductions necessary to meet their 1.5°C pledges.

In this regard, measurement and disclosure is a key step in achieving emissions reductions. AXA's efforts to measure investment portfolio carbon intensity are limited by the disclosure efforts of the real economy. Until this improves, actions and ambition are limited where only proxy data is available. It is possible in the future that additional assets may be included and Scope 3 GHG emissions integrated.

AXA as an insurer: climate change and biodiversity loss matters

AXA Group considers sustainable underwriting to encompass both the role of an insurer to protect clients and assets to better adapt to the impacts of climate change and biodiversity loss, as well as the protection of people over the long term for the creation of stronger and more sustainable societies.

The Group, as an insurance underwriter, has also a role to play in accelerating the transition to a resilient, net-zero emissions economy, reducing the impacts of its activities on climate change and biodiversity loss, while also better supporting green businesses.

(1) IPCC Special Report on Global Warming of 1.5°C and IPCC Sixth Assessment Report (AR6)

INTRODUCING A NEW GOVERNANCE

The Group's sustainability underwriting strategy is comprised of two main components

1. undertaking insurance business in accordance with the Group's stated policies in relation to sustainability encompassing climate, biodiversity and human rights (see below "Underwriting Restrictions"). Underwriting sustainability guidelines ensure that insurance activity is conducted in accordance with AXA's objectives and values, and in compliance with any sustainability regulatory requirements; and
2. availability of insurance products, services, and claims solutions that support our clients and customers with their sustainability objectives (see below "Green products and business") while also supporting biodiversity and inclusive protection (see Section 4.4 "Inclusive insurer").

In terms of governance, the implementation of the strategy is overseen by the Property & Casualty (P&C) Net Zero Transition working group, a transversal working Group which includes representatives from local underwriting teams, Group underwriting, and Group sustainability. Matters regarding the sustainability underwriting guidelines are taken to the Group Underwriting Committee (GUC). Similar to our internal governance in respect of investments, sensitive and/or strategic climate-related decisions debated in the GUC are ultimately approved by the RISSC.

In addition, a dedicated team within Group Risk Management analyzes emerging risks which often relate to long term ESG issues and monitor their potential impact (please refer to Section 5.8 "Other material risks - Emerging risks" of this Annual Report). The Group Emerging Risk Steering Board issues recommendations to adapt its business offer and underwriting policies.

CONSIDERATION OF CLIMATE CHANGE IN INSURANCE PORTFOLIO

AXA Group extended its investment commitment of "net-zero" to its insurance business in June 2023 with the announcement of the new underwriting portfolio near-term decarbonization targets. The specific portfolio targets are complemented by concrete objectives to support the transition with new services, products, and claims options and specific engagement targets with AXA's largest commercial clients.

AXA Group reflects the carbon footprint of its insurance underwriting portfolios using both absolute and intensity metrics, specifically:

- Insurance-Associated Emissions (IAE) is the standard measurement provided by the Partnership for Carbon Accounting Financials (PCAF) [(1)]. This measurement provides the absolute CO_2 equivalent associated with insurance underwriting portfolios for the in-scope lines of business;
- Insurance-Associated Emissions intensity is the IAE divided by a financial (*e.g.*, premium) or physical value (*e.g.*, insured vehicles) to normalize the view across portfolios of differing sizes.

The IAE value is appropriate for underwriting portfolios with robust data, where insured clients measure and disclose their GHGs. AXA found this measurement relevant for only the largest commercial clients, for which a 2030 intermediate target reduction of 30% was set against the baseline year 2021 IAE value of 370 $kTCO_2e$ [(2)].

For other commercial underwriting portfolios, where emissions factors were necessary to approximate the GHGs associated with insured clients, AXA used the intensity metric of IAE per premium. A reduction in the carbon intensity (IAE/GWP) of all other corporate clients [(3)] of 20% was set as a 2030 intermediate target against the baseline year 2021 value of 352 TCO_2e/M€ [(4)] within AXA's largest markets [(5)].

An intensity metric was also used for the Retail Motor portfolio objective, due both to data quality considerations and portfolio characteristics. A 20% reduction in the carbon intensity (IAE/vehicle) of 340 $kgCO_2e$/vehicle [(6)] was set for the Personal Motor portfolio in selected geographies [(7)], using the baseline year 2019.

(1) https://carbonaccountingfinancials.com/files/downloads/pcaf-standard-part-c-insurance-associated-emissions-nov-2022.pdf

(2) Calculated on the Scope 1 and 2 CO_2e of AXA's 88 largest global commercial clients; only insurance lines of business in-scope of the PCAF standard as of June 2023, excluding facultative reinsurance.

(3) Calculated on the Scope 1 and 2 CO_2e of commercial clients within the industry sectors of: Agriculture, Transport, Manufacturing (heavy), Manufacturing (chemicals), Utilities/Energy, and Mining.

(4) Only insurance lines of business in-scope of the PCAF standard as of June 2023, excluding facultative reinsurance. 2021 was chosen as a baseline year as it was the best representative year post-COVID-19 pandemic impacts and at the time of calculation, a full year of underwriting portfolio information was available for 2019.

(5) Commercial underwriting portfolios of AXA XL, AXA France, and AXA Germany.

(6) Only "passenger cars" were considered due to data limitations currently for other types of vehicles in-scope of the PCAF standard.

(7) Retail Motor underwriting portfolios of AXA France, AXA Germany, AXA Switzerland and AXA UK.

A COLLECTIVE LEADERSHIP RESPONSIBILITY

AXA's underwriting emissions reduction objectives reflect an optimistic-yet-possible view of real economy efforts for a stable and just transition. Achieving these interim targets depends on a number of variables. In particular:

- the real economy, including policyholders, transitioning in line with those scientific 1.5°C pathways (1) which have been used for AXA's emissions reduction calculation;
- the energy transition for in-scope economic markets, being in-line with the transition pathways (2) used for AXA's emissions reduction calculation;
- the transition of personal transportation to electric vehicles (EVs) and other low emissions solutions being in-line with government commitments; and
- governments and regulators (including insurance and financial regulators) around the world retaining, strengthening and evolving policies to achieve the emission reductions necessary to meet their 1.5°C pledges.

In this regard, measurement and disclosure is a key step in achieving emissions reductions. Our efforts to measure underwriting portfolio emissions are limited by the disclosure efforts of the real economy. Until this improves, actions and ambition are limited where only proxy data is available. The intermediate transition targets have been set on a limited scope of AXA's underwriting portfolio and only include client's Scope 1 and 2 emissions. It is possible in the future that additional portfolios may be included and Scope 3 GHG emissions integrated.

UNDERWRITING RESTRICTIONS

AXA Group strives to incorporate sustainability criteria (including those related to climate and biodiversity) in its underwriting activities, consistent with its investment strategy, though sector guidelines (please refer to Section "Investments restrictions" above), notably on coal, oil and gas with the AXA Group Energy Policy, and on palm oil, soy, cattle & timber with the AXA Group Ecosystem conversion and Deforestation policy.

AXA Group energy policy

As mentioned above, the AXA Group Coal Policy and the AXA Group Energy Policy were updated in July 2023 and consolidated into a single policy which is the AXA Group Energy Policy.

THERMAL COAL RESTRICTIONS

In 2019, AXA Group updated its thermal coal exclusions and required AXA Group to cancel its existing business and write no new business, falling within these restrictions:

- **for mining**: companies developing new thermal coal mines, clients extracting greater than or equal to 20MT thermal coal per year, standalone thermal coal mines;
- **for power generation**: companies with coal expansion plan greater than or equal to 300 MW, any electric utility for which coal represents or comprises greater than or equal to 30% of its revenues or energy mix, standalone thermal coal power plants; and
- **for industry partners**: any company who derives more than 30% of its revenues from the thermal coal industry or which is developing new coal assets. This specific exclusion only applies to infrastructure owners or operators (port terminals and railways), and exporters and traders.

In 2023, AXA Group strengthened the above thermal coal exclusions for new business with companies established or with their principal operations in an EU or OECD country. The restrictions were enhanced as follows:

- **for mining**: any company with an annual thermal coal share of revenues greater than or equal to 15%;

(1) *Climate or sustainability-related metrics and underlying emissions data are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used to determine them. There is a limited availability of relevant data: such data is not yet systematically disclosed by issuers, or, when disclosed by issuers or collected from third-party data providers, it may be incorrect, incomplete or follow various reporting methodologies. The measurement techniques used for determining non-financial metrics and data may involve complex modelling processes and research. The use of different measurement techniques can also result in materially different measurements, while the precision of these techniques may vary. The data sources and methodologies for emissions factors are expected to evolve and improve over time and may materially impact targets and the achievement of targets.*

(2) *The interim portfolio transition targets noted above reflect management's current expectations, and are subject to a number of assumptions, variables and uncertainties. In particular, the achievement of AXA's transition targets will depend on the overall transition of the world economy and society to net zero in the coming decades which itself will depend on a variety of political, economic, regulatory, civil society and scientific developments beyond AXA's control. There can be no assurances that our transition targets will be achieved in whole or in part, the timetable for any transition process, or the impact on our business of meeting or failing to meet such targets.*

- **for power generation**: any company with plans to develop any new thermal coal-fired power capacity, or any power generation company with an annual thermal coal share of power production greater than or equal to 15%.

For new business with companies in an EU or OECD country, those restrictions will be tightened further by lowering the 15% threshold to 10% for both mining and power generation companies from January 1, 2026 and will apply for all existing business from January 1, 2028.

From January 1, 2030, any company with any exposure to thermal coal will be prohibited. With respect to non-OECD and non-EU countries, the full thermal coal exit is expected by January 1, 2040.

OILS AND GAS RESTRICTIONS

Since 2021, AXA Group no longer underwrites new upstream oil exploration projects (greenfield) and extended in July 2023 its existing restrictions to cover new gas exploration and development so AXA Group will no longer directly insure new oil & gas exploration and development projects. The restrictions for new oil exploration and development came into force on January 1, 2024. The restrictions for new gas exploration and development will come into force on September 1, 2026.

Exemptions may be granted to companies with the most far-reaching and credible transition plans, based on a case-by-case review. As provided in the updated AXA Group Energy Policy, a climate transition plan is a time-bound action plan that clearly outlines how an organization will pivot its existing assets, operations, and entire business model towards a trajectory that aligns with the latest and most ambitious climate science recommendations.

After a comprehensive review of its transition plan, AXA may provide new standalone site-specific insurance policies to companies based on consideration of the following criteria:

- companies which have sufficient financial capacity to fuel investments in low-carbon activities (large CAPEX) and the willingness to have a material impact in the transition;
- qualitative assessments to monitor developments/implementation of strategy, key risks and positioning relative to peers. AXA focuses on the following factors and key performance indicators: **(i)** energy transition strategy; and **(ii)** emissions management based on GHG intensity, methane emissions and emissions reduction targets;
- the relevant oil and gas company's safety management, environmental management system and social cohesion; and
- for insurance clients, AXA will also consider the relevant oil and gas company's pollution prevention plans and oil spill response certification.

In respect to unconventional oil and gas, as provided in the Group Energy Policy, AXA reduces its insurance coverage as follows:

- **Tar Oil Sands**: As of January 1, 2024, AXA no longer provides insurance coverage (for new or existing business) for tar oil sands activities for companies with (a) 50% of production generated from tar oil sands activities; or (b) 50% of revenues generated from tar oil sands production and oil sands-related transportation (pipelines);
- **Arctic:** As of January 1, 2024, AXA no longer provides new stand-alone, site-specific insurance policies and facultative reinsurance (excluding employee benefits and treaty reinsurance) for greenfields oil and gas exploration and development projects in the AMAP (Arctic Monitoring and Assessment Programme) Region (excluding Norwegian operations) licensed after December 31, 2021.;
- **Ultra-Deepwater:** As of January 1, 2024, AXA no longer provides new stand-alone, site-specific insurance policies and facultative reinsurance (excluding employee benefits and treaty reinsurance) for greenfields Ultra-Deep-Water oil & gas exploration and development projects licensed after December 31, 2021 (defined as drilling that takes place at least 1,500 meters below sea level);
- **Shale oil and gas:** As of January 1, 2024, AXA no longer provides insurance coverage (either for new or existing businesses) for shale oil and gas projects carried out by companies deriving more than 30% of their total oil and gas production from oil and gas. In addition, AXA does not provide new stand-alone, site-specific insurance policies for shale oil & gas projects for new and existing clients.

For details in respect of AXA Group's underwriting restrictions with respect to conventional oil & gas, please refer to the AXA Group Energy Policy.

Full details of the current AXA Group Energy Policy are available at https://www.axa.com/en/commitments/climate-change-and-biodiversity-strategy.

AXA Group ecosystem conversion and deforestation policy

On insurance underwriting, AXA Group focuses on the activities at risk of causing deforestation.

The Group restricts Commercial lines Property and Construction insurance underwriting in four cases:

- illegal logging;
- companies that are excluded by the investment policy screening are to be referred to the GUC and the critical activity will likely be banned from Construction and Property covers;

- businesses that operate in "high-risk countries" [1] and commodities (palm oil, beef, soy, timber) and facing high or severe deforestation controversies [2] are also to be referred to the GUC with a view to restrict the critical activity; or
- traders of soy, beef, palm oil and timber operating in "high-risk countries" and facing high or severe deforestation controversies are also to be referred to the GUC and the critical activity will likely be banned from marine cargo covers.

In line with the UNPSI-UNESCO classification, the Group also commits to protect World Heritage Sites by ensuring it does not support, through Property and Construction insurance underwriting, businesses in sensitive sectors that are developing activities incompatible with ecosystem preservation in these vital sites.

This Policy is currently under review. Full details of the current AXA Group Ecosystem conversion and Deforestation Policy are available at https://www.axa.com/en/commitments/axa-and-forests.

GREEN PRODUCTS AND BUSINESS

In addition to the underwriting restrictions summarized above, the Group seeks to develop products and services to support the transition to a more sustainable and less carbon-intensive economy.

In 2021, AXA Group developed a Green Business Program [3] to deploy non-Life/non-Health products (insurance coverage or services) that contribute to:

- **climate change mitigation** – by encouraging the reduction of Greenhouse gas emissions (examples: low-emission energy infrastructure/vehicles);
- **climate change adaptation** – by supporting our clients being prepared to the consequences of climate change that is already happening (examples: resilient buildings, insurance on Nat Cat events);
- **transition to a circular economy** – by limiting the use of new raw material in our claims management (example: second-hand spare parts); or
- **limitation of biodiversity loss and pollution** – by protecting and restoring the natural site to its original state, prior to suffering the effects of a peril (example: Environmental Risk Insurance in case of an accidental pollution).

TAXONOMY	1 Environmentally-sustainable behavior		2 Green claims management		3 Green assets		Green clients / activities
	RETAIL	COMMERCIAL LINES	RETAIL	COMMERCIAL LINES	RETAIL	COMMERCIAL LINES	COMMERCIAL LINES
Mitigation	Transition towards **less energy consumption to reduce GHG emissions**		Damaged goods **repair,** or replacement with a low consumption equipment		Environmentally friendly assets		Environmentally friendly clients and/or activities
Adaptation	Preventive measures **to limit vulnerability to climate change**						
Circular economy			**Replacement with 2nd hand goods**				
Biodiversity & Pollution prevention	Preventive measures **to limit biodiversity loss**						

(1) *Determined with support from the WWF experts.*
LATAM: Brazil, Bolivia, Peru, Ecuador, Colombia, Venezuela, Guyana, Suriname, French Guiana, Paraguay, Argentina.
Congo Basin: Cameroon, Central African Republic, Democratic Republic of Congo, Republic of the Congo, Equatorial Guinea, Gabon.
South-East Asia: Cambodia, China (Yunnan and Guangxi), Lao PDR, Myanmar, Thailand, Vietnam, Papua New Guinea, Indonesia, Malaysia, Brunei, Australia.

(2) *According to Sustainalytics' controversies database.*

(3) *Derived from the 6 environmental objectives of the EU Taxonomy Regulation: 1/climate change mitigation, 2/climate change adaptation, 3/sustainable use and protection of water and marine resources, 4/transition to a circular economy, 5/pollution prevention and control, 6/protection and restoration of biodiversity and ecosystems.*

In terms of quantification, depending on the Green Business offering, AXA Group monitors the revenues (premiums for insurance products or fees for insurance services) or the claims.

In April 2022, as part of the *"AXA For Progress Index"*, AXA Group committed to increasing gross written premiums for Green Business offerings to €1.3 billion by 2023 from €1.1 blillion in 2020. Based on the 2022 strong performance, AXA Group decided to increase its ambition and set a floor at €1.7 billion for 2023. In 2023, €2 billion of Green Premium have been underwritten, surpassing the cumulative target.

Please refer to the Green Business Report for more details and examples [1].

While the AXA Green Business Program adopts definitions from the EU Taxonomy regulation, the application and scope is broader than that defined in the regulation for insurers and reinsurers. For further information on the specific EU Taxonomy applicable results for AXA's insurance operations see Section 4.7 "Transversal information".

INSURANCE AND BIODIVERSITY

One way to protect biodiversity is to mitigate risk of loss through innovative insurance mechanisms. With a particular focus on aquatic and coastal ecosystems – which are also essential reservoirs of biodiversity – AXA XL launched in 2021 its "Coastal Risk Index" (CRI) with ORRAA. The CRI is an innovative tool that maps current and future coastal flooding resulting from climate change by comparing scenarios with and without coastal ecosystems, such as coral reefs and mangroves. This helps build the case for nature-based solutions as the CRI illustrates the potential benefits ecosystems provide to assets and populations in different flooding scenarios; and the estimated value of restoring lost mangroves due to their flood reduction benefits, through new global mangrove maps.

AXA XL also put in place additional safeguards to support the detection of Illegal, Unreported, and Unregulated (IUU) fishing by requiring International Maritime Organization (IMO) numbers for all fishing vessels and refrigerated cargo vessels that it insures and adding further explicit checks on IUU fishing to its Marine Underwriting Rules and Guidelines.

Through AXA Climate, AXA XL is providing risk capacity for coral protection against tropical cyclones at four sites along the Mesoamerican reef in Mexico, Belize, Guatemala, and Honduras. The pay-out will be used by the client to do restoration work such as cleaning debris and attaching corals back to the reef.

AXA XL (since 2018) and AXA France (since 2023) are also providing, in partnership with Cedre [2] (*Centre de documentation, de recherche et d'expérimentations sur les pollutions accidentelles des eaux*), a French organization that specializes in helping governments and companies worldwide mitigate the impact of ecological incidents, tailored recommendations for companies with environmental risk insurance policies.

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AXA as a company: climate change and biodiversity loss matters

OUR OWN OPERATIONS IMPACTS ON CLIMATE CHANGE

AXA Group, as a responsible company, is committed to address climate change through its core operations. The impact of AXA Group's operations on climate change is identified as one of the main sustainability risks in 2023. AXA Group's own operations may have a negative impact on climate through its greenhouse gas emissions (GHG) emissions from heating and cooling, IT equipment and data centers, car fleet, and business travel. To reduce its impact and make sure it actively reduces its GHG emissions, AXA Group has set up an environmental management system for the entire Group. The annual environmental reporting enables AXA Group to track the progress made against a set of targets that are regularly updated to reflect the Group's ambition. Entities are coordinated and have assigned targets but also benefit from regular training, best-practice sharing, and guidelines. The results of this policy are displayed in detail in the following section with the GHG emissions from energy, car fleet, business travel and IT.

AXA's own operations 2019-2025 targets and 2023 performance are summarized in the table below. The reporting methodology, including the scope of the environmental indicators, is explained in the Section 4.7. Transversal Information - Reporting methodology.

(1) *www.axa.com/en/press/publications/AXA-Green-Business-Report-2022*

(2) *https://wwz.cedre.fr/*

GHG EMISSIONS INDICATORS OF AXA GROUP

(GHG emissions expressed in tCO_2 eq)	Base Year 2019	2022	2023	% 2023/2022	Target 2025	% 2023/ Base Year
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions	33,617	21,382	21,598	1%	-25%	-36%
Scope 2 GHG emissions						
Gross Market-based [(a)] Scope 2 GHG emissions	59,232	37,172	30,712	-17%	-35%	-48%
Gross Location-based [(b)] Scope 2 GHG emissions	65,470	45,848	42,423	-7%		-35%
Significant Scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions Market-based [(a)]	258,541	185,354	169,296	-9%		-35%
o/w GHG emissions from purchase services related to IT (Category 1)	4,623	5,234	5,955	14%		29%
o/w GHG emissions from capital goods related to IT (Category 2)	24,147	24,493	23,430	-4%		-3%
o/w GHG emissions from fuel and energy-related Activities (not included in Scope 1 or Scope 2) Market-based [(a)] (Category 3)	20,672	13,324	11,757	-12%		-43%
o/w GHG emissions from business travelling (Category 6)	86,004	24,831	57,006	130%	-18%	-34%
o/w GHG emissions from employee commuting [(c)] (Category 7)	123,094	117,472	71,148	-39%		-42%
Total Gross indirect (Scope 3) GHG emissions Location-based [(b) (d)]	259,356	188,605	174,336	-8%		-33%
Total GHG Emissions						
Total GHG emissions Market-based [(a)]	351,389	243,909	221,606	-9%		-37%
Total GHG emissions Location-based [(b)]	358,443	255,836	238,357	-7%		-34%
Total GHG emissions of Energy, car fleet, business travel and purchase services and capital goods related to IT (excluding commuting) (used in "AXA for Progress Index")	**228,295**	**126,436**	**150,458**	**19%**	**-20%**	**-34%**
GHG emissions - Breakdown by Source						
GHG emissions company's cars	24,939	17,273	17,485	1%	-20%	-30%
GHG emissions from energy consumption Market-based [(a)]	88,582	54,605	46,581	-15%	-35%	-47%
GHG emissions from energy consumption Location-based [(b)]	104,538	72,849	67,967	-7%		-35%
GHG emissions IT Market-based [(a)]	43,918	42,431	40,267	-5%		-8%
o/w GHG emissions from energy of data centers Market-based [(a)]	9,186	7,173	6,538	-9%		-29%
o/w GHG emissions from electricity of terminals [(e)]	5,962	5,530	4,344	-21%		-27%
GHG emissions IT Location-based [(b) (d)]	49,724	49,474	48,707	-2%		-2%
General Indicators						
Average Full Time Equivalent (FTE) of workforce [(f)]	121,337	118,791	121,354	2%		0%
Internal area: occupied and vacant *(m^2)*	1,630	1,416	1,293	-9%		-21%
Revenue *(in Euro million)* [(g)]	103,532	101,844	102,736	1%		-1%
Number of terminals inventoried	354,417	344,155	330,638	-4%		-7%
Ratios						
Total GHG emissions (Market-based [(a)]) per person *(tCO_2 eq/FTE)*	2.9	2.2	1.8	-16%		-37%
GHG Intensity (Market-based [(a)]) per revenue *(tCO_2 eq/€ Million)*	3.4	2.5	2.2	-15%		-36%
GHG emissions from employee commuting per person *(tCO_2 eq/FTE)*	1.0	1.0	0.6	-41%		-42%

(a) Market-based: reflects emissions from electricity that companies have purposefully chosen, notably the choice of renewable electricity.
(b) Location-based: reflects the average emissions intensity of grids on which energy consumption occurs.
(c) Excluding GHG emissions related to company cars to avoid double counting with AXA Group's vehicles fleet.
(d) Fuel and energy-activities emissions are measured on a Location-based approach and some of the emissions from services related to IT are using Location-based emissions factors from providers.
(e) Emissions related to the use of terminals in AXA Group sites (included in the line "GHG emissions from energy consumption") plus the emissions related to the use of terminals while working from home.
(f) Average Full-Time Equivalent of salaried workforce with open-ended contract and fixed-term contract, non-salaried temporary staff and contingent workers and trainees/apprentices.
(g) Revenues correspond since 2022 to "Gross written premium and other revenues", please refer to Section 1.3 "Business overview".

AXA Group continues to work on the deployment of its action plan to achieve its objectives by 2025. AXA Group aims at reducing the footprint of its operations on all the "scopes" of its GHG measured [(1)]:

- Scope 1: emissions related to fuel combustion on AXA Group's sites (gas, heating oil…) as well by vehicle fleet;
- Scope 2: emissions from combustion of fuels to generate electricity, steam, heating and cooling purchased and consumed by AXA Group buildings and data centers; and
- Scope 3: emissions from business travel, Information Technologies (IT) equipment manufacturing and purchased services, and emissions related to the production of fuels and energy purchased and consumed by AXA Group.

These objectives are based on the approach promoted by the Science Based Targets initiative (SBTi), which AXA Group joined in 2015. More specifically, AXA Group has chosen the "Sectoral Approach to Decarbonization" to define its 2019-2025 objectives, aimed at achieving the goals of the COP21 Paris Agreement. AXA Group has submitted to the SBTi a target of -31% for own operations Scope 1 and 2 perimeters. These targets have been set for each entity of AXA Group to help them steer their emissions at the local level. In 2023, AXA initiated the review of its own operation targets to be consistent with the SBTi requirements to decrease its Scope 1, Scope 2, and Scope 3 business travel emissions. Moreover, internal operations-related carbon footprint reduction is a criterion in the Long-Term Incentive (LTI), for profit-sharing attribution as well as entities' CEO target letters – please refer to Section 3.2 "Executive compensation and share ownership" and Section 4.2 "Employer Responsibility" of this Annual Report.

This objective is part of a broader framework that integrates the new measures related to AXA Group's IT activities and which translates into an overall reduction of the Group's GHG emissions of 20% by 2025 compared to 2019 (Scope 1, Scope 2 and Scope 3 business travel, IT equipment manufacturing and purchased services, and upstream energy emissions). With the goal of becoming carbon neutral on this Scope by 2025, AXA Group's GHG emissions reduction is one of the components of the "AXA Progress Index", as explained in Section 4.1 "AXA Group's sustainability strategy" of this Annual Report.

AXA Group does not set a target for employee commuting as the various constraints related to commuting (personal choice of employees, location, infrastructure, etc.) are not within the control of AXA Group.

AXA Group is undertaking specific initiatives to measure additional categories of indirect emissions, such as those related to the purchase of goods and services beyond emissions already measured on IT equipment and services, or those related to the management of insurance claims.

In addition to the emissions associated with its own operations, the overall Scope 3 GHG emissions of AXA Group include the financed emissions, which correspond to the carbon footprint of General Account assets. For further details, please refer to Section 4.3 "AXA as an investor: climate change and biodiversity loss – Consideration of climate change in investment portfolio management – Carbon footprint: Impact of AXA Group's investments on climate".

AXA Group also analyzed the carbon footprint of its insurance underwriting portfolios though the evaluation of its Insurance-Associated Emissions (IAE). For further details, please refer to Section 4.3 "Climate and biodiversity matters as an insurer - Consideration of climate change in insurance portfolio".

2023 environmental performance

REVISED COMPARATIVE FIGURES

In 2023, AXA Group proceeded to a review of the calculation of the carbon footprint related to its own operations. The main changes are the following:

- a separate calculation of the GHG emissions related to Scope 3 on fuel and energy related activities that were previously reported under Scope 1 and Scope 2;
- the refinement of some emission factors used in 2023 and in former reporting years, notably for business travel with the inclusion of contrails impacts and the upstream emissions based on the more comprehensive data from UK Department for Environment, Food and Rural Affairs (DEFRA), as well as for electricity consumption that is now using more accurate factors from the Association of Issuing Bodies (AIB, which manages the European Energy Certificate System), Green-US and the International Energy Agency (IEA) rather than ADEME [(1)];
- the refinement of the extrapolation methodology for business travel and car fleet to extrapolate transportation data for AXA's salaried workforce only (please refer to Section 4.7 Transversal Information - Reporting methodology - Scope of Social, Environmental and Societal Reporting - Scope of Environmental Indicators).

Consequently, the GHG emissions of 2019 and 2022 have been revised as compared to the data reported in the previous Annual Report.

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(1) *The French Agency for Ecological Transition - https://www.ademe.fr/en*

GHG EMISSIONS: ANALYSIS BY SCOPE

GHG emissions related to energy consumption, car fleet, business travel and IT decreased by 34% between 2019 and 2023 and amounted to 150,458 tons equivalent CO_2 (tCO_2 eq) in 2023. After two years of substantially reduced GHG emissions due to the containment measures and travel restrictions in the context of the COVID-19 pandemic, the resumption of business travel has led to an increase in the total emissions compared to 2022 (+19%), that was partly compensated by a decrease in energy emissions due to energy sobriety efforts in main AXA's entities.

In 2023, 38% of the GHG emissions measured by AXA on its own operations, excluding employee commuting, were related to business travel (air and rail), 31% to energy consumption, 20% to purchase services and capital goods related to IT and 12% to AXA Group's vehicle fleet.

Scope 1 GHG emissions

AXA Group's Scope 1 emissions include the GHG emissions generated by the combustion of gas and heating oil burned on site, as well as the fuel used by the Group's vehicle fleets. The calculation of GHG emissions related to primary energy consumption for buildings is done using ADEME emission factors or those communicated by the supplier for renewable energies such as biogas. For car fleet emissions, an emission factor per kilometer is applied based on the vehicle's emission range. To consider regulatory changes vehicles acquired or leased from 2020 onwards are classified according to the WLTP [(1)] standard.

In 2023, Scope 1 GHG emissions amounted to 21,598 tCO_2 eq, in line with previous year. For direct energy consumption, the increase in some sites driven by the return to the offices after the COVID-19 crisis is compensated by the efforts performed by other sites to optimize their energy consumption and reduce office space.

The use of the vehicle fleet in 2023 has increased with a distance travelled up by 5% as compared to 2022, but the growing share of electric and hybrid vehicle, limited the increase in GHG emissions to 1%.

Scope 2 GHG emissions

The GHG emissions related to electricity consumption were calculated on the basis of consumption in kilowatt-hours (kWh). AXA calculates the emission of energy based on two different methods [(2)]:

- a market-based method which reflects emissions from electricity that companies have purposefully chosen and where certification of origin can be used. This method is the one used in the target;
- a location-based method which reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

To calculate the Market-based GHG emissions, when the primary source of energy is well identified, ADEME emissions factors were used. When this information is not available, AXA Group used either the emission factor provided by the electricity suppliers, or the average emission factor for residual electricity in the country or region concerned (source AIB for European countries, Green-e for United States and production mix of IEA for others). To calculate the Location-based emissions, the IEA production mix is used for all electricity consumption.

For other secondary energy sources (heating and cooling networks), AXA Group used the emission factors provided by ADEME or directly by the supplier when the energy was produced from a renewable primary source.

In 2023, Scope 2 GHG emissions amounted 30,712 tCO_2 eq, decreasing by 48% as compared to 2019 and by 17% as compared to 2022 mainly due to measures implemented to reduce energy consumption in Europe that were partly offset by the increase in consumption in other areas resulting from the return to the buildings after the COVID-19 pandemic, combined with the purchase of more renewable electricity.

Scope 3 GHG emissions

While AXA Group's Scope 3 GHG emissions include GHG emissions related to business travel, digital equipment manufacturing emissions (computers, fixed and cell phones, storage tools, servers and network equipment hosted in AXA data centers), digital services purchased like cloud or network services of a subset of providers (Amazon, Microsoft, Salesforce, Orange and Google), fuel and energy related activities not included in Scope 1 and 2 (upstream emissions and transmission and distribution losses) and employee commuting, AXA Group's Scope 3 target for the period 2019-2025 only includes business travel.

(1) The WLTP (World harmonized Light-duty vehicles Test Procedure) is a global harmonized standard for determining the levels of pollutants, GHG emissions and fuel consumption of traditional and hybrid cars, as well as the range of fully electric vehicles.

(2) See Scope 2 methodology defined by the Greenhouse Gas Protocol https://ghgprotocol.org/

To calculate GHG emissions related to business travel by plane, AXA Group used emission factors provided by the UK Department for Environment, Food and Rural Affairs (DEFRA), including contrails impacts and the upstream emissions. For the business travels by trains, the emission factors used were mainly provided by ADEME.

In 2023, AXA Group's Scope 3 business travel emissions amounted to 57,006 tCO_2 eq. They significantly increased compared to 2022 (+130%) mainly due to the increase of distance travelled after the end of the COVID restrictions (+66%), as well as the increase in the emissions factors for plane that were updated by DEFRA and reflects COVID impact of plane loading (up to +37%). Yet, the emissions associated to business travel decreased by 34% compared to 2019, well beyond the 2025 target of 18% reduction, confirming sustained changes of habit.

Purchase services related to IT GHG emissions amounted to 5,955 tCO_2 eq in 2023, an increase of 14% compared to 2022. The capital good related to IT Scope 3 GHG emissions amounted to 23,430 tCO_2 eq in 2023, a reduction of 4% compared to 2022. The monitoring of Scope 3 GHG emissions related to AXA Group's IT impacts is part of a broader program aiming at steering the impact of AXA Group's digital activities (refer to paragraph "Environmental impact related to the use of digital equipment").

Fuel and energy-related Activities (not included in Scope 1 or Scope 2) GHG emissions amounted to 11,757 tCO_2 eq in 2023, a decrease of 12% compared to 2022, in line with the reduction in energy consumption.

AXA Group also measures the carbon emissions related to its employee commuting, even though such indirect emissions may be outside of the scope of the Group's responsibilities. It is estimated that AXA Group employees commuted a total of 889 million of kilometers, out of which 57% travelled by public transport, 34% by personal vehicles, and 2% by company cars and the rest by foot or bicycle. Scope 3 employee commuting emissions are estimated at 71,148 tCO_2 eq in 2023, decreasing by 39% *versus* 2022. Employee commuting-related GHG emissions per FTE decreased by 41% compared to 2022 (representing 0.59 tCO_2 eq per FTE in 2023). This decrease in emissions was linked to a decrease of the commuting distance travelled declared by the employees mainly due to new collection tool allowing for better data quality, as well as the increase of the share of low emitting transportation mode such as public transport.

Total AXA Group's Scope 3 emissions (business travel, digital equipment and services, fuel and energy related activities and commuting) amounted to 169,296 tCO_2 eq in 2023.

ANALYSIS PER CONSUMPTION ITEMS

2023 follows the same trajectory as 2022, marked by the end of COVID-19 measures and the return to the office, whose effects were offset by a continued increase in hybrid working arrangements in all AXA group entities with the implementation of "*Smart Working*", and energy sobriety plans deployed in Europe. Those changes had significant impacts on all AXA Group's energy consumption indicators, presented in the table below:

ENVIRONMENTAL CONSUMPTION INDICATORS OF AXA GROUP

	Base Year 2019	2022	2023	% 2023/2022	Target 2025	% 2023/ Base Year
Energy consumption and mix						
Total energy consumption related to own operations *(MWh)*	332,604	248,232	223,638	-10%	-10%	-33%
Total fossil energy consumption *(MWh)* [(a)]	208,396	110,451	94,903	-14%		-54%
Share of fossil sources in total energy consumption *(%)*	63%	44%	42%	-5%		-32%
Total consumption from nuclear sources *(MWh)*	12,999	1,835	2,536	38%		-80%
Share of consumption from nuclear sources in total energy consumption *(%)*	4%	1%	1%	53%		-71%
Total renewable energy consumption (MWh)	111,209	135,946	126,199	-7%		13%
(a) Fuel consumption for renewable sources, including biomass *(MWh)*	0	6,546	4,558	-30%		
(b) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources *(MWh)*	111,209	128,643	120,873	-6%		9%
(c) The consumption of self-generated non-fuel renewable energy (MWh)	0	757	769	2%		
Share of renewable sources in total energy consumption *(%)*	33%	55%	56%	3%		69%
Total Electricity consumption related to own operations *(MWh)*	248,277	188,985	174,170	-8%		-30%
ow. Electricity consumption: data centers *(MWh)*	48,382	45,329	42,433	-6%		-12%
Share of renewable electricity *(%)*	45%	60%	63%	5%	100%	40%
Energy intensity based per revenue *(MWh/€ Million)*	3.2	2.4	2.2	-11%		-32%
Electricity consumption: terminals *(MWh)* [(b)]	15,379	14,522	13,253	-9%		-14%
Transportation						
Business travelling: train and airplane *(Thousands of km)*	350,742	124,483	206,246	66%		-41%
Company's cars *(Thousands of km)*	208,516	152,446	160,245	5%		-23%
Employee commuting: round trip from home to office *(Thousands of km)* [(c)]	976,840	1,241,792	889,218	-28%		-9%
Other Environmental Indicators						
Paper						
Office paper consumption *(T)*	1,344	470	521	11%		-61%
Share of recycled and/or sustainably managed paper: office *(%)*	62%	64%	67%	4%		7%
Marketing and distribution paper consumption *(T)*	6,351	5,355	4,628	-14%		-27%
Share of recycled and/or sustainably managed paper: Marketing and distribution *(%)*	74%	72%	61%	-15%		-17%
Share of recycled and/or sustainably managed paper: Total *(%)*	72%	71%	62%	-13%		-14%
Office and Marketing & Distribution paper consumption per FTE *(kg/FTE)* [(d)]	63.4	49.0	42.4	-13%	-20%	-33%
Water						
Water consumption *(m^3)*	842,729	447,929	478,881	7%		-43%
Water consumption per person *(m^3/FTE)* [(d)]	6.9	3.8	3.9	5%	-10%	-43%
Waste						
Total waste *(T)*	7,129	5,070	4,350	-14%		-39%
o/w Unsorted waste *(T)*	4,681	2,757	1,955	-29%		-58%
Unsorted waste per person *(kg/FTE))* [(d)]	38.6	23.2	16.1	-31%	-10%	-58%
Share of waste recycled (total sorted/total waste) *(%)*	34%	46%	55%	21%		60%

(a) Includes natural gas, heating oil, steam, chilled water and electricity from non renewable sources (coal, gas and unknown).
(b) Consumption of terminal on AXA's sites included in the line "Total Electricity consumption related to own operations" and the consumption of terminals related to work from home.
(c) Excluding company cars to avoid double counting with AXA Group's vehicles fleet.
(d) Average Full-Time Equivalent of salaried workforce with open-ended contract and fixed-term contract, non-salaried temporary staff and contingent workers and trainees/apprentices.

Energy consumption

AXA Group's energy consumption includes the total energy consumed (heating, cooling, daily operations electricity) by its corporate sites and data centers during the reporting year. In 2023, the total energy consumption consisted of renewable energy (56%, mainly from purchased electricity, heat, steam, and cooling from renewable sources), fossil energy (42%) and nuclear sources (1%).

AXA Group's total energy consumption was 223,638 MWh for 2023, decreasing by 10% as compared to previous year and by 33% as compared to 2019. In 2023, European entities have continued efforts to save energy and reduce office space that compensate the consumption increased in other sites driven by the return to the office after the COVID-19 crisis.

In 2023, 32% of the office sites included in the environmental reporting received an environmental certificate under building certification programs such as BREEAM (Building Research Establishment Environmental Assessment Methodology), LEED (Leadership in Energy and Environmental Design), HQE (High Quality Environmental Standard), etc.

In parallel with the certification of the buildings, the entities also implement energy saving measures in their buildings in order to reduce their GHG emissions. On the one hand, for most of these entities, these measures take the form of the installation of centralized air conditioning systems, the reduction of heating or cooling when necessary and the establishment of minimum and maximum temperature thresholds. And on the other hand, these measures are also accompanied by investments in more sober equipment such as Low-Energy Lighting (LED), double glazing to reduce energy losses and lighting by motion detector to save electricity and use light according to use.

In 2023, 63% of the electricity consumed by AXA Group was coming from renewable energy sources (hydrolic, wind, solar, geothermal, biomass) which shows an increase of 5% compared to 2022 (60%). This is mainly explained by the fact that AXA Türkiye, AXA IM, and AXA Belgium reach the 100% renewable electricity target in all their sites this year, thanks to the subscription of renewable electricity contracts or the bought of energy certificate to compensate their emissions when they are not the landlord of their building. AXA Group's "RE100" objective is to reach 100% by 2025, and 10 entities have already achieved 100% renewable electricity in 2023. AXA also signed a Virtual Power Purchase Agreement (VPPA) to support the development of renewable energy and should cover the electricity consumption of all buildings and data centers in Europe from 2025 and onward. Please refer to Section 4.1 "AXA Group's sustainability strategy - AXA Group's contribution to the Sustainable Development Goals of the United Nations" for more details.

Business travel

Business travel measured in kilometers increased by 66% between 2022 and 2023, from 124 million km in 2022 to 206 million km in 2023, still explained by the rebound of business travels after the COVID-19 crisis (as explained in "Scope 3 GHG emissions" above). However, the number of kilometers has significantly decreased as compared to 2019 (-41%) due to reductions on business travel in policies applied in many entities across AXA Group.

Vehicle fleet

AXA Group's fleet is made up of commercial and corporate vehicles used by AXA's employees. In 2023, the total distance traveled by the AXA Group's vehicle fleet was 160 million of km, up 5% from 2022, but reduced by 23% as compared to 2019.

AXA Group entities are striving to reduce the impact of their vehicle fleet. As part of this effort, some entities are increasing the efficiency of their vehicle fleet by offering a wide range of low-emission electric vehicles. As a result, in 2023, 12% of the kilometers traveled by AXA Group's vehicle fleet were covered by hybrid and electric cars, compared to 6% in 2022, an increase of 52%.

Paper

AXA Group's paper usage includes office paper and marketing and distribution paper (brochures, etc.) and is measured per employee. AXA Group's total paper consumption was 42 kg/FTE in 2023 *versus* 49 kg/FTE in 2022, *i.e.,* a decrease of 13% and a decrease of 33% compared to baseline below AXA Group target 20% reduction between 2019 and 2025 target.

Water consumption

AXA Group's water consumption was 3.9 m^3/FTE, representing an increase of 5% compared to 2022 and a decrease of 43% compared to 2019. This reduction in water consumption compared with the target reflects better water management initiatives by the entities (dual-flush toilets, automatic faucet shut-offs, faucet aerators, leak detection, etc.), but the increase compared to previous year is mainly due to higher office footfall, notably in AXA XL and AXA UK.

Waste management

AXA Group contributes to waste reduction and sorting for recycling.

The amount of unsorted waste was 16 kg/FTE in 2023, representing a decrease of 31% compared to 2022 and 58% compared to 2019. The performance is due to local initiatives, in some entities, to reduce waste and develop sorting.

The total amount of waste generated by AXA Group was 4,350 tons in 2023 compared to 5,070 tons in 2022, representing a decrease of 14%; the recycling rate (sorted waste/total waste) was 55% in 2023, increasing by 21% compared to 2022.

Environmental impact related to the use of digital equipment

AXA Group has the ambition to leverage digital technologies and data to improve its operational efficiency. However, for several years now, the growing environmental impact of Information and Communications Technology (ICT) is acknowledged. This is why AXA Group IT launched the "Digital Sustainability" program in 2020.

This program aims at measuring the carbon footprint of AXA's digital activities, identifying levers to reduce it, and supporting transformation of our organization to manage its emissions.

AXA Group's digital GHG footprint in 2023 is estimated at 40,267 tCO_2 eq (Market-based) [(1)]. It is a 5% decrease compared to 2022 and a 8% decrease compared to 2019. To get comparative figures, reported emissions before 2023 have been restated to consider Scope extension and methodology changes.

This 5% decrease is the result of already launched infrastructure rationalization efforts combined with sobriety levers activated by entities, and this while digital use is expanding. Scope measured will continue to evolve with a particular focus on purchased IT services.

This footprint is divided into four main categories:

- 6,538 tCO_2 eq (Market-based) [(1)] corresponding to 42,433 MWh related to electricity and fuel consumed by power generators of data centers operated by AXA. We observed a 6% decrease in electricity consumption and a 9% decrease in market-based GHG emissions between 2022 and 2023 due to infrastructure rationalization programs and to transfer of services from AXA Group data centers to cloud services;
- 4,344 tCO_2 eq (Location-based) [(1)] corresponding to 13,253 MWh linked to the electricity consumption of the terminals used by employees and contractors (computers, monitors, cell phones, tablets, printers). The calculation method is based on internal inventories and manufacturers' data. The measurement includes emissions related to the use of terminals in AXA Group sites (included in the GHG emissions of energy consumption) plus the emissions related to the use of terminals while working from home. The quality of inventories has improved and at the same time levers to reduce their number were activated. As a consequence, there was a 9% decrease in electricity consumption between 2022 and 2023, as well as a -21% decrease in GHG emissions;
- 23,430 tCO_2 eq from capital goods related to IT that measure the impact of the manufacturing of digital equipment used by AXA Group which includes servers, network equipment, printers or terminals quoted above. The calculation method is based on inventories, manufacturers' data, and public data, as well as the average equipment lifespan. A 4% decrease in GHG emissions as compared to 2022 was observed mainly due to a more accurate inventory, life cycle extension and a 4% decrease in total number of terminals between 2022 and 2023;
- 5,955 tCO_2 eq (Market-based) [(1)] from purchased services related to IT that include cloud and network services from the following providers: Amazon Web Services, Microsoft Azure, Microsoft O365, Google Cloud Platform, Orange and Salesforce. Emission sources are mainly based on service providers' reports, and extrapolations when not complete. In the current measurement, the Group observed a 14% increase of GHG emissions between 2022 and 2023 due to the transfer of services from AXA Group data centers to the cloud purchased services and organic growth. This measure will continue to evolve to cover the full list of service providers.

In addition to this formal reporting, the program has kept making progress with the following activities in 2023:

Estimation of AXA Group's ICT GHG emissions

- continuous improvement of measurement accuracy with a broader Scope now covering additional local data centers;
- more entities onboarded in the Digital Sustainability program such as AXA Banque (France), AXA Seguros (Brazil), AXA Colpatria (Colombia), AXA Mansard (Nigeria) and AXA Sigorta (Türkiye) now reaching a total of 22 entities;
- printers integrated in the Scope measured; and
- more accurate inventories on workplace.

Identifying levers & reducing environmental impact

- secure IT contribution to the 20% reduction of AXA Group's GHG emissions in operations (energy, car fleet, business travel and IT equipment and services) with the setup of a dedicated Digital Sustainability program steering committee chaired by the Group Chief Information Officer and composed of entity Chief Information Officers with the support of Digital Sustainability Leaders. Entities have now dedicated teams that implement operational sobriety levers and track local measurements including formal sign-off of measure and targets;
- further reduce demand for new equipment by extending equipment lifespan, minimizing the number of devices per employee, considering "Bring your own device" practices or the purchase of reconditioned equipment. This lever has significant benefits on GHG emissions but also on the impact of devices manufacturing activities on water, soil, metal demand and digital waste. A shift in the market practices for longer life cycles is also discussed with Procurement and providers; and
- secure timely cloud migration, decommissioning of replaced servers and assess the potential impact of new projects in terms of GHG emissions.

AXA Group expects better performance from cloud hyperscalers compared to data centers it operates directly. While progress has already been made, more transparency from cloud service providers is needed to confirm this assumption, for instance on electricity and water consumption, digital waste and equipment lifecycle policy.

Transformation

- improve AXA Group's enterprise architecture, software engineering, data science and data management practices to deploy sustainability by design. A network of 20 Digital Sustainability champions supports AXA Group IT experts to reduce environmental impact. This lever is important to optimize AXA Group's activities but requires time to produce quantitative results;

(1) With the Scope 2 methodology defined by the Greenhouse Gas Protocol https://ghgprotocol.org/

- onboard Procurement teams & IT suppliers through dedicated global meetings and continuous discussions to improve the measurement accuracy;
- raise climate change awareness among employees leveraging the AXA Climate Academy (refer to Section 4.2 "Employer Responsibility" of this Annual Report); and raise awareness on Digital Sustainability among IT professionals, leveraging AXA Climate's specific job families' modules;
- keep on the partnership with The Shift Project Lean-ICT [1] program to get independent scientific support and encourage more sustainable business models.

Carbon neutrality and offsetting

By offsetting 2020 GHG emissions related to energy, car fleet, business travel and IT equipment and services AXA Group's operations have been carbon neutral on this perimeter since 2021. To compensate the full year 2023 carbon footprint of this perimeter (150,458 tCO_2 eq). AXA Group selected 5 projects:

- biogas development in China: the project supports nearly 1M low-income rural Households with advanced biogas digesters and smoke-free biogas cooking stoves;
- solar power project in Morocco: this project is expected to feed an annual average of 699,000 MWh of clean electricity to the Moroccan power grid. With the provision of clean energy, it enables avoiding the amount of power that would otherwise have been generated by fossil-fueled plants;
- Conhuas, restoring the Mayan Jungle of Calakmul, Mexico: Conhuas is a community-based project located in an area of high biological diversity of ecosystems;
- Laguna Om, restoring the Mayan Jungle of Calakmul, Mexico: Laguna Om is a community located between two large biosphere reserves. The project aims at promoting forestry and land use;
- San José del Rincon, Mexico: this community-based project aims at improving forest management practices.

IMPACT OF CLIMATE CHANGE ON AXA GROUP'S OWN OPERATIONS

Climate change may also impact AXA Group's own operations mostly *via* the physical risks incurred by its buildings and the disruption in activities they can cause. Climate hazards can also impact the health and safety of the Group's employees. This risk was identified in the ESG risk assessment conducted in 2023. Information in this section should be read in conjunction with Section 5.7 "Operational risk" of this Annual Report as climate risks are part of the broader Operational Risks.

Operational resilience seeks to ensure the continuity of services to AXA Group's customers, through the protection of its employees and operations in case of major events including climate hazards. AXA Group's operational resilience teams are working to reduce those risks and ensure the appropriate level of readiness to effectively respond. A dedicated governance oversees the management of incident and crisis events across the Group.

The following initiatives and policies are deployed in all the entities:

- map, *via* a monitoring dashboard of natural disasters, the different types of natural disasters threatening AXA Group's operations and implement the relevant protection measures;
- following Group guidelines, entities identify the critical business processes, dependencies (both internal and with third parties) and associated resources that must be maintained throughout an incident or crisis, to ensure continuity of operations and mitigate the impact on the Group's customers;
- entities prepare recovery plans for their business-critical process, to address the effects of disruptive events such as the loss of buildings, people, technology and critical third parties;
- High Risk Scenario Contingency Plans are developed for the top risks that entities are exposed to, addressing both tactical and strategic considerations required to respond effectively;
- AXA Group entities' Incident and Crisis Management Teams are trained on a regular basis and conduct exercises to ensure they are well rehearsed to respond effectively and protect the Group's employees, customers, critical operations, regulatory compliance, financial performance and reputation;
- regular coordination and enhancement of multi-entity Crisis planning for Group High Risk Scenarios: pandemic, catastrophic event impacting a business-critical operation, flood, cyberattacks & civil unrest; and
- implementation of an information crisis management tool to ensure an effective response, even in a scenario where communication infrastructure may be impacted.

(1) *"Digital Sufficiency - Lean ICT: for a sober digital" - https://theshiftproject.org/en/lean-ict-2/*

In 2023, the Group initiated a multi-year working group for Climate Resilience and Adaptation for Future Threats (CRAFT) to analyze the vulnerability of our own operations to climate related hazards and adapt our existing readiness frameworks and readiness levels.

The Group issued an internal Flood Readiness Guideline, published a public version [1] and launched the Paris Flood Task Force to ensure we raise further our level of resilience to this specific risk scenario.

During the 2023 annual CRAFT Seminar, that brought together various professional families with a role in helping ensure the resilience of AXA to Climate Change-related risks, the CRAFT roadmap for 2024 was announced with a commitment to develop Heatwave Readiness Guidelines, both internal and public.

In order to regularly measure and monitor the evolution of its business continuity capabilities, which is a fundamental operational resilience building block to ensure readiness to climate change risks, the Group measures the number of entities that have tested all business continuity plans for high and mission critical business processes. By 2023, 95% of entities have completed all these tests, with an annual target of 100%.

Climate change, biodiversity loss and ESG-related outreach and engagement

AXA Group supports several climate, biodiversity and ESG initiatives. These include the following initiatives:

- **TCFD:** AXA Group co-presided the global industry-led Task Force on Climate Related Financial Disclosures (TCFD) upon its launch in December 2015. The TCFD was set up by the Financial Stability Board (FSB) and chaired by Michael Bloomberg and Mark Carney (former Governor of the Bank of England, now UN Special Envoy for Climate Action). The TCFD provides guidance on how to disclose climate change risk and opportunities. In 2019, the FSB approved AXA Group's renewed membership of the TCFD, notably with an ambition to investigate the relevance of "investment temperature" metrics;
- **TNFD:** AXA Group is a member of TNFD. Its members include both financial institutions and corporates. It is developing an industry standard to identify and mitigate impacts, dependencies and risks related to nature. A beta framework was released in March 2022. Testing and refinement have continued until mid-2023 in consultation with key knowledge partners. AXA Group has been a member of the Metrics and Targets working group and is actively working with other members to identify the best existing approaches. TNFD membership also provides AXA Group with access to best practice on identifying and mitigating biodiversity-related risks;
- **GFANZ:** the Glasgow Financial Alliance for Net Zero (GFANZ) is a coalition of non-state actors committed to align with the goal of Net-Zero by 2050. AXA Group is a member of the GFANZ Real Economy Transition Plan working group. It participates in GFANZ *via* the Net Zero Asset Owner Alliance (NZAOA) and the Net Zero asset managers Initiative (NZAMI):
  - **NZAOA:** AXA Group joined the UN-led Net-Zero Asset Owner Alliance in November 2019. NZAOA is an international group of institutional investors committed to transitioning their investment portfolios to Net-Zero GHG (Greenhouse Gas) emissions by 2050. This involves regular reporting on progress, including establishing intermediate targets every five years,
  - **NZAMI:** AXA Group's Asset Management business, AXA IM, is a member of the Net Zero asset managers Initiative which brings together an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to +1.5°C; and to supporting investing aligned with net zero emissions by 2050 or sooner,
  - **Concerning NZIA:** On May 25, 2023, AXA decided to discontinue its membership of the NZIA. Under the Chairmanship of AXA, the NZIA has enabled the establishment of tools and methodologies for individual companies to measure and disclose greenhouse gas emissions associated with insurance and reinsurance underwriting portfolios. This was developed as open-source and made available not only to NZIA members but also more broadly. AXA will continue its individual sustainability journey, as an insurer, an investor and a responsible company, leveraging this toolset to set and monitor its own individual decarbonization targets and support its customers in their transition;
- **ORRAA:** AXA Group is a co-chair of the Ocean Risk and Resilience Action Alliance (ORRAA). This was formed following the 2018 Ocean Risk Summit. ORRAA brings together the finance and insurance sectors along with governments, non-profits, and stakeholders to: drive investment in marine and coastal natural capital; reduce ocean and climate risks; and build resilience in coastal communities;

(1) https://www.axa.com/fr/presse/publications/flood-readiness-guidance-2023

- **Sustainable Blue Economy Finance Initiative:** AXA Group became a member in 2021. It has signed up to the Sustainable Blue Economy Finance Principles and endorsed the #BackBlue commitment. This initiative, founded by the European Commission and other institutions, provides key principles to promote the implementation of Sustainable Development Goal 14 (Life Below Water) and set out ocean-specific standards;
- **Poseidon Principles for Marine Insurance:** AXA XL became a signatory of the Poseidon Principles for Marine Insurance (PPMI) in 2022 [(1)]. This initiative was developed in an effort spearheaded by global insurance institutions in collaboration with leading industry player and maritime expert support. It recognizes the role of insurers in promoting responsible environmental stewardship throughout the maritime value chain, hence providing tools to foster collaboration with clients, gain insight to enhance strategic decision-making, and address the impacts of climate change. Notably, PPMI provides a framework and methodology that enables members to assess and disclose the climate alignment of insured vessels in-scope of the PPMI; this in turn, provides insurers with valuable findings to initiate constructive conversations with our clients to support de-risking their energy transition;
- **Climate Finance Leadership Initiative:** the Climate Finance Leadership Initiative (CFLI), which was launched in September 2018 by the UN Secretary General, and is presided by Michael Bloomberg, seeks to develop standardized and securitized investments at scale to tackle climate change;
- **Alliance of CEO Climate Leaders:** this is a group of 50 CEOs set up by the World Economic Forum (Davos) to actively engage in global efforts to create market opportunities for tackling climate change. Its goals are to promote strong climate action including a commitment to reduce carbon emissions, to support the TCFD, to support low-carbon solutions and finance, and to promote adequate regulation. AXA Group joined in 2018;
- **IDF:** The Insurance Development Forum (IDF) is an insurance industry-led public-private partnership dedicated to closing the insurance protection gap in countries vulnerable to the impacts of Climate Change. It is supported by the United Nations and the World Bank, gathering members from the public sector, multilateral organizations, NGOs and civil society.

Biodiversity-related pledges supported by AXA Group include: Act4Nature, “Business for Nature”, the “Finance for Biodiversity” initiative, and Financial Sector Commitment on Eliminating Agricultural Commodity-Driven Deforestation at COP26 (“DEFRA Pledge”). AXA Group also supported the Joint Declaration on the creation of a global coalition for blue carbon at the One Ocean Summit, held in Brest in February 2022.

Over the years, AXA Group has and continues to lend support to some of the largest Investor and Insurance-led coalitions including: UN PRI [(2)], UN PSI [(3)], UN Global Compact, Carbon Disclosure Project (CDP), ORSE, EpE and Finance for Tomorrow.

AXA Group has also been supporting philanthropic projects related to climate change and biodiversity loss topics, notably:

- the program AXA Forests for Good;
- the scientific expedition TARA Europa carried out by TARA Ocean Foundation.

For more details, refer to Section 4.4 “Inclusive Insurer”.

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AXA research fund contribution on climate change and biodiversity loss research

In 2023, the AXA Research Fund continued its mission to support environmental risk science by funding and disseminating top-tier scientific research.

A commitment of €3.3 million that allowed the funding of 16 research projects and partnerships focusing on climate and environmental risks:

- establishment of a new AXA Chair on Water Quality management and Global Change, with €1 million funding over five years, hosted at Vrije University in Belgium. The chair will set up a global water quality monitoring network, and the resulting data will help governments better manage their policies in this area;
- award of seven innovative post-doctoral fellowships to address environmental and socio-economic challenges facing renewable energies;

(1) *For more information: https://www.poseidonprinciples.org/insurance/news/poseidon-principles-for-marine-insurance-hold-founding-meeting-and-enter-into-force-with-navium-and-axa-xl-as-latest-signatories/*

(2) *United Nations Principles for Responsible Investment (UN PRI) was launched in 2005 and is an investor initiative in partnership with UNEP Finance Initiative and UN Global Compact.*

(3) *United Nations Principles for Sustainable Insurance (UN PSI) was launched at the 2012 UN Conference on Sustainable Development; the UN PSI serves as a global framework for the insurance industry to address Environmental, Social and Governance risks and opportunities.*

- launch of two Joint Research Initiatives. One is related to Extra-tropical cyclones with AXA GIE and ETH Zurich. The second one on Space Weather impact on Ground Infrastructures, jointly with AXA XL and Université Grenoble Alpes;
- partnership with AXA IM and AXA XL to launch awards that rewarded mid-career researchers on their work respectively on the social dimension of climate change and water;
- partnership with prestigious organizations on priority environmental issues: on systemic risk linked with the transition with Cambridge University; on Biodiversity ecosystem loss scenarios with Swiss Re Foundation; and on vector-borne disease spread related to climate change with London School of Hygiene and Tropical Medicine.

Throughout its dissemination activities, the AXA Research Fund provided education to decision-makers and other interested bodies through two open access MasterScience classes on coastal Risk Management through nature-based solution and invasive species topics, led by renowned scientists supported by the AXA Research Fund.

Since its launch in 2008, the AXA Research Fund has supported 257 projects focused on addressing climate and environment-related risks.

Group Climate Indicators

Indicators	Unit	2023	2022	Evolution	Target	Timeline
As an Investor						
Carbon intensity of AXA's portfolio (General Account Assets)	tCO_2e/EVIC €m [a]	-48% [b]	-36% [b]	-12 pt	-20% [c]	2019-2025
Green Investments	€ billion	29.9	25.1	19%	26	2023
Warming potential	°C	N/A [d]	2	N/A	N/A	N/A
Climate value-at-risk	%	N/A [e]	10% [f]	N/A	N/A	N/A
As an Insurer						
Green Premiums	€ billion	2	1.7	18%	1.7 [g]	2023
As a company						
Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital)	tCO_2	-34%	-45% [h]	+11 pt	-20%	2019-2025
Share of employees who have been upskilled on climate issues	employees	96% [i]	87% [i]	+9 pt	100%	2023
Number of entities that tested all Business Continuity Plans for High/Mission critical business processes	entities	95%	95%	N/A	100%	Annually

(a) In tons of CO_2 equivalent per millions of euros of Enterprise Value Including Cash (Scope 1 and 2).
(b) These results are subject to volatility, namely linked to the industry evolution of carbon emissions, financial markets' performance and coverage of issuers AXA has invested in which may evolve over time. AXA's priority is to achieve -20% carbon footprint reduction target by 2025 with 2019 as the base year. The related absolute GHG emissions at 2023 year-end are covering 81.3% of the in-scope assets.
Following methodological enhancements in 2023, historical figures including baseline have been restated.
(c) In line with this first intermediate target, AXA announced in July 2023 a new intermediate objective: 50% of carbon intensity reduction by 2030.
(d) The "warming potential" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.
(e) The "Climate Value-at-Risk" at the end of 2023 will be available in AXA Group's annual "Climate and Biodiversity Report" 2024.
(f) Climate Value-at-Risk for +1.5°C climate scenario.
(g) Based on the strong performance in 2022, AXA Group decided to increase its ambition and set a floor at €1.7 billion for 2023.
(h) Historical numbers has been restated compared to past publications.
(i) Share of permanent employees within the SDR (Social Data Reports) Scope who have been trained in climate issues, completing the AXA Climate Academy or with a similar local initiative, excluding new joiners and long absences (according to local management rules).

4.4 INCLUSIVE INSURER

Building on its purpose (*raison d'être*) *"Act for human progress by protecting what matters"*, the AXA Group manages initiatives towards climate and biodiversity as an insurer, an investor and a responsible company. In 2021, the AXA Group strengthened its sustainability strategy with a pillar dedicated to inclusive protection and the integration of a dedicated indicator in the *"AXA for Progress Index"*. The Inclusive Protection program aims to address the protection gap of vulnerable communities through business opportunities adapted to local conditions. In addition, the AXA Group also pursues its solidarity actions through partnerships and philanthropic activities.

The risks related to "Inclusive Insurer" and "Partnership and Philanthropy" are part of the sustainability risk assessment conducted in 2023. The policies, initiatives, and indicators (KPIs and qualitative information) associated with these risks are detailed below.

Please refer to Section 4.1 "AXA Group's sustainability strategy" of this Annual Report for more details on the *"AXA for Progress Index"* [1] and the sustainability risk assessment.

Business-related societal challenges

The AXA Group strives to make insurance accessible to all. The pooling of risks, which is at the heart of insurance, creates a system of mutual support and reinforces a sense of community. As such, insurance is an essential factor in economic development and progress. However, some populations find themselves more vulnerable to risks by not having access to insurance products and services because of their financial situation, their geographical location, their age, gender, health condition, etc. The AXA Group's objective is to extend the scope of insurance to populations that are traditionally less well-protected, notably through the following initiatives:

- The Inclusive Protection program (as further described below);
  - active engagement in financial inclusion through AXA Emerging Customers,
  - development of inclusive guarantees and offers to protect increasing social inequalities within traditional insurance;
- parametric insurance solutions to protect vulnerable populations from the effects of climate change, with AXA Climate;
- insurance solutions and opportunities for women with the *"Women in Insurance"* initiative;
- dedicated product labels integrating ESG criteria such as *Offre Citoyenne* ("Citizen Insurance"); and
- inclusive economy and social-related outreach and engagement.

INCLUSIVE PROTECTION PROGRAM

In 2021, the Group launched its Inclusive Protection program with the objective of better protecting underserved populations with insurance coverage or services. A key pillar of this program is AXA's capacity to address clients and beneficiaries' inherent characteristics such as financial situation, age, gender, sexual orientation, health, geographical location or insurance awareness, that can result in significant protection gaps. As such, AXA is taking a wider approach on inclusive protection that is both locally relevant and considers customers' evolving needs.

Our goal is to foster the integration of more inclusive criteria and practices in our different business lines, share best practices, and report accordingly. The Inclusive Protection program targets both individual clients and businesses, across all sectors of activity, in developed and emerging markets.

The AXA Group defines an inclusive protection offer as a product (*i.e.*, designed or customized) or a related service that addresses a vulnerability to meet the needs of the underserved populations, in order to bridge a protection gap. AXA's framework defines the vulnerabilities to be considered. These can be caused by 1) structural situations or 2) occupational situations:

- **structural vulnerabilities:** monetary/revenues, territorial disparities, gender and age, chronic diseases, lack of access to health and protection;
- **occupational vulnerabilities:** micro-entrepreneurs, gig economy workers and migrant workers.

4

(1) *"AXA for Progress Index" | AXA www.axa.com/en/commitments/axa-for-progress-index*

In 2023, the AXA Group provided insurance coverage to 14 million customers through its Inclusive Protection program. This number includes:

- **13.6 million individuals** who benefited from the inclusive insurance provided by AXA Emerging Customers. They correspond to customers that benefit from insurance coverage through distribution channels that address the needs of low-income communities which may be excluded from insurance (see paragraph: "AXA Emerging Customers and initiatives to foster more resilience");
- **422 thousand individuals** covered through traditional insurance's adaptation that meets their needs. They correspond to customers that benefit from extended coverage against vulnerabilities that are usually excluded from traditional insurance products (see paragraph: "Beyond traditional insurance: adapting insurance for increasing social inequalities").

The Inclusive Protection program, designed with a baseline of 7 million customers in 2020, has surpassed its 2023 target of 12 million customers.

The number of customers in the Inclusive Protection program is defined as the number of policies-in-force of products in scope of the Inclusive Protection program. Individual customers may be covered by multi-policies. Such situations are deemed limited and should not impact materially the figures reported above. For further information see Section 4.7 "Transversal Information".

AXA Emerging Customers and initiatives to foster more resilience

AXA Emerging Customers is a dedicated business unit reporting directly to the Deputy CEO of AXA and overseen by the Inclusive Insurance Steering Committee represented by key Management Committee members. This business unit aims to address the financial exclusion of low-income to mass market communities and small businesses around the world, by:

- enabling vulnerable segments of the population to access insurance products and services that contribute to their financial health and accompany them in their economic progression;
- adapting these solutions to customers' needs, notably from an accessibility, affordability and relevance perspective; and
- providing them with a safety net against unexpected events that could lead to falling into poverty.

To reach underserved groups including women, smallholder farmers, gig-economy workers, microentrepreneurs and low-wage workers, a wide range of distribution partnerships have been put in place with both traditional actors like banks and microfinance institutions, to more alternative ones, like digital financial services providers, retailers, public actors, and remittance companies.

In 2023, the AXA Emerging Customers business continued its expansion across its priority markets [1] and engaged in a company-wide effort to further reinforce the strategic priority that inclusive insurance has for AXA over the long term.

In 2023, AXA Emerging Customers protected over 13.6 million individuals across 14 markets in Asia, Africa, Latin America, and Europe.

Furthermore, AXA Emerging Customers collaborates with Group entities to create solutions at the intersection of financial, health and climate risks. In Mexico, for example, over 100,000 low-wage workers are benefiting from Life insurance from AXA provided by their employer (one of the largest retailers in the country).

Beyond traditional insurance: adapting insurance for increasing social inequalities

AXA is committed to meeting the insurance needs of populations with structural vulnerabilities in key markets. AXA's approach acknowledges that many customers simultaneously face multiple vulnerabilities such as financial instability, age-related issues, gender disparities, territorial disparities (*i.e.*, urban, suburban, rural areas), and health problems, which often lead to gaps in the protection of our customers. This involves either tailoring existing insurance products to better serve the requirements of such customers or developing new products entirely. AXA's adaptive insurance products are specifically designed to support vulnerable populations, including microbusinesses, rural residents, elderly people, individuals with health issues or disabilities, young people, migrants, informal workers, and women.

For instance, AXA offers a range of services in different countries to support individuals, such as:

- in France, legal guarantees are activated to provide support for those impacted by gender-based violence, or carer guarantees that temporarily relieve the burden of sole responsibility for an elder relative;
- in Italy, dedicated services are offered to support the medical needs of women and manage the health needs of children;
- in Mexico, a new and comprehensive medical service has been developed, which provides high-quality care, facilities, and other benefits accessible at an affordable price;
- in the UK, AXA offers a dedicated support service for people with confirmed cancer diagnoses; and
- in Spain, migrant workers can access services beyond repatriation, such as legal and immigration support, translation assistance, housing, and job training.

In 2023, traditional insurance's adaptation shielded 422 thousand customers across five markets. As a component of the Group Inclusive Protection program, this section accounts for 3% of the total metric.

(1) Priority markets include Brazil, China, Colombia, Egypt, France, Indonesia, India, Mexico, Morocco, Nigeria, The Philippines, Thailand, Türkiye, and Senegal.

AXA CLIMATE: INNOVATIVE CLIMATE SOLUTIONS FOR A SUSTAINABLE FUTURE

AXA Climate's offer is built on best-in-class climate expertise, fully leveraging satellite technology in order to support economic players engaged in sustainable transitions. To achieve its mission, AXA Climate has developed a comprehensive set of businesses and services around climate change: from parametric insurance against climate risk, operational alerting, climate consultancy for industries, public sector, agriculture, and financial services, to training to enhance skills and engage employees in making the sustainable transition a success. In 2023, AXA Climate employs approximately 200 people.

Vulnerable communities are specifically impacted by climate change and climate risks. AXA Climate is able to provide parametric insurance solutions that trigger quick and automatic payouts within a few days after a natural catastrophe or an extreme weather event has struck to prevent them from falling into poverty. For instance, in 2023, AXA Climate had underwritten an earthquake cover for the Government of Morocco, which led to a quick payout of €50 million to the Government following the earthquake that took place in September 2023.

AXA Climate works closely with governments and international organizations to develop public-private partnerships in emerging markets. AXA Climate's public clients include the World Bank, KfW Development Bank through its InsuResilience Solutions Fund (ISF), and most major international sovereign risk pools which provide governments with protection against natural disaster risks including tropical cyclone, earthquake, excess rainfall and drought. AXA Climate also works with governments in the agriculture sector to protect farmers against yield losses due to multiple climate risks. As an example, AXA Climate supports the National Agriculture Insurance Scheme in India which allows more than 30 million farmers to benefit from agricultural insurance. Moreover, AXA Climate also works with the public sector on agriculture insurance projects at smaller scale in Pakistan, Vietnam, Taiwan, Senegal, Ivory Coast, Cameroon, Zambia, Ethiopia, and Mozambique where it protects over half a million farmers.

"WOMEN IN INSURANCE"

Women, especially in emerging countries, are less well insured than men, despite representing a significant portion of the economy. In 2014, the AXA Group published a report called "SheForShield" (1) in collaboration with the International Financial Corporation, which studied women's insurance behaviors, needs and expectations. Since then, the AXA Group has developed the "*Women in Insurance*" initiative aimed at increasing women's access to insurance products and services as customers, as entrepreneurs and as distributors, with the following two key priorities:

- improving access to healthcare solutions which take into account women's specific health and prevention needs. This can also be connected to the Group's involvement in supporting women in science, for example with the AXA Research Fund (see section "AXA Research Fund" below for more details); and
- empowering women entrepreneurs to take risks and seize opportunities, with customized products and services that help them develop their businesses, while allowing them to take better care of themselves and their family.

As part of its support to women, the AXA Group has been a strategic partner of the "*Global Women's Forum*" since 2018. This partnership enables the AXA Group to disseminate its expertise, gather best practices, and take part in projects such as the yearly Gender Equity barometer (2) which highlights disparities between perception and reality on gender-related topics in G7 countries since 2020.

In addition, the AXA Group is a member of Financial Alliance for Women, a coalition of financial institutions which work together to make the business case for women's economic advancement through peer learning, research, and advocacy.

In 2023, the Group issued a guide called "It's a Woman's World" (3), looking at four key aspects of women's lives, the risks they face, and the immense potential women possess as a force for progress and growth. The guide details what AXA entities around the world are doing to support women, notably through the *"Women in Insurance"* initiative. It covers a wide range of products, partnerships, investments, and research projects – including those that support women-led businesses, open up access to healthcare services, improve women's finances and deepen society's knowledge of women-specific health conditions.

(1) SHEforSHIELD | Insure Women to Better Protect All (ifc.org)

(2) The Women's Forum Barometer on Gender Equity | womens-forum.com

(3) https://www.axa.com/fr/presse/publications/it-s-a-woman-s-world-fr

INTEGRATING SOCIETAL ISSUES IN THE PRODUCT RANGE

In 2015, AXA France took a voluntary commitment to answer to French clients' requests for more responsible products and created the *Offre citoyenne* ("Citizen insurance" in English) approach, which guarantees that all new insurance contracts offers would benefit clients as well as positively impact society. In 2019, this initiative was adapted and deployed on AXA France's savings contracts under the *Offre citoyenne* umbrella. The approach is based on an assessment toolkit built in collaboration with a panel of external stakeholders and audited yearly by an independent third party.

Citizen engagements are communicated through four pillars: **(i)** "Trust" (*e.g.*, simple contracts for readability and transparency), **(ii)** "Prevention" (*e.g.*, preventive services or financial education to minimize the risks our clients are facing for themselves, their goods and their savings), **(iii)** "Environment" (*e.g.*, investment decisions based on environmental impact; environmental services or offers for Damages insurance), and **(iv)** "Inclusion and Solidarity" (*e.g.*, product accessibility for populations usually excluded from insurance mechanisms, investments in French and European Small and Medium Enterprises).

In 2023, AXA France distributed 88 different products in total that followed the *Offre Citoyenne* approach. Since 2015, 12 million contracts embedding this approach have been sold (as of December 2023).

INCLUSIVE ECONOMY AND SOCIAL RELATED OUTREACH AND ENGAGEMENT

Business for Inclusive Growth (B4IG) and Inclusive economy coalition

The AXA Group has been a member of the "Business for Inclusive Growth" (B4IG) coalition since 2019. This OECD-led coalition of private companies contributes to fighting social inequalities by working closely with policymakers to move inclusion up on the agendas at both the global and local levels. In 2023, the AXA Group co-led the "Access to goods and services" and took part in the "Diversity and Inclusion" working groups.

AXA France is also a member of the "Inclusive economy coalition", launched in 2018 by CEOs of major French companies, including AXA France, to act in favor of a more inclusive economy. This collective commitment is one of the private sector's responses to social vulnerabilities such as employment (apprenticeships, training), accessible products and services, and inclusive business.

Tobacco Free Pledge

Since 2016, the AXA Group has been engaged in efforts to divest [(1)] from and end insurance coverage for the tobacco industry. In 2020, these efforts were officially certified through the "Tobacco Free Pledge" label, which attests to the AXA Group's constant commitment in the fight against tobacco. Tobacco is one of the world's leading causes of death and long-term non-communicable diseases, including cancer, heart disease and chronic respiratory illnesses, and is responsible for more than 8 million deaths per year [(2)]. The AXA Group believes that supporting an industry which is the main cause of long-term non-communicable diseases, including cancer, heart disease and chronic respiratory illnesses, is incompatible with its role as one of the world's health insurers.

TOBACCO-FREE FINANCE PLEDGE SIGNATORY

Corporate philanthropy and engagement

The AXA Group strives to play a positive role in society, building a culture that promotes employee volunteering and financial donations to support the communities in which it operates.

Corporate philanthropy and volunteering engagement support AXA Group's sustainability strategy, covering its two main pillars: **(i)** climate change and inclusive protection, completed by **(ii)** humanitarian aid, arts and heritage.

Since 2022 several policies have been implemented to increase the alignment between AXA's philanthropy and citizenship activities and the Group's strategic pillars of sustainable development, namely climate change and inclusive protection. These policies aim at reducing a potential risk of misalignment between our corporate citizenship strategy and the overall sustainability strategy as revealed in the ESG risk assessment.

(1) Listed equity assets were divested from policy inception and corporate bond holdings left in run off (no new direct investments).

(2) Source: World Health Organization.

Thanks to the AXA Community Investment Survey (the reporting of philanthropy and volunteering activities across entities of the AXA Group), the share of activities aligned with the sustainability strategy can be monitored. In 2023, 72% of the €23.5 million of cash donations made by AXA (excluding donations made by Mutuelles AXA and those made for humanitarian emergencies which are covered by an *ad hoc* budget) and 97.5% of the 79,482 volunteering acts performed by AXA employees were done in support to climate or inclusion protection causes *versus* 78% of cash donations and 92% of volunteering acts in 2022. The target being that a minimum of 50% of philanthropic donations must be aligned with the sustainability pillars climate and inclusive protection, except donations made by Mutuelles AXA and those in favor of humanitarian emergencies. The contributing entities to the Community Investment Survey represent 96.4% of AXA's average FTEs (*versus* 99% in 2022).

PHILANTHROPY

Support climate and the environment

Since April 2023, AXA SA has been partnering with Fondation Tara Océan to support the Tara Europa expedition for a total of €600,000. This research program focuses on marine biodiversity in the land-sea interfaces across European coastlines. Researchers from 42 international laboratories are part of the mission.

This project aims at better understanding the coastal ecosystem, especially the impacts of anthropic pollution on microbiome and its interactions. The biodiversity challenge is a natural extension of our efforts to combat climate change.

In France, since 2022, AXA SA, AXA IM Alts, and AXA France initiated a three-year partnership with a consortium of scientists, NGOs, and forestry experts (namely INRAE, *Agro ParisTech, France Nature Environnement* and *Reforest'action*) called AXA Forests for Good. AXA has invested €660,802 to this partnership, which uses AXA's forestry assets destroyed by bark beetle attacks (600 hectares out of the 15,000 hectares owned in France by AXA France) as an opportunity to experiment with new methods of forest restoration and management, including mixed species plantations. AXA Forests for Good aims at proposing a more effective and sustainable way to restore damaged plantations and promote the multifunctionality of harvested forests (*i.e.,* host for biodiversity, carbon sink, biomaterials, influence the water cycle and human well-being). This initiative is intended to be shared with forest ecosystem stakeholders and the broader public.

Support inclusive protection

AXA SA has been supporting the Pierre Claver Association since 2008 with an annual donation of €200,000. The Pierre Claver Association has been developing a model for the sustainable integration of refugees in France, working alongside volunteers and students, and supported by major donors, including AXA.

The Association welcomes around 400 refugee students a year: 250 students take classes at the school, located in the heart of Paris, and 150 students are in contact with the Association remotely. The cohorts of students consist of refugees who have been granted asylum, selected through interviews, based on their desire to improve their chances of a successful life in France and to strengthen their ties with French society.

The educational program includes language classes of different levels, workshops on French culture, artistic and sports activities and cultural trips. Every student is paired with a tutor, and they have a meeting every week: the tutor's role is to encourage the student to look to the future, develop projects, and measure their ability to set objectives. Students willing and able to enroll in a higher education institution have an opportunity to secure funding for that through a scholarship program sponsored by corporate partners, specifically AXA SA. Students receive academic guidance and are assigned a mentor for the duration of their studies, up until their first job.

AXA's support takes many forms: from team building activities with AXA Hearts in Action to making significant donations as one of the association's main donors. In 2023, Group Communication & Engagement team welcomed two interns from the Association Pierre Claver for a month-long internship to explore the field of communications and learn more about AXA SA as a company.

Humanitarian aid

In 2023, AXA SA renewed its support towards the people of Ukraine by supporting the UNHCR with an additional donation of €500,000 to refurbish collective housing and repair private houses destroyed by bombing and attacks.

In 2023, AXA SA supported the International Committee of the Red Cross (ICRC) in its emergency response after the earthquakes in Türkiye and Syria through its donation of €2 million to provide shelters, distribute food and products of first necessity and take care of the wounded. In September 2023, following the earthquake in Morocco, AXA SA donated €500,000 to the ICRC to assess the needs on the ground and provide support to the affected population.

In September 2023, after the emergency alert given by *Les Restos du Cœur*, AXA SA decided to support three organizations acting in the area of food support in France by donating €1.7 million to *Les Restos du Cœur*, €400,000 to *Banques Alimentaires* and €400,000 to *Action Contre la Faim. Les Restos du Cœur* were created in 1985 to fight poverty and exclusion in all its forms in France.

Culture and the Arts: protecting our common memory and transmitting our cultural heritage to future generations

Aligned with its values of protecting and transmitting cultural heritage, AXA SA has been committed for decades to significant world heritage conservation actions and has more recently supported several projects in France such as:

- the reconstruction and restoration of Notre-Dame de Paris (major patron since 2019);

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- the restoration of Madame Du Barry's apartment/Palace of Versailles: project made possible thanks to the patronage of AXA SA from 2019 to 2022;
- since 2022, AXA SA has been the exclusive sponsor of IRCAM – Centre Pompidou, the world's largest public research center dedicated to both musical expression and scientific research - committing for the first time to the protection and transmission of intangible and sound heritage;
- at the end of 2023, AXA SA partnered with the Museum of the Army for the first time the exclusive patron of the restauration of The Chapelle Saint Jérôme/Dôme des Invalides.

AXA entities, such as AXA France and AXA Spain, are also involved in philanthropy actions, promoting access to heritage and culture for all. For instance, since 2019, AXA France is a major patron of the *Fondation du Patrimoine* (French Patrimony Foundation). As for AXA Spain, its collaboration with the Prado Museum began in 1998, making it the first private entity in Spain to become a benefactor of the Museum.

EMPLOYEE VOLUNTEERING

AXA Hearts in Action is the international volunteering program for AXA Group's employees. Under this umbrella, employees carry out activities on themes aligned with the two pillars of our sustainability strategy: climate change and inclusive protection. Since 2020, an international sponsorship Committee has been set up to anchor the program even more strongly within the various entities.

In 2023, 37,650 AXA employees took part in volunteering actions and 2,285 NGOs were supported.

AXA Group's employees were involved in a wide variety of activities (3,335 in total) and performed 79,482 acts of volunteering (compared to 56,500 in 2022). Through the AXA Hearts in Action program, the Group seeks to promote all forms of employee engagement, particularly skills-based volunteering. In 2023, AXA France continued to develop the "AXA *Compétences Solidaires*" program: 105 employees volunteered in partner associations (*versus* 130 in 2022).

AXA Group's employees volunteered 290,000 hours during and outside of working hours (compared to 317,750 hours in 2022) in support of solidarity projects. Most of these volunteer hours were spent during working hours: 91,314 hours for *Compétences Solidaires* and 71,404 hours for other activities, for a total of 162,718 hours (compared to 253,775 hours in 2022).

Without *Compétences Solidaires*, the number of volunteering hours amounts to 198,000.

For the past 13 years, the AXA Week for Good has been organized to highlight the community investment of AXA employees. During the 2023 edition of the AXA Week for Good, a total of 21,167 employee volunteers were mobilized across the Group (*versus* 15,400 volunteers in 2022).

In 2023, employees of AXA France voluntarily enrolled in the *Engagé pour secourir* program as reservists in the army. This program enables AXA France reservists and first aiders to benefit from days off for training, and to be released in the event of an Act of God (*force majeure*), if they are called up by their corps.

AXA RESEARCH FUND

The AXA Research Fund (AXA RF or the Fund) is committed to supporting science to enable a long-term science-based sustainable strategy. The Fund supports top-tier research projects on key areas of risks and engages in dissemination efforts based on science to better inform decision-making. With a global commitment of €256 million since its launch in 2008, the AXA RF has funded approximately 725 projects that explore solutions for global societal challenges in climate and environment, health, and socio-economic risk. The selection of research projects is overseen by an independent Scientific Board and based on excellence and innovation.

In 2023, the AXA RF renewed its mandate for five additional years, to pursue its philanthropic mission with three priorities: increasing impact, influence and visibility. The Fund has published a report on the impact of its last five-year mandate on science, the scientists and society.

With respect to academic funding, two chairs were selected each for an amount of €1 million over five years: in the field of health risks, the AXA Chair on Menopause and Cardiovascular disease at the University of Seville (Spain) and in the field of climate risks, the AXA Chair on Water Quality and Global Change at Vrije Universiteit Brussel (Belgium).

In December 2023, following a call for projects on renewable energy to ensure a sustainable and fair transition, an additional €973,000 was granted to seven post-doctoral researchers. They will work on improving assessment and designing new climate adaptation approaches to those risks.

Concerning the transversal matter "climate crisis is a health crisis" as per WHO/COP28: the AXA RF and AXA UK have recently initiated a new partnership with the London School of Hygiene and Tropical Medicine to establish a global observatory for vector-borne disease outbreaks to address the challenges posed by climate change on human health. This includes an outbreak forecasting system that will give a direct and immediate measurement of climate and climate change's impact on the risk of dengue outbreaks and a wide range of other diseases.

In the area of biodiversity, the AXA RF took part in a consortium led by Swiss Re Institute/Swiss Re Foundation to support research on Biodiversity Ecosystems Services Loss scenarios. Five research projects have been selected to develop future biodiversity scenarios at local, regional and global scale, over the next two years (for climate- and biodiversity-oriented projects, refer to Section 4.3 Climate change, biodiversity loss and ESG-related outreach and engagement).

To help better address the global challenges of systemic risks, the AXA RF has launched a joint risk resilience partnership with the Swiss Re Institute aimed at funding and disseminating research on systemic risks. The partnership is endowed with €1 million for a three-year period. The first annual call for proposals on cyber risk was launched on December 1, 2023.

Alongside AXA XL, the AXA RF also joined the Systemic Risk Hub at University of Cambridge for a three-year project focusing on systemic risk under the transition.

In line with its ambition of impactful dissemination of supported research, the Fund launched two new initiatives in 2023:

- Master Science, a series of open access master classes aimed at helping decision makers and practitioners benefit from insights from best scientists on challenges of our times. Master Science was launched in July, broadcasting the first five master classes (on Nature Based solutions, future of healthcare, invasive species, gender gap in business); and
- a digital campaign helped promote the series and generated a first 26 thousand masterclasses views. In July also, a LinkedIn page was launched to engage our academic and expert communities and accelerate visibility of supported research. In six months, it reached an audience of circa 1,900 qualified users by end of December 2023.

In parallel, the Fund also pursued its regular activity of media training (15 new grantees trained and practiced pitching their research). The Fund also continued engaging its active community of scientists from varied disciplines and backgrounds through a large variety of events, webinars, master classes, publications, and articles with partners such as The Conversation [1] (16 articles).

(1) The Conversation France: https://theconversation.com

4.5 BUSINESS BEHAVIOR

AXA Group is committed to conducting its business according to high ethical principles. This commitment is designed to ensure compliance with laws and regulations in the various jurisdictions where the Group operates, to earn the continued trust of its clients, shareholders, employees, and business partners, but also frequently extends beyond legal obligations particularly in the Group's priority areas.

As a result of the 2023 sustainability risk assessment presented in Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment" the following business behavior topics were identified as risks: anti-bribery and the fight against corruption, business ethics, responsible use of data & AI, data privacy and data security, sustainable procurement and tax policy.

The policies presented below cover these business behavior risks. Associated key performance indicators are explained in the following paragraphs.

Business ethics

COMPLIANCE & ETHICS CODE

AXA Group Compliance & Ethics Code seeks to establish Group-wide rules and guidelines to ensure that AXA Group companies and employees have a common understanding of the compliance and ethical standards the Group requires. The Code covers a variety of matters and topics, including specific rules concerning conflicts of interest, anti-bribery and corruption, insider trading, management of confidential information, etc. The Code is available on the Group's website [(1)].

The Group revised the AXA Group Compliance & Ethics Code in 2019, including topics such as: health & safety at work, protection and responsible use of customer data, engagement with social media, prevention of discrimination and harassment, and fair and professional treatment of customers.

ANTI-BRIBERY AND FIGHT AGAINST CORRUPTION

In order to tackle the risk of bribery and corruption, AXA Group has a Group Anti-Bribery and Corruption Policy (the "ABC Policy") that establishes the minimum standards for anti-bribery and corruption that must be implemented by AXA entities. This policy is updated on an annual basis to notably take into account regulations (for example, the French law known as "*Sapin II*" n°2016-1691 of December 9, 2016, on transparency and the fight against corruption and the modernization of the economy). A Group anti-bribery officer oversees the global ABC policy at Group level and monitors its implementation in all the entities. AXA entities have designated local anti-bribery officers to implement their local policies in accordance with the Group's ABC Policy.

AXA Group standards certification by entities' CEOs includes an "anti-bribery and fight against corruption" section. Our objective is to achieve a consistent anti-bribery and anti-corruption program across the Group's entities, which includes the necessary requirements that comply with international standards (including Sapin II Law) and prevent corruption risks.

As a result, each year since 2018, for all the entities in scope of the AXA Group Standards, 100% of CEOs have certified on the compliance level of their entities with the anti-bribery and corruption section [(2)].

BUSINESS CONDUCT

As mentioned above, business ethics were assessed during and for the purpose of the 2023 sustainability risk assessment, and more specifically the risk of mis-selling or non-transparent selling practices, mismanagement of claims, resulting in a low protection of customers in their interactions with AXA Group and life of their contract, and resulting in a loss of trust.

(1) www.axa.com/en/about-us/compliance-ethics#tab=business-ethics

(2) CEOs are required to certify annually to the Group CEO that to the best of their knowledge their entities comply with the Standards. The Annual Certification will include provision for non-compliance – which should be very exceptional - and a corresponding remediation plan.

The Group's insurance, asset management and banking operations are subject to an increasing number of laws and regulations – in the European Union (*e.g.,* Insurance Distribution Directive, MiFID II [(1)], PRIIPs [(2)], SFDR [(3)], Taxonomy Regulation [(4)]. See Section 7.3 "General information" for more detail on the applicable regulation) but also in many other countries where the AXA Group operates such activities – designed to increase customer protection in the financial services sector. AXA Group has taken actions to comply with these requirements in each of its businesses where such measures are in place and to globally spread and implement a customer protection culture across the Group. In addition, the Group demonstrates a strong commitment in its Compliance and Ethics Code, which applies to all employees and subsidiaries worldwide, to treat its customers fairly and professionally, by being honest and accountable when promoting products and services.

Since 2021, a set of recommendations on key customer protection topics (*e.g*., complaints, digitalization, product oversight and governance) have been shared with the objective of reinforcing uniformity of practices within the Group and, at the same time, continuously improving customer consideration wherever they may be. Key customer protection issues include vulnerable customers, customer information, digitalization, and complaints handling. These recommendations guide each entity in implementing responsible practices based on transparency, honesty, and fairness for the customer.

A compliance program of customer protection reviews has been reinforced since 2019. It consists of reviewing how local entities manage customer protection topics and the processes in place, especially regarding customer information, sales practices, or salesforce training. In 2023, seven entities, including for the first time non-European entities, had a customer protection compliance review on their business practices.

Compliance risks, including business conduct, are also assessed on an annual basis. The results and any necessary mitigation actions are shared with senior management. Internal verification processes have been implemented to monitor the effectiveness of such controls and cover entities' own operations and those of proprietary sales channels.

Another key initiative in managing business conduct is the product governance process (Product Approval Process, "PAP") which oversees the design, approval, and review of new or significantly modified products, including all the Product Oversight and Governance ("POG") requirements. The PAP is applicable to all entities of AXA Group with underwriting activities and focuses notably on the customer dimension, ensuring the product is built starting from the customers' needs and expectations, with a definition of the target market and a selection of adequate distribution channels. This process also aims at ensuring that all new products entering the scope of application (all entities with underwriting activities) of the PAP respect the principles of "value for customer". It includes notably a mandatory compliance checklist.

Every year since 2018, for all the entities in scope of the AXA Group Standards, 100% of CEOs have certified on the compliance level of their entities with the AXA Standards [(5)], which engaged them to conduct a PAP on all Life & Health and Property & Casualty products.

In 2023, for all the entities in scope of the AXA Group Standards, 100% of CEOs have certified the compliance level of their entities with the newly introduced "Conduct & Customer protection" section.

(1) Markets in Financial Instruments Directive.

(2) Packaged Retail Investment and Insurance-based products.

(3) Sustainable Finance Disclosure Regulation which applies to all entities providing insurance and investment services within the European Union.

(4) The European Taxonomy is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals other than climate.

(5) CEOs are required to certify annually to the Group CEO that to the best of their knowledge their entities comply with the Standards. The Annual Certification will include provision for non-compliance – which should be very exceptional - and a corresponding remediation plan.

Responsible use of data and AI, data privacy and data security

As mentioned in Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment"), responsible use of data and artificial intelligence (AI), data privacy and data security were part of the 2023 sustainability risk assessment and more specifically:

- data protection: risk of not being compliant with data protection legislation; and
- data security: risk of data breach or cyber-attack, given the sensitivity and volume of data managed by the Group and the consequences for stakeholders' privacy rights.

To address the risks identified above, the Group has implemented various initiatives to promote the responsible use of data and artificial intelligence (AI), to address societal challenges and to ensure the protection of customer data through a strong security strategy.

DATA PRIVACY

AXA Group was the first insurance group to adopt privacy-related Binding Corporate Rules for customer, employee, and other stakeholder personal data processing. These rules represent an internationally recognized standard. They have been approved by European data protection authorities. Binding Corporate Rules are integrated into AXA's own governance structure to make sure these are well applied. Group entities that are applying Binding Corporate Rules represent 99% of the Group's revenues in 2023 (also 99% in 2022 and 2021) in line with the 99% target. These rules and the Group's Data Privacy Declaration, whereby the Group undertakes not to sell the personal data of its customers, are available on AXA website [(1)].

The Group implemented the General Data Protection Regulation (EU GDPR [(2)]) and is also implementing similar regulations recently adopted in countries outside the European Union.

In 2023, out of 95 million customers, the Group received 497 customer's complaints with respect to data privacy, equivalent to 0.0005% customers (*versus* 471 complaints in 2022, equivalent to 0.0005% of customers and 1,127 complaints in 2021, equivalent to 0.0012% of customers). This ratio is under the yearly target of 0.01% (which means less than 9,500 complaints for 95,000,000 clients).

A SECURITY STRATEGY DESIGNED TO GUARANTEE THE PROTECTION OF DATA

With the massive digitalization of society, cyber risk is considered today one of the top operational risks that citizens and companies are facing. Cyber risk, listed as a top risk in the 2023 Future Risks Report [(3)], is closely monitored by the Board of Directors, which gets a quarterly report on AXA's security, also covering the evolution of the threat landscape. The Board of Directors relies on the Audit Committee to ensure appropriate mitigations are in place.

To respond to this threat, and as a responsible insurer, AXA Group has developed a risk-based security strategy that strengthens its business resilience, transforming security from a necessity to an advantage for its entities. Security is managed holistically by the corporate function, Group Security. It gathers the four security key disciplines: Information Security/Cyber Security, Operational Resilience, Physical Security and Health & Safety.

AXA Group has finalized the implementation of its "One Security" strategy in 2023, which successfully strengthened security maturity within AXA's entities, while maintaining the most mature ones within the first quartile of the most secure companies in the financial industry. The risk-based approach used ensured that we continuously consider and adapt to the evolution of risks and threats.

The maturity level of AXA entities is assessed, based notably on the ISO 27001 norms (see Section 4.7 "Transversal information - Definitions of key performance indicators"). In 2023, the Group successfully achieved a maturity score of 3.47 out of 5, with an increase of 0.17 over the previous year's results (on a representative scope of 20 mature AXA entities), contributing to the goal of remaining among the safest organizations in our sector.

This robust level of security is also ensured by the commitment of the Group's employees, who are the first line of defense against cyberattacks. Yearly training on the topic of security (including physical security, health & safety, operational resilience & information security), data protection and cybersecurity are deployed across the Group. In 2023, 100% of salaried employees have been trained and certified.

Conscious about the fact that risks could also come from its environment, AXA Group takes third-party supervision seriously.

(1) *https://www.axa.com/en/about-us/cyber-data-privacy#tab=our-commitments*

(2) *Regulation (EU) 2016/679 (General Data Protection Regulation) applicable as of May 25, 2018 in all member states to harmonize data privacy laws across Europe.*

(3) *https://www.axa.com/fr/actualites/future-risks-report-2023*

Annual third-party security assessments are conducted to ensure adequation with AXA Group expectations, leading to the implementation of remediation actions when needed. In 2023, AXA assessed 246 vendors for their security practices.

Last but not least, AXA delivered its new security strategic ambition towards 2026 to go beyond resilience to become a partner in trust, and a new program “One Trust” will start in 2024 to structure the deliveries around this strategic ambition.

RESPONSIBLE USAGE OF AI

AXA recognizes the significant potential of artificial intelligence (AI) to provide value for customers and shareholders, but also understands that its use requires careful governance and risk management measures. To this end, the Company launched the Responsible AI Circle in 2021. The Circle is a light and agile governance body comprised of stakeholders from different departments of the Group. It provides thought leadership, sponsors projects and develops operational tools and frameworks to support the development and deployment of AI in a responsible way in accordance with anticipated regulatory frameworks, particularly the EU AI Act (see Section 7.3 “General information” for more detail on applicable regulation).

To support the development of skills internally and to familiarize employees with the opportunities offered by Data & AI in a responsible manner, AXA launched a Data & AI Academy in 2022. This learning program offers role-appropriate training modules for the responsible use of data & AI, to support skills development and a culture of ethical AI. In 2023, a “Generative AI for Everyone at AXA” module was added.

AXA also works closely with regulators and leading research centers, to generate new knowledge on Responsible AI and effective AI governance in the insurance industry. In 2023, AXA published 11 academic papers in top international venues, nine of which were co-authored through its three academic partnerships with Sorbonne University, Stanford University and EPFL. AXA was also involved in co-supervising several PhD and master’s theses on Responsible AI topics, including the successful defense of a PhD thesis on the conception and evaluation of Explanation User Interfaces (XUIs) for complex machine learning systems. One of the PhD theses defended in 2022, on AI Fairness, was also awarded “Best PhD thesis in AI in France” by the French association AFIA (*Association française pour l’Intelligence Artificielle*). Finally, as part of TRAIL (Trustworthy and Responsible AI Lab), a joint research lab created in 2022 with the Sorbonne University, AXA co-organized seven research seminars featuring international and young researchers on Responsible AI.

Along with other members (industrial partners, consultancies, schools, and technology companies), AXA is also a leading contributor to Impact AI, a French think tank dedicated to ethics and Responsible AI. In 2023, this working group notably published practical recommendations on the governance of Generative AI/LLMs and a barometer study on the perception of AI and trustworthy AI by French citizens and employees [(1)].

Sustainable procurement

As a result of the 2023 sustainability risk assessment (please refer to Section 4.1 “AXA Group’s sustainability strategy - Sustainability risk assessment”), sustainable procurement was also identified as a risk.

Translating AXA Group’s sustainability strategy and commitments into its management of vendors is indeed a key issue for the Group. Policies and key performance indicators on sustainable procurement are presented in the Group’s Vigilance Plan in the following Section 4.6.

(1) https://www.impact-ai.fr/fr/2023/06/12/observatoire2023/

Tax policy

As mentioned above, tax policy was also included in the 2023 sustainability risk assessment.

Both as a multinational company and as a provider of investments and savings products, AXA Group follows a responsible and transparent approach on tax issues. In 2023, all AXA entities certified compliance with AXA Group Tax Policy and Tax Ethic Code (relating to 2022). The Tax transparency report published in 2023 covers 100% of the Group Tax footprint (relating to 2022), in line with the 90% target.

The Tax Ethic Code, agreed between Group Tax Department and local tax teams, highlights the key principles guiding the actions of the various tax teams, notably not to engage in aggressive tax driven transactions that could compromise the good reputation of the Group.

For more information on the Group's Tax policy and Tax Ethic Code, please refer to Section 7.3 "General Information - AXA Group Tax Policy" of this Annual Report.

4.6 VIGILANCE PLAN

To comply with applicable French law requirements [1], AXA has **(i)** adopted a vigilance plan that sets forth the measures established and implemented by AXA Group in order to identify the risks relating to, and prevent, violations of human rights and fundamental freedoms, health and safety of persons and adverse impacts on the environment resulting from Group's activities and from its own operations, and **(ii)** prepared a report included in this section, on the application of this vigilance plan during the financial year 2023.

For the avoidance of doubt, "ESG" and "sustainability", as used in the context of describing criteria, risks or objectives, refer to environmental, social (including human rights and fundamental freedoms as well as health and safety) and governance matters.

Scope of the vigilance plan

In accordance with the requirements of the French duty of vigilance, the Group's vigilance plan covers the activities of AXA and those of the companies controlled, directly or indirectly, by AXA within the meaning of article L.233-16 II of the French Commercial Code, as well as the activities of subcontractors and suppliers with whom the AXA Group has an established business relationship, insofar as the activities related to such relationship; and the vigilance plan includes:

1. a risk mapping to identify, analyze and prioritize risks;
2. procedures for the regular assessment of subsidiaries, subcontractors or suppliers with whom an established business relationship is maintained;
3. appropriate actions to mitigate risks and prevent serious harm;
4. an alert mechanism ("whistleblowing") to report potential violations established in consultations with representative trade unions;
5. a system for monitoring the implementation of measures and assessing their effectiveness.

Given the diversity of the activities of AXA's subsidiaries, subcontractors and suppliers, the vigilance plan sets forth the AXA Group's guiding principles and policies designed to ensure that they have a common understanding of the Group's standards in terms of sustainability, safety, whistleblowing, and personal data protection, and operate accordingly.

Risk mapping to identify, analyze and prioritize risks

The identification and assessment of the Group's main sustainability risks are conducted every year and approved by the Group Audit Risk & Compliance Committee (the **ARCC**) which assessed 18 sustainability risks for the AXA Group in 2023 around five main themes: governance, responsible employer, climate change and biodiversity loss, inclusive insurer and business behavior.

Risk factors for each topic related to the sustainability risk assessment were identified based on:

- sustainability risks identified as a result of prior sustainability risk assessments, as well as the AXA 2023 Future Risks Report, which outlines major trends on the risk landscape for society at large;
- an assessment of such risks by risk experts, who are selected based on their knowledge of specific sustainability risk; an assessment which is conducted in compliance with the AXA Group Operational Risks guidelines in order to analyze and score such risks based on three criteria: **(i)** severity, **(ii)** frequency and **(iii)** impact on interests and expectations of stakeholders; and

(1) *Law No. 2017-399 of March 27, 2017, relating to the duty of care of parent companies and instructing companies (devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre) and article L.225-102-4 of the French Commercial Code.*

- an assessment of such risks, in terms of relevance of the scores assigned as a result of the third step, by cross-sectoral experts selected based on their transversal knowledge of the extra-financial risk universe.

The results of the sustainability risk mapping were approved by the **ARCC** on March 6, 2024.

The work carried out by the AXA Group in 2023 to establish its sustainability risk assessment is presented in Section 4.1 "AXA Group's Sustainability strategy - Sustainability risk assessment" of this Annual Report.

AXA Group defines each of these risks, describes the policy and mitigation initiatives in each section of Chapter 4 of this Annual Report, and provides the key performance indicators (KPIs or qualitative results) and their methodology in Section 4.7 "Transversal Information" of this Annual Report.

HUMAN RIGHTS

The AXA Group considers that its activities and own operations could have potential direct and indirect impacts on the human rights of its employees, customers, and suppliers, as well as potential indirect impacts on the human rights of other persons through the Group's relations with corporate customers or investments in companies, which are active in sectors and/or countries with increased risks of human rights violations.

For this reason, in conjunction with the annual sustainability risk assessment described above, AXA Group also conducts a human rights risk assessment with the aim of identifying the most relevant risks to human rights that the AXA Group should consider in conducting its business (acting both as an insurer and as an investor) and its own operations. This risk assessment was conducted by an independent firm which used a three-step methodology:

- **first**, relevant rights to be assessed (based on overarching Charters, labor rights core conventions and specific conventions [1]) were prioritized. This prioritization identified risks in areas such as forced labor (rights of children, right to adequate standard of living, right to be free from slavery, right to life, liberty, and personal security), discrimination (right to equality, right to be free from discrimination, freedom of belief and religion), inclusion of vulnerable populations (rights of persons with disabilities, elimination of all forms of discrimination against women, right of indigenous people to natural resources, rights of migrant workers) and working conditions (freedom of opinion and expression, right of peaceful assembly and association, right to decent work and to join trade unions, right to social security, to education, to rest and leisure);
- **second,** the level of risk (high, moderate or low) was assessed through a two-tiered analysis based on severity and remediability across the relevant populations (employees, insurance product beneficiaries, investee companies, suppliers and contractors);
- **third**, a review of mitigative measures in place was conducted through a documentary review and interviews to assess the current level of Risk Management at the AXA Group.

This assessment ("**Human Rights Risk Assessment 2022 Report**") which includes the mapping of the identified risks and the measures taken to limit their impact, is available on the AXA Group's website (https://www.axa.com/en/commitments/our-commitment-to-human-rights).

In addition to the initiatives described above, from June 2022, a human rights risk assessment has been integrated into the due diligence process implemented for potential mergers, acquisitions and joint ventures.

The human rights risk assessment is undertaken regularly by the Group, and at least every three years in addition to the annual sustainability risk assessment described in Section 4.1 "AXA Group's Sustainability strategy - Sustainability risk assessment". The next human rights risk assessment will be carried out in 2025, if not earlier.

ENVIRONMENT

Environmental risks (climate change and biodiversity loss) were identified in the AXA Group's sustainability risk assessment as two of the main sustainability risks for AXA Group as detailed in Section 4.1 "AXA Group's Sustainability strategy - Sustainability risk assessment" of this Annual Report.

The AXA Group's environmental footprint on own operations is essentially related to the operation of offices and IT materials, business travel, water, electricity, paper consumption and other staple consumer products and generation of waste. In addition, AXA Group's environmental footprint also includes its indirect impact resulting from its investments and underwriting activities.

In respect of its own operations, the AXA Group's direct environmental reporting and management processes focus on energy, car fleet, business travel, IT equipment and services as well as related CO_2 emissions. Water consumption and waste generation are also assessed yearly. These processes are verified by an independent third-party and, allows the Group to **(i)** evaluate its impact on the environment every year and **(ii)** identify the risks stemming from its own operations for the environment.

(1) Universal Declaration of Human Rights, Covenant on Civil and Political Rights, International Covenant on Economic, Social & Cultural Rights, International Labour Organization's core conventions, International Convention on Rights of Child, International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, Convention on the Rights of Persons with Disabilities, Convention on the Elimination of All Forms of Discrimination against Women.

For further information on the environmental reporting and its methodology in respect of its own operations, please refer to Section 4.3 "Climate change and biodiversity loss - AXA as a company: climate change and biodiversity loss matters").

HEALTH AND SAFETY

Under the theme of "responsible employer", the topic of "safe environment" was also identified in the AXA Group's annual sustainability risk assessment.

When it comes to assessing and prioritizing health and safety risks, each AXA Group entity is required to carry out a risk assessment in accordance with local laws, when applicable, which is reviewed on a yearly basis by local AXA entities. The methodology of this assessment involves evaluating both the severity and probability of a particular job or task. Severity refers to the potential harm or impact an event could have, while probability refers to the likelihood of the event occurring. By combining these two factors, entities can prioritize risks based on which ones are most likely to cause the most harm. For example, a high severity and high probability risk would be given higher priority than a low severity and low probability risk. By focusing on the most critical risks first, AXA entities address potential hazards in a more effective and efficient manner, ultimately improving overall health and safety.

MAPPING OF RISKS IN AXA'S SUPPLY CHAIN

In 2023, the AXA Group updated its methodology for identifying and assessing the ESG risks associated with the value chain in General Expenses and IT Procurement categories. Through an analysis of ESRS (European Sustainability Reporting Standards defined by the CSRD), 21 risks relating to ESG were identified for the purpose of the procurement activities of the Group, based on current supply chains, across five key areas:

- environmental (GHG emissions & energy consumption, pollution, water consumption, land artificialization & deforestation, resource extraction & depletion);
- fundamental freedoms (illegal work (not declared work/illegal workforce), unfair employer practices, inability to provide decent wage, harassment & abuses, lack of fair & transparent consumer engagement);
- health and safety (poor & hazardous working conditions, product safety);
- human rights (child labor and/or forced labor, discrimination/inequal opportunities, impacts on local communities, conflict funding);
- business integrity (lack of transparency on governance & political influence, corruption/bribery, unfair relationship with suppliers, anti-competitive practices, data security).

The criticality of each risk is assessed by procurement category, taking into account its severity and probability. This assessment is used to classify the Group's procurement categories according to an appropriate level of sustainability risk – namely, low, medium or high. Based on this framework, the vigilance measures implemented by the AXA Group are strengthened as the yearly ESG assessment will include all suppliers and sub-contractors identified in high-ESG risk procurement categories with significant yearly spend through the risk mapping, (*e.g.*, gifts & branded goods, telephony).

Procedures for regular assessment of subsidiaries, sub-contractors or suppliers

AS A COMPANY

The AXA Group relies on a reporting process for Group entities which is based on an internal review conducted by the Group sustainability team. In addition, all local procurement teams are required to comply with the mandatory requirements and commitments set out in the Group Sustainability Standards.

To implement improved procedures for regular assessment of its subsidiaries as well as improved monitoring of local procurement processes at key stages of the contract lifecycle, the ESG Risk Management guidelines which support the Group sustainability standards are expected to be updated in 2024.

AS A BUSINESS PARTNER

AXA Group strives to continuously challenge and engage suppliers to improve on sustainability topics especially those identified as high-ESG risk within the General Expenses and IT Procurement categories.

This ongoing value chain assessment is carried out through integrating the Group's sustainability strategy into its management of suppliers and on an on-going basis, such as:

- inclusion of a sustainable development clause in contracts signed with suppliers and sub-contractors;
- integration of an ESG criteria grid into the Group's calls for tenders;
- assessment of the extra-financial risks of Group's suppliers procurement categories; and
- requesting suppliers in the procurement categories with the highest levels of ESG risk to share their EcoVadis score with the AXA Group.

By application of the Group's internal sustainability standards and guidelines, the Group Integrates sustainability criteria into procurement processes. For procurement contracts, all local procurement teams across the Group shall implement standards which must be followed by.

For example, AXA Group personnel working in a procurement department must:

- sign the Group's Code of Professional Conduct and the Code of Ethics;
- include a "Sustainability clause" in purchasing contracts;
- implement an assessment of extra-financial risks of its suppliers, identified by an internal risk matrix by procurement category; and
- attend sustainability awareness sessions given by the network of Sustainable Procurement personnel identified in the Group's various entities.

The ambition is to be able to identify and act on serious controversies linked to human rights abuses and negative environmental impacts or business ethics alerts involving suppliers.

AS AN INSURER

In respect of underwriting activities, AXA group entities are expected to comply not only with applicable legal and regulatory requirements relating to sustainability but also the AXA Group's voluntary sustainability commitments, including commitments to limit or decline to offer or renew insurance coverage for risks and customers which are identified as failing or likely to fail to meet the AXA Group's sustainability criteria.

Detailed requirements for P&C underwriters are provided in the Sustainability Underwriting Guidelines. These are internal guidelines which have been made available since 2022 to all local entities that carry out underwriting activities. The guidelines comprehensively integrate the AXA Group's voluntary sustainability commitments into its P&C underwriting governance framework, ensuring that P&C direct insurance and assumed reinsurance activity is conducted in accordance with the AXA Group's Sustainability objectives and values. These set out the risks and types of customer which AXA group entities are prohibited from, or restricted in, in underwriting, as well as applicable assessment criteria, while outlining an escalation framework for issues and sensitive cases encountered in the underwriting process which might otherwise result in a breach of the AXA Group's sustainability commitments. In all situations, AXA group entities are expected to liaise with Group Underwriting Office at an early stage.

AS AN INVESTOR

In respect of our **investment activities**, AXA has put in place restrictive investment guidelines to address certain activities in sectors that may pose certain risks to AXA as an investor. For more information on these sectors, please refer to Section 4.3 "Climate change and biodiversity loss - AXA as an investor: climate change and biodiversity loss matters" of this Annual Report.

The restricted lists are implemented and monitored on a regular basis by the asset managers managing the AXA's General Account.

Actions to mitigate risks and prevent serious harm

AS A COMPANY

Protection of Human Rights and Human Rights Policy

The AXA Group's human rights policy, available on the AXA Group's website (https://www.axa.com/en/commitments/our-commitment-to-human-rights), aims at preventing the violation of human rights in relation to the Group's activities and own operations. The AXA Group seeks to respect internationally recognized human rights principles as defined by:

- the United Nations Universal Declaration of Human Rights;
- the core standards of the International Labour Organization (ILO);
- the Guiding Principles on Business and Human Rights (implementation of the United Nations "Protect, Respect and Remedy" Framework or "Ruggie Principles");
- the United Nations Global Compact;
- the UN Principles for Sustainable Insurance (UN PSI);
- the UN Principles for Responsible Investment (UN PRI); and
- the OECD recommendations and the Global Deal.

AXA's human rights policy describes the Group's commitments in conducting its business as a responsible company (as an employer, a business partner, also respecting human rights in new business relations), an insurer and an investor.

The AXA Group endeavors to protect its employees' human rights, specifically the principles of freedom of association, the right to fair and favourable working conditions, non-discrimination and living wage, through:

- promoting the 10 guiding principles of the United Nations Global Compact (of which principles 1 & 2 are related to human rights and principles 3 to 6 to labor standards) and encouraging the reporting of potential or actual severe violations of human rights;
- setting inclusion and diversity targets and initiatives. See further details on Section 4.2 "Employer Responsibility"; and
- requiring executives to certify annually the compliance of their activity with AXA Compliance & Ethics Code, available on the AXA Group's website (www.axa.com/en/about-us/compliance-ethics#tab=business-ethics).

As detailed in Section 4.2 "Employer Responsibility" of this Annual Report, the Group engaged with the Fair Wage Network in 2023 and received certification recognizing fair wage practices in the AXA Group. To build onto AXA's journey towards Pay Transparency that will be pursued over the next strategic plan, AXA has made a new commitment to offer all employees a total cash remuneration of at least 110% of the local living wage by the end of 2026. Such recognition enables AXA to progress further on its long-term commitment towards an inclusive and supportive global workplace culture and society. In particular, AXA signed and went beyond the "Business For Inclusive Growth" (B4IG) pledge as part of the UN Global Compact "Forward Faster" initiative to ensure that 100% of its employees across the organization earn a living wage by 2030.

Protection of Employee Safety, Health, and Security

As detailed in Section 4.2 "Employer Responsibility" of this Annual Report, AXA is committed to its purpose (its *raison d'être* to "*act for human progress by protecting what matters"*).

As regards employee health, in November 2020 the AXA Group launched an innovative global program to improve the health and wellbeing of its employees around the world. This program, the "*Healthy You*" program, was extended in 2021 and is now implemented in all AXA entities globally.

In 2023, the AXA Group announced the launch of its "*We Care*" program which aims to provide all employees with the time, support, and resources to make personal and professional decisions with confidence and enables further progress on its long-term commitment towards an inclusive and supportive global workplace culture. In addition, the "*We Care*" program provides support to its workforce particularly where health and safety is at issue through the implementation of policies focused on providing support and protection to caregivers, parents, victims of domestic and sexual violence.

The "*We Care*" program, which will be one of AXA's key milestones for its *"Unlock the future"* strategic plan, and is expected to be deployed across all AXA entities by the end of 2024 through four main pillars: **(i)** parental leave, including support for employees receiving and recovering from in-vitro fertilization, or in the case of pregnancy loss, **(ii)** caregiver leave, **(iii)** support for employees if they experience domestic and sexual violence, and **(iv)** an expansion of the "*Healthy You*" program to include a supportive working environment for employees experiencing menstrual health conditions, menopause, or andropause.

Beyond the "*We Care*" program, the Group has also implemented safety, health, and security standards with which all Group entities must comply. These standards set out:

- processes to identify risks, depending on the specific characteristics of the environment and the activity of each AXA Group entity;
- proactive and reactive measures to be implemented according to identified risks (information, training, protective measures, incident management procedures and crisis plans); and
- a performance measurement is carried out by AXA entities and reported quarterly to the AXA Group central team.

Finally, employees also have access to care whenever they need it. AXA covers mental and physical health through Employee Assistance Programs ("EAPs") available 24/7.

For further information on AXA's global programs on health and wellbeing, please refer to Section 4.2 "Employer Responsibility" of this Annual Report.

Personal data protection

AXA was the first insurance group to adopt privacy-related Binding Corporate Rules for customer, employee, and other stakeholder personal data processing. These rules represent an internationally recognized standard, approved by European data protection authorities. Binding Corporate Rules are integrated into AXA's own governance structure to make sure these are well applied. Group entities that are applying Binding Corporate Rules represent 99% of the Group's revenues in 2023 (also 99% in 2022 and 2021) in line with the 99% target. These rules and the Group's Data Privacy Declaration, whereby the Group undertakes not to sell the personal data of its customers, are available on AXA website [1].

In addition, to respond to the cyber risk threat, the AXA Group has developed a risk-based security strategy that strengthens the AXA Group's business resilience. See further details on personal data protection by AXA Group in Section 4.5 "Business behavior - Responsible use of data and AI, data privacy and data security" of this Annual Report.

Protection of the Environment

The AXA Group's Environmental Policy, available on the Group's website [2], describes key actions aimed at reducing the AXA Group's direct and indirect environmental impacts.

The AXA Group's environmental targets included in its 2025 environmental strategy are notably focused on the reduction of carbon emissions, one of the main contributors to climate change. Some of AXA Group's carbon emissions reduction targets for 2019-2025 are based on an approach promoted by the "Science Based Targets" initiative. Ahead of the energy disruption that was expected during 2022 winter in Europe, an Energy Sobriety & Resilience Task Force was launched to accelerate energy consumption reduction by the end of 2023 and ensure resilience in case of energy disruption.

Also, a number of the buildings occupied by the AXA Group benefit from environmental certificates such as BREEAM, LEED and HQE. Please refer to Section 4.3 "Climate change and biodiversity loss" of this Annual Report for further details on AXA Group's certifications.

The AXA Group also supports initiatives related to climate change and environmental protection, as detailed in Section 4.3 "Climate change and biodiversity loss". In addition, the Group's Responsible Investment Policy is available on the AXA Group's website [3]

AS A BUSINESS PARTNER

AXA Group continuously strives to improve sustainability engagement and procedures with its suppliers in order to mitigate risks and prevent serious harm (see paragraph *"Procedures for the regular assessment of subsidiaries, sub-contractors or suppliers – As a business partner"* above).

AS AN INSURER

Protection of Human Rights and Human Rights Policy

The AXA Group strives to support its customers' rights while preventing or mitigating adverse human rights impacts that may result from the provision of insurance products and services to corporate customers, in particular by seeking to:

- ensure fair treatment of all customers;
- offer products designed to meet the needs and expectations of its customers;
- design products and services to meet the needs of vulnerable populations, in order to reduce insurance coverage disparities, closing the protection gap and empowering insured people to achieve positive outcomes with regards to their financial resilience. The AXA Group is also adapting insurance to the needs of low income to mass market clients as described in Section 4.4 "Inclusive insurer" of this Annual Report;

(1) https://www.axa.com/en/about-us/cyber-data-privacy#tab=our-commitments

(2) www.axa.com/en/commitments/environmental-footprint-management

(3) www.axa.com/en/about-us/investments#tab=responsible-investment)

- integrate environmental issues into the Group's insurance business activities and provide climate-related risk transfer products and adaptation services to communities, including those most impacted by climate change. Within this framework, the AXA Group applies the underwriting guidelines, as mentioned above, and offers insurance solutions which assist communities in facing the consequences of climate change. For instance, parametric insurance products support insured communities in dealing with the impact of climate-related disasters. For further details on the parametric insurance offer, please refer to Section 4.4 "Inclusive insurer" of this Annual Report;
- strengthen its digital presence by making products and services more accessible as well as simplifying interactions with customers;
- encourage sales practices that respect the customer, in particular by providing them with transparent information;
- deal with claims in a prompt, fair, sensitive and transparent manner and ensuring that these processes are clearly explained and understood;
- use data in a responsible manner and safeguarding clients' privacy, in accordance with its Data Privacy Declarations and internal corporate rules for the protection of personal data (Binding Corporate Rules);
- provide customers with the means to express and resolve any disputes that may arise with AXA Group companies, notably through dedicated complaints departments; and
- implement internal controls to ensure the effectiveness of processes.

AXA or its subsidiaries is also a member of certain coalitions, such as, on an international scale, the Business for Inclusive Growth (B4IG) coalition since 2019 and, in France, the *Collectif d'entreprises pour une économie plus inclusive* (Business collective for a more inclusive economy) since 2018.

Integration of sustainability criteria into underwriting processes

As an insurer, the AXA Group incorporates sustainability criteria (including those relating to human rights) into its insurance business processes, in line with AXA's commitment to the UN Principles for Sustainable Insurance. The AXA Group's commitments are reflected in internal policies and initiatives, including product development processes and policies as well as underwriting guidelines.

With respect to the environment and human rights, AXA Group seeks to prevent and mitigate adverse impacts on the environment and on human rights, notably by:

- offering customers insurance solutions that support the transition to a more sustainable and less carbon-intensive economy; and
- applying sector specific policies in underwriting activities, which address issues in ESG sensitive sectors. These sector specific policies cover human rights and environmental concerns (*e.g.,* oil and coal) and are subject to an annual certification process carried out by entities of the Group.

For further information on integration of ESG criteria in insurance products and services and coalitions, please refer to Sections 4.3 "Climate change and biodiversity loss", 4.4 "Inclusive insurer" and 4.5 "Business behavior" of this Annual Report.

With respect to **human rights risks**, the underwriting guidelines define the exclusion of certain socially or environmentally sensitive sectors or practices (which can be directly or indirectly related to human rights) from the Group's insurance activities, as well as sectors with increased risks, such as controversial weapons industries.

With respect to **environmental risks**, in June 2023, AXA Group publicly communicated our new reduction targets for Insurance-Associated Emissions to: **(i)** reduce the carbon intensity of the personal motor portfolios of the Group in selected geographies by 20% by 2030 (compared to 2019 baseline); and **(ii)** reduce the absolute carbon emissions of the Group's largest commercial insurance clients by 30% and of the other corporate clients by 20% in selected geographies by 2030 (compared to 2021 baseline) [(1)].

These insurance restrictions as well as the Group's insurance-related carbon footprint are detailed in Section 4.3 "Climate change and biodiversity loss – AXA as an insurer: climate and biodiversity loss matters – underwriting restrictions" of this Annual Report.

AS AN INVESTOR

Integration of human rights criteria into investment decisions

As an investor, with respect to human rights risks, the AXA Group has implemented various responsible investment policies (including, as an example, a policy on controversial weapons) and built an analytical framework to identify potential indirect impacts on human rights.

In its General Account, AXA seeks to avoid any adverse human rights impact that might be associated with its investments activities by applying the exclusion list derived from the Human Rights policy.

The ESG assessment of the companies in which AXA Group has invested, or contemplates making an investment, incorporates the following human rights-related inputs: **(i)** fundamental principles such as those of the United Nations Global Compact, the International Labor Organization (ILO) as well as OECD recommendations, and **(ii)** the reputation and potential controversies regarding these companies.

This policy is reviewed and updated on a regular basis and applied in respect of the AXA's General Account.

(1) AXA Net Zero strategy for investment & underwriting | AXA

Integration of environmental criteria into investment decisions

AXA Group has been integrating material ESG considerations throughout its credit assessment and investment processes since 2015. AXA's objective is to preserve its clients' long-term interests by investing in corporates with the best financial, risk and sustainability profile.

With respect to **the environment**, as an investor, the AXA Group seeks to prevent and mitigate adverse impacts on the environment, notably by:

- offering customers investments solutions supporting the transition to a low-carbon economy as detailed at Section 4.3 "Climate change and biodiversity loss";
- progressively aligning its investments activities with the Paris Agreement, which aims to limit the "warming potential" of +1.5°C by 2050; and
- as mentioned above, applying sector specific policies in investment activities, which address issues in ESG sensitive sectors. These sector specific policies cover human rights and environmental concerns (*e.g.,* oil and coal) and are subject to an annual certification process carried out by entities of the Group.

In June 2023, AXA Group publicly communicated its new intermediate decarbonization targets for investment portfolios, notably in committing to:

(i) a new carbon intensity (Scope 1 and 2) reduction target of 50% between 2019 and 2030 with respect to listed corporate equities and debt and real estate equity where it is possible;

(ii) strengthen its engagement activities with the management of the companies contributing the most to its portfolio's carbon footprint (please refer to Section 4.3 "Climate change and biodiversity loss - AXA as an investor: climate change and biodiversity loss matters".

The new intermediate decarbonization targets for investment portfolios are in line with the Group's overall objective of progressively aligning its investments activities with the Paris Agreement, which aims to limit the "warming potential" of 1.5°C by 2050.

The AXA Group also supports initiatives related to climate change and environmental protection. In addition, the Group's Responsible Investment Policy is available on the AXA Group's website [1]

For further information on **integration of environmental criteria in AXA Group investment decisions**, please refer to Section 4.3 "Climate change and biodiversity loss" of this Annual Report.

For further information on AXA Group's strategy for alignment with the objectives of the Paris Agreement, please refer to Section F of AXA's 2023 Climate and Biodiversity Report available on the AXA website [2].

Whistleblowing procedure

The vigilance law requires the implementation of a mechanism for alerting and collecting reports on the existence or occurrence of risks, established together with the representative trade unions in the Company.

In 2018, a whistleblowing procedure (*i.e.*, "alert mechanism") and tool was established by AXA SA, on behalf of its French entities, to respond to the specific requirements of the *loi de vigilance* and vigilance-type risks, in consultation with French trade unions through a series of physical meetings with union delegates.

At AXA, everyone (*i.e.* meaning the whistleblowing process is accessible to anyone and is not only restricted to employees) is encouraged to report, without fear of retaliation and in good faith, concerns which may cause detriment to (an) individual(s) or AXA.

In whistleblowing, everyone, anonymous or otherwise, can be confident that they will be treated fairly. Any disclosure made to investigations team will be taken seriously. Any person (including colleagues) facilitating the reporting of a whistleblowing are also protected under the Whistleblowing & Investigations' policy.

Allegations can be reported through various channels, for example, line management, a trusted colleague, the dedicated local whistleblowing hotline (which must be freely accessible), HR, Compliance, *via* a detection tool, directly to local Internal Audit or to Group Internal Audit (speak-up@axa.com). All allegations ultimately end up with Internal Audit. Local Whistleblowing & Investigations policies must provide instructions on how allegations can be raised externally.

(1) *https://www.axa.com/en/about-us/investments).*

(2) *www.axa.com/en/press/publications/2023-climate-report*

The AXA Group has independent Investigations teams (reporting to Internal Audit or in case of a specific delegation by Internal Audit, reporting to another department) who investigate the allegations.

The AXA Group has a dedicated team of independent professionals who review all alerts/allegations received. All allegations received must be triaged and those which fall within AXA's Whistleblowing & Investigations Policy must be logged in AXA's global internal audit tool, CAPT.

All allegations received must be acknowledged to the whistleblower promptly (target response time should be within 7 working days from receipt), and an update provided within 3 months of receipt. Both targets should be met except where there are justifiable extenuating circumstances. If at any point it becomes clear that the allegation is not admissible under the Whistleblowing & Investigations Policy, the reasons will be provided in writing to the whistleblower.

Whistleblowing and investigations are confidential. Any leakage of confidential information will be subject to appropriate disciplinary action.

The whistleblowing procedure provides that retaliation against whistleblowers or anyone who is part of the process, or reporting allegations in bad faith, are not tolerated by AXA and will be subject to appropriate disciplinary action.

Furthermore, all AXA Group companies are required to define internal policies governing whistleblowing according to local laws and regulations, and in alignment with the new 2023 "Whistleblowing & Investigations" policy.

Local campaigns and awareness sessions are regularly conducted on Whistleblowing and AXA "Speak-up" processes.

Monitoring the effective implementation of the vigilance measures

AS A COMPANY

Reporting process

AXA has put in place a comprehensive system of internal control and Risk Management (please refer to Section 5.2 "Internal control and Risk Management") which supports enforcement of Group standards and policies in operating entities and compliance with applicable regulations. The monitoring of the implementation of vigilance measures and assessing their effectiveness, is carried out, at a high level, by the Group's system of internal control.

In addition, the AXA Group relies on a reporting process for Group entities which is based on an internal review conducted by the Group Sustainability central team, the AXA Entities Sustainability Index (the "AESI"). Conducted each year, the AESI is the Group's internal system for promoting and assessing the implementation of the Group's ESG guidelines and standards at the level of each of the AXA entities.

In 2023, the AESI was completed by 29 AXA entities (compared to 30 in 2022) [(1)]. The AESI questionnaire consists of 21 questions related to the Group's ESG strategy implementation and 2 questions related to the AXA entities' compliance with the vigilance plan, which can be broken down into the following six (6) themes:

- **sustainable procurement**: inclusion of sustainability criteria in the RFPs, inclusion of sustainability clause in contracts, signature of the Buyer Code of Ethics by procurement associates, implementation of sustainability awareness sessions in local procurement teams, sustainability evaluation of suppliers by third party;
- **employee human rights**: LGBT+ inclusive workplace, inclusion of employees with a temporary or permanent disability, implementation of a social dialogue;
- **whistleblowing policy:** existence of a local formal policy, communication of this policy, definition of main roles and responsibilities, the coverage of the speak-up procedure and its accessibility for employees and external stakeholders;
- **safety, health, and security of employees**: processes to identify risks, proactive and reactive measures, performance measurement;
- **personal data protection**: application of the Binding Corporate Rules; and
- **environment and human rights as an insurer and as an investor**: compliance with the Group guidelines.

Following the self-assessment conducted in 2023, gaps were identified, and the relevant entities shall implement improvement action plans, including the following:

- the enhancement of the onboarding of procurement associates with sustainability awareness sessions and their signature of the Buyer Code of Ethics;
- the strengthening of procurement process with respect to sourcing (inclusion of sustainability criteria in the RFP), contracting (the inclusion of the sustainability clause in

(1) *The reason for this decrease is due to the fact that in 2023, Architas (now AXA IM Select) was onboarded within AXA Investment Managers as a business unit and therefore contributed to the AESI through AXA IM.*

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procurement contracts), and contract monitoring (the implementation of action plans for suppliers and sub-contractors within high-ESG risk procurement categories and with significant yearly spend with low ESG assessment score (source EcoVadis); and

- the strengthening of all contract monitoring (notably the implementation of action plans for suppliers and sub-contractors within high-ESG risk procurement categories, with significant yearly spend and with low ESG assessment score (source EcoVadis)).

Finally, the effective implementation of certain vigilance measures linked to sustainability risks (as identified in Section 4.1 “AXA Group’s Sustainability strategy - Sustainability risk assessment”) can also be tracked by key performance indicators presented in Section 4.7 “Transversal information - 2023 key performance indicators”.

Involvement of AXA stakeholders

In line with its strong culture of dialogue, AXA has regular discussions with its various stakeholders at different levels.

In order to maintain effective communication between employees and management as well as a constructive social dialogue, the vigilance plan was presented on several occasions to employee representatives.

Please refer to Section 4.1 “AXA Group’s Sustainability strategy - Sustainability governance & Stakeholder dialogue” of this Annual Report for further details about the stakeholder dialogue initiated by AXA.

Sustainability Scoring

The AXA Group is evaluated every year by S&P Global CSA (Corporate Sustainability Assessment) score. Please refer to Section 1.1 “The AXA Group - Key figures - Socially Responsible Investments (SRI) ratings” for further details about ratings. Furthermore, the AXA Group received a “Gold” score in its latest EcoVadis evaluation.

AS A BUSINESS PARTNER

Integrating Group Sustainability strategy and commitments into its management of its key suppliers and sub-contractors is an on-going activity for AXA Group. This alignment means that AXA Group integrates sustainability considerations to select and monitor its suppliers. This approach is articulated around two axes: **(i) responsible persons & processes; and (ii) responsible suppliers.**

All AXA entities are required to report on General Expenses and IT Procurement, on an annual basis, to Group Procurement teams, with indicators detailing their alignment with AXA Group standards on sustainability on these two axes. This framework allows AXA Group to monitor the effective implementation of the Group Sustainability strategy with respect to our own operations.

The results of this reporting on General Expenses and IT contracts in respect of the 27 AXA entities that completed this survey for 2023 are set out below:

- **responsible people & processes:**
  - the AXA Group personnel working in a procurement department must sign the Code of Ethics, which promotes fairness and neutrality, confidentiality, and transparency of sourcing decisions. In 2022 and 2023, more than 90% [(1)] of procurement associates signed the Buyer Code of Ethics.
  - the personnel is also trained to the AXA Group’s Sustainability strategy and its Sustainable Procurement policy through awareness sessions given by the network of Sustainable Procurement personnel identified in our various entities. In 2022 and 2023 more than 80% [(1)] of procurement associates attended the sustainability awareness session.
- **responsible suppliers:**
  - the AXA Group requires a sustainable development clause, to be included in IT and General Expenses contracts signed with suppliers and sub-contractors. That clause provides a number of obligations, including **(i)** respect by supplier of human rights, fundamental freedoms, safety, health, and environmental protection, **(ii)** authorization for AXA Group to carry out audits to verify that its supplier complies with its obligations, in particular under the sustainability clauses and **(iii)** the possibility for AXA Group to terminate a contract in the event of a breach of those obligations. More than 90% [(1)] of the procurement contracts entered or renewed in 2022 and 2023 included this sustainability clause.
  - since 2021 an ESG criteria grid has been shared across the Procurement teams and continues to be integrated into the Group’s calls for tenders in respect of IT and General Expenses contracts. Criteria may vary depending on purchasing categories. As an example, they may involve the EcoVadis rating, the carbon emissions of suppliers’ and sub-contractors’ products and services, or their responsible procurement policy. More than 75% [(1)] of RFP launched in 2022 and 2023 contained the Sustainability criteria.
  - the AXA Group implemented an assessment of the extra-financial risks of IT and General Expenses suppliers, identified thanks to an internal Risk Matrix by procurement category (please refer to Section “Vigilance Plan – Risk mapping to identify, analyze and prioritize risks – Mapping of risks in AXA’s supply chain” above). More than 70% [(1)] of the suppliers evaluated in 2022 and 2023 shared a Bronze or higher EcoVadis scoring.

(1) These results are based on figures provided by 27 AXA entities in respect of General Expenses and IT contracts for 2023 whereas equivalent figures in 2022 were provided by 28 AXA entities in respect of General Expenses, IT and insurance procurement contracts.

- for these key categories, the AXA Group has implemented locally new sustainable ways of buying, *e.g.,* the greening of car fleets, the purchases of green energy whose Scope covers the electricity consumption of all offices and data centers of AXA entities in Europe, the deployment of new measures for IT purchases (*e.g.*, by asking key IT providers to provide the carbon footprint related to the Group's purchases of their services and products). All these best practices applied locally are shared by the Sustainable Procurement community in order to promote a wider deployment.

Since 2018, the AXA Group uses a dedicated **Vendor Risk program** to reinforce its operational control and Risk Management of third parties. This program is centrally coordinated by the Group Risk Management Department and implemented locally by AXA entities. Please refer to Section 5.7 "Operational risks" of this Annual Report for further information on this program.

All local procurement teams are required to comply with the mandatory requirements and commitments set out in the Group Sustainability Standards.

All local procurement teams must escalate any breaches of the sustainability procurement requirements (*i.e.* Code of Ethics, Group sustainability clause and sustainability assessments) to their local Chief Procurement Officer in a timely manner. All local CEOs are required to certify to the Group CEO on the level of adherence to Group Sustainability Standards on an annual basis.

The Group Sustainability Standards are expected to be enhanced during 2024 and these enhancements will be reported on in the 2024 Annual Report.

AS AN INSURER AND AS AN INVESTOR

CEOs of all local entities are required to comply with the mandatory requirements and commitments set out in the Group Sustainability Standards, which was reinforced in January 2024.

In respect of underwriting

The Group Sustainability Standards mandate the application of an internal group underwriting sustainability restriction list, which is regularly updated and disseminated by the Group Underwriting Office to all local underwriting teams and their respective CEOs.

- these restrictions apply to all new business and renewals for Property & Casualty, Life and Health underwriters;
- CEOs must ensure timely escalation of any breaches of the Group Sustainability Standards to the Group Chief Risk Officer, Group Chief Underwriting Officer and Group Sustainability Officer as soon as it becomes known.

Specific "Sustainability Underwriting Guidelines" were introduced in 2022 to complement the Group Sustainability Standards and the Group sustainability restriction list on P&C underwriting for the AXA Group's P&C underwriters. The guidelines comprehensively integrate the Group sustainability restriction list into the AXA Group's P&C underwriting governance framework, ensuring that P&C activity is conducted in accordance with the AXA Group's Sustainability objectives and values in all respects, save where to do so would be a breach of legal and regulatory requirements in any applicable jurisdiction. They set out the risks and types of customer which AXA group entities are prohibited from or restricted in underwriting, as well as applicable assessment criteria, while outlining an escalation framework for issues and sensitive cases encountered in the underwriting process which might otherwise result in a breach of the AXA Group's sustainability commitments. The guidelines are reviewed regularly in tandem with the Group sustainability restriction list and the Group Sustainability Standards.

In respect of investments

The Group Sustainability Standards apply by reference to the responsible investment restriction list, which is regularly updated by the Group Investment & ALM teams and disseminated by the Financial Risk Management teams to all local investment teams and their respective CFOs/CEOs.

- These restrictions apply to all investments made by local entities as principle and also, with respect to General Account assets and Unit-Linked assets, notwithstanding the asset manager.

In this context, CEOs/CFOs must ensure timely escalation of any breaches of the Group Sustainability Standards to the Group Chief Risk Officer and Group Sustainability Officer as soon as it becomes known.

4.7 TRANSVERSAL INFORMATION

EU Taxonomy Disclosures

GENERAL INFORMATION

The following provides information with respect to the requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the EU Taxonomy Regulation) and the five supplementing Commission Delegated Regulations [(1)] that have been published as of June 27, 2023.

The EU Taxonomy Regulation and the Disclosure Delegated Act require companies such as AXA to disclose how and to what extent their activities are associated with economic activities that qualify as "environmentally" sustainable under articles 3 and 9 of the EU Taxonomy Regulation.

Pursuant to article 3 of the EU Taxonomy Regulation, an economic activity must meet the following conditions to be considered as environmentally sustainable (Taxonomy-aligned economic activity):

- it contributes substantially to at least one of the six environmental objectives laid down in article 9 of the EU Taxonomy Regulation [(2)] and complies with the technical screening criteria (TSC) established by the Commission for each eligible activity;
- it meets the "do no significant harm" (DNSH) criteria, having no negative effect on any of the other five environmental objectives; and
- it complies with the minimum safeguards (MS) laid down in article 18 relating primarily to human rights and social and labor standards.

During the 2-year transitional period that ended on December 31, 2023, financial undertakings such as AXA had to disclose only some information which include, among others, the proportion of exposures to Taxonomy-eligible and to Taxonomy non-eligible [(3)] economic activities.

As of January 1, 2024, financial undertakings must disclose the proportion of exposures to Taxonomy-aligned economic activities, as well as other information that are presented below.

As an insurance and reinsurance group, AXA shall disclose **the Key Performance Indicator (KPI) related to underwriting activities**, which represents the proportion of Taxonomy-aligned "gross premiums written" for non-Life insurance and reinsurance services related to the underwriting of climate-related perils [(4)] relative to the total non-Life insurance and reinsurance gross premiums written. Under the Climate Delegated Act Non-Life insurance activities through the underwriting of climate-related perils can indeed qualify as contributing substantially to climate change adaptation.

AXA shall also separately disclose **the KPI related to investments by insurance or reinsurance undertakings**, which present the weighted average of those investments that are directed at funding or are associated with Taxonomy-aligned economic activities. Such indicators measure the extent to which investments by financial undertakings, such as insurers and reinsurers, contribute to reorient capital flows towards sustainable investment.

(1) ***(i)*** *Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (***the "Climate Delegated Act"****),* ***(ii)*** *Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation (***the "Disclosure Delegated Act"****),* ***(iii)*** *Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities (***the "First Complementary Climate Delegated Act"****),* **(iv)** *Commission Delegated Regulation (EU) 2023/2486 of June 27, 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities (***the "Environmental Delegated Act"****),* **(v)** *Commission Delegated Regulation (EU) 2023/2485 of June 27, 2023 amending Delegated Regulation (EU) 2021/2139 establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives (***the "Second Complementary Climate Delegated Act"****).*

(2) *Climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems.*

(3) *The terms "Taxonomy eligible economic activities" and "Taxonomy non-eligible economic activities" are defined in article 1 (5) and (6) of Commission Delegated Regulation (EU) 2021/2178.*

(4) *A non-exhaustive list of climate-related hazards is available in Annex II (Technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, Appendix A (Classification of climate-related hazards) of the Disclosures Delegated Act.*

METHODOLOGY CONSIDERATIONS

To assist companies, the European Commission regularly publishes Taxonomy FAQs and notices that aim at further clarifying the disclosure requirements under the EU Taxonomy Regulation and the Disclosures Delegated Act. AXA acknowledges the interpretative and implementation guidance provided by the EU Commission, notably the specific guidance to financial undertakings in the draft Third Commission Notice released on December 21, 2023.

Given that the legal framework for the EU Taxonomy reporting is new and still in the process of development; the requirements are subject to uncertainty in interpretation and the underlying data that are necessary to produce the KPI are not immediately available, as explained below. Against this background, AXA has opted for a prudent approach and will progressively enhance the completeness and quality of the Taxonomy reporting.

Furthermore, the information included in the section on EU Taxonomy Disclosures provides only a partial view of how AXA contributes to climate-change adaptation and should be read in conjunction with all other information provided in Section 4 that gives further examples of such contribution.

Considering that this is the first year of reporting for financial undertakings, which start reporting KPIs based on the criteria set out in the EU Taxonomy Regulation for an economic activity to qualify as "environmentally sustainable", AXA agrees with the observations and expectations of the European Commission that the robustness and accuracy of KPIs disclosed by undertakings, including financial undertakings, will improve gradually with the uptake of the EU Taxonomy by the relevant undertakings, notably in respect of the flow of information and data from the financial and non-financial counterparties that they invest in.

AXA took note of the guidance drafted by the European Commission with respect to the information to be included in the contextual disclosures, particularly in connection with the requirement to disclose a consolidated group-level KPI on Taxonomy-aligned activities for parent undertakings of groups that have several financial activities and, in such situations, the requirement to provide subsidiary-level KPIs on Taxonomy-aligned activities.

These additional clarifications call for a reassessment of the methods and reported KPIs, with significant operational implications. For example, the publication of subsidiary-level KPI on Taxonomy-aligned activities could not be fully taken into account in the statement published for the purpose of this financial year ended December 31, 2023, and should be disclosed for the purpose of subsequent reporting years.

In addition, the method for calculating a consolidated group-level KPI on Taxonomy-aligned activities by computing the KPIs applicable to AXA (*i.e.,* the KPI related to investments by insurance or reinsurance undertakings, the KPI related to underwriting activities and possible the KPIs from other economic activities) is not detailed in the EU Taxonomy Regulation nor in the supplementing Commission Delegated Regulations, and will have to be determined in light of the information recently published by the European Commission in the draft Third Commission Notice.

Finally, the KPIs applicable to AXA presented in this section, in accordance with the EU Taxonomy Regulation and the supplementing Commission Delegated Regulations, for the purpose of the financial year ended December 31, 2023, were based on financial data available as of December 31, 2023. Considering that this is the first year of reporting for AXA with respect to such KPIs, figures and comparable information for 2022 could not be provided.

TAXONOMY ALIGNMENT OF NON-LIFE INSURANCE ECONOMIC ACTIVITIES

Proportion of Taxonomy-aligned non-Life premiums

Economic activities *(in EUR million, except percentages)*	Climate change adaptation: Absolute premiums, year t	Climate change adaptation: Proportion of premiums, year t	DNSH (Do No Significant Harm): Climate change mitigation	DNSH: Water and Marine ressources	DNSH: Circular economy	DNSH: Pollution	DNSH: Biodiversity and ecosystems	Minimum Safeguards
	Amount	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1 Non-Life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	673	1.0%	Yes	NA	NA	NA	NA	Yes
A.1.1 Of which reinsured	294	0.4%	Yes	NA	NA	NA	NA	Yes
A.1.2 Of which stemming from reinsurance activity	0	0.0%	Yes	NA	NA	NA	NA	Yes
A.1.2.1 Of which reinsured (retrocession)	0	0.0%	Yes	NA	NA	NA	NA	Yes
A..2 Non-Life insurance and reinsurance underwriting Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	3,345	5.1% [(a)]						
B. Non-Life insurance and reinsurance underwriting Taxonomy-non-eligible activities	61,896	93.9%						
TOTAL (A.1 + A.2 + B)	**65,914**	**100.0%**						

(a) It should be noted that the methodology used to determine the portions of premium reported in the above table is in line with the draft Third Commission Notice. Nevertheless, for information purposes, if we applied the methodology used in 2022 in respect of the entire premium for non-life products covering climate perils, the proportions of Taxonomy-aligned premiums and Taxonomy-eligible but not Taxonomy- aligned premiums would represent 9% and 27.5% respectively for the financial year ended December 31, 2023. Accordingly, the total proportion of Taxonomy-eligible premiums would be 36% in 2023, compared to 35% reported in 2022.

Contextual information

In accordance with the Climate Delegated Act, as amended, insurance services classified in eight of the non-Life insurance and reinsurance Solvency II lines of business [(1)] are considered as Taxonomy-eligible, to the extent that they include policy terms related to the underwriting of climate-related perils. [(2)]

In this regard, AXA Group has identified three lines of business composed of insurance or reinsurance products generally including coverage of risks related to climate-related perils: **(i)** motor insurance (other than third party liability insurance); **(ii)** marine, Aviation and Transport insurance; and **(iii)** fire and other property damage insurance.

The share of gross written premiums covering climate related events reported in those three lines of business have been recognized as Taxonomy-eligible, excluding thus premiums of products for which climate-related perils are explicitly excluded from the insurance policy terms or for which climate-related perils cannot trigger any claims.

On other potentially eligible lines of business (*i.e.*, medical expense insurance, income protection insurance, workers' compensation insurance, motor vehicle liability insurance and assistance), only the share of the gross written premiums covering climate-related perils in products for which such cover is explicitly mentioned in the insurance policy terms have been considered as Taxonomy-eligible.

The analysis has been done on direct lines of business, and reinsurance assumed.

The calculation of the share of premium covering climate related event was based on pricing tool or, if not available, using claim database.

(1) The term "lines of business" is defined in Annex I, Section A, of Commission Delegated Regulation (EU) 2015/35 of October 10, 2014 (as amended), supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II Directive).

(2) Section 10.1 of the Annex 2 to the Commission Delegated Regulation (EU) 2021/2139 restricts Taxonomy-eligible economic activities to the following non-Life insurance services: (a) medical expense insurance; (b) income protection insurance; (c) workers' compensation insurance; (d) motor vehicle Liability insurance; (e) other motor insurance; (f) marine, aviation and transport insurance; (g) fire and other damage to property insurance; (h) assistance.

To determine the amount of premiums related to non-Life insurance and reinsurance underwriting Taxonomy-aligned activities, AXA Group analyzed the Taxonomy-eligible products and identified those that meet all the TSC for insurance and reinsurance activities related to leadership in modelling and pricing of climate risks, product design, innovative insurance coverage solutions, data sharing and high level of service in post-disaster situations.

In order to comply with the DNSH criteria, the premiums from policies covering extraction, storage, transport or manufacture of fossil fuels or vehicles, property or other assets dedicated to such purposes, were excluded from the Scope of Taxonomy-aligned premiums.

In order to qualify as "environmentally sustainable" in compliance with the EU Taxonomy Regulation, an economic activity must also comply with the minimum safeguards, laid down in article 18 of the EU Taxonomy Regulation. According to the European Commission [(1)], the central requirement is the implementation of appropriate procedures to identify, prevent, mitigate or remedy, on an ongoing basis, actual or potential negative impacts related to its operations, value chain and contractual relationships. This ensures that the entity's activities are carried out in compliance with such minimum safeguards.

In France, the market consensus among French insurance companies is that the *loi de vigilance* [(2)] is based, at a high-level, on the principles and standards mentioned in article 18 of the EU Taxonomy Regulation. To comply with the *loi de vigilance*, AXA Group publishes a vigilance plan that covers AXA's activities and subsidiaries controlled directly or indirectly by AXA.

The AXA Group's Vigilance Plan;can be found at Section 4.6 "Vigilance Plan" of this Annual Report.

Regarding the data sharing criteria, AXA France already shares loss data with the CCR (*Caisse centrale de réassurance*), a public-sector reinsurer wholly owned by the French State. In addition, if a public authority or non-profit research organization is carrying out analyses related to natural hazards, AXA Group will make available to them, free of charge, a significant portion of loss data related to climate-related event. Any authority or research organization must submit a written request to AXA Group, specifying the purpose of the research and the scope of the data requested. This request will be studied and, where appropriate, the data will be provided in a granular manner to enable analytical research but aggregated and anonymized, in order to comply with the provisions of Regulation (EU) 2016/679.

Nature and objectives of Taxonomy-aligned economic activities

Considering the requirement to carefully assess the criteria of article 3 of the EU Taxonomy Regulation, which are required to be met in order for an economic activity to qualify as environmentally sustainable (*i.e.*, Taxonomy-aligned economic activity), at this stage, AXA recognizes only 1% of its non-Life gross written premiums as being Taxonomy-aligned.

For now, the Taxonomy-aligned share of non-Life gross premiums only covers the following guarantees underwritten by AXA France and AXA XL:

- insurance policies covering natural catastrophes to cars and homes underwritten by AXA France. The premium is fixed by the legislation, and preventive measures materialized as alert on mobile phone in case of weather warning are provided to policyholders;
- insurance policies covering commercial property damage underwritten by AXA XL, where pricing and recommendations offered to the clients are dependent of the assessment of a loss prevention report analysis which is influenced by the degrees of prevention against climate-related events; and
- insurance policies covering property portion of cargo underwritten by AXA XL, for which a pricing differentiation occurs on the cat deductibles located in storage.

Non-Life insurance products covering climate related perils distributed by AXA entities generally contain features that help customers to better adapt to the consequences of climate change, including incentives to prevent its effects on property and people. However, as they do not strictly meet all the conditions in order to qualify as environmentally sustainable, these products cannot technically be considered as environmentally sustainable in accordance with the requirements of the EU Taxonomy Regulation.

In 2024, AXA Group is continuing the work undertaken with local underwriting teams to analyze the existing characteristics of all its non-Life insurance products and will adapt them, wherever feasible, so that they correspond exactly to the criteria of the EU Taxonomy Regulation.

AXA remains convinced that the non-Life insurance sector has a key role to play in helping its clients to adapt to climate change and will work to ensure that the EU Taxonomy Regulation disclosures adequately reflects ithe Group's contribution to this objective.

INTEGRATION OF THE EU TAXONOMY IN THE BUSINESS STRATEGY AND PRODUCT DESIGN PROCESS

Insurance products and features are developed at AXA locally at market or entity level. All new insurance products and any major

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(1) *Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy regulation and links to the SFDR (c(2023) FINAL – 12/06/2023).*

(2) *Law No. 2017-399 of March 27, 2017, relating to the duty of care of parent companies and instructing companies (devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre) and article L.225-102-4 of the French Commercial Code.*

product feature changes follow the Group P&C product approval process (PAP) guidelines. The latest version of the PAP includes instructions for the consideration of sustainability features in the design of a new insurance product. If an insurance coverage or service delivers a positive impact on the environment by contributing to at least one of the following objectives: climate change mitigation; climate change adaptation; transition to circular economy; protection of biodiversity loss and pollution prevention, entities should fill in the Insuring the Transition Index Template. The definitions under the EU Taxonomy Regulation are used to define contributions to each objective.

With regards specifically to features of an insurance product that would meet the Taxonomy alignment criteria, on the climate adaptation dimension only, the PAP Insuring the Transition Index Template enquires as to the availability of risk prevention services within the new product. Such risk prevention services may encompass two dimensions: **(i)** impact of an insured's activity on the environment or climate, and how to reduce any negative impacts, and **(ii)** the risks to the insured related to the consequences of climate change and advice or encouragement to reduce their vulnerability. The features of the service are described and scored with the relative significance the service has on the adaptation dimension, either minor or significant. The final score will classify whether this new product may be classified as a "sustainability value added product", "standard product", or "not recommended as a sustainable classified product".

To further support the development of Taxonomy-aligned products, at group level a transversal network across entities and covering all P&C product lines has been created to support sustainability underwriting objectives. And clear objectives have been set at group and entity (most entities in-Scope) level. This network will facilitate the development and introduction of additional products and/or features which align to the EU Taxonomy insurance product criteria for climate change adaptation.

INVESTMENTS DIRECTED AT FUNDING TAXONOMY-ALIGNED ACTIVITIES

Proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

	Turnover-based		Capital expenditures-based	
(in EUR million, except percentages)	%	Amount	%	Amount
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings	1.0%	3,818	1.4%	5,629

	%	Amount
Assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities	74.0%	398,500

Breakdown of denominator of the KPI

		%	Amount
Derivatives relative to total assets covered by the KPI		-0.4%	-1,652
Exposures to financial and non-financial undertakings not subject to articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI	For non-financial undertakings	0.0%	65
	For financial undertakings	0.0%	68
Exposures to financial and non-financial undertakings from non-EU countries not subject to articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI	For non-financial undertakings	18.7%	74,322
	For financial undertakings	13.5%	53,604
Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI (1)	For non-financial undertakings	0.8%	3,073
	For financial undertakings	0.2%	745
Exposures to other counterparties over total assets covered by the KPI		67.3%	268,276
Insurance or reinsurance undertaking's investments other than investments held in respect of Life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities		1.0%	3,818
All the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI		87.9%	350,133
All the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI		11.2%	44,549

(1) Turnover-based.

Breakdown of numerator of the KPI

(in EUR million, except percentages)		Turnover-based %	Turnover-based Amount	Capital expenditures-based %	Capital expenditures-based Amount
Taxonomy-aligned exposures to financial and non-financial undertakings subject to articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI	For non-financial undertakings	80.5%	3,073	76.3%	4,295
	For financial undertakings	19.5%	745	23.7%	1,334
Insurance or reinsurance undertaking's investments other than investments held in respect of Life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned		0.0%	-	0.0%	-
Taxonomy-aligned exposures to other counterparties in over total assets covered by the KPI		0.0%	-	0.0%	-

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided "do-not-significant-harm"(DNSH) and social safeguards positive assessment:

(in EUR million, except percentages)		Proportion relative to Taxonomy-aligned exposures	Transitional activities	Enabling activities
(1) Climate change mitigation	Turnover-based	99.5%	1.4%	49.4%
	Capital expenditures-based	99.8%	2.6%	37.6%
(2) Climate change adaptation	Turnover-based	0.1%		17.8%
	Capital expenditures-based	0.1%		20.8%
(3) The sustainable use and protection of water and marine resources	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%
(4) The transition to a circular economy	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%
(5) Pollution prevention and control	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%
(6) The protection and restoration of biodiversity and ecosystems	Turnover-based	0%		0%
	Capital expenditures-based	0%		0%

Contextual information

The proportion of exposures to Taxonomy-aligned activities represents the weighted average value of invested assets directed at funding, or associated with, Taxonomy-aligned economic activities relative to the value of total invested assets included for the purpose of the calculation of the KPI (the **"Covered Assets"**).

The Covered Assets correspond to all assets invested on the balance sheet (including cash) [(1)], excluding exposures to central governments, central banks, and supranational issuers, in accordance with article 7.1 of the Disclosure Delegated Act. The Covered Assets thus include exposures to investments in properties, equity securities, debt instruments (excluding sovereign exposures), non-consolidated investments funds, derivatives, loans, cash, and cash equivalents. Assets backing

(1) *Corresponding to the assets "Investments from insurance activities", "Investments from banking and other activities" and "Cash and cash equivalents" of the consolidated statement of financial position (Section 6.1).*

contracts where the financial risk is borne by policyholders are also included. In 2023, the Covered Assets represents 74.0% of the total investments.

Exposures to central governments, central banks, and supranational issuers, which overall represent 26.0% of total investments, are excluded from the numerator and denominator of the indicator. This exclusion is explained by the absence of a methodology for determining their alignment with the EU Taxonomy.

Exposures to undertakings not subject to articles 19a and 29a of Directive 2013/34/EU and derivatives, representing respectively 32.1% and -0.4% of the Covered Assets, cannot be assessed for Taxonomy eligibility purposes to date. Similarly, exposure to non-EU companies, which represent 32.1% of the Covered Assets, cannot be considered in the formal assessment of assets eligible for or aligned with the EU Taxonomy regulation.

In accordance with regulatory requirements, the information required from financial undertakings must be based on actual data published by non-financial or financial undertakings. The use of estimates or approximations is therefore not possible in the context of mandatory reporting.

This regulatory constraint explains why the information above only presents the share of investments in Taxonomy-aligned economic activities under the first two environmental objectives set forth in article 9 of the EU Taxonomy Regulation (*i.e.*, climate mitigation and climate adaptation). The share of exposures to Taxonomy-aligned economic activities under the four environmental objectives set forth in article 9 of the EU Taxonomy Regulation (*i.e.*, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems) cannot be presented due to the unavailability of the underlying data. Indeed, as the Environmental Delegated Act was only published in November 2023, non-financial companies were not in a position to establish and publish their indicators for the purpose of such objectives in their management reports at the end of December 2022. As a result, no published information was available for collection directly or indirectly by financial companies in 2023. In the absence of such data, AXA is, in turn, unable this year to produce the KPI relating to investments in respect of these four new objectives (for both eligibility and alignment).

By default, the fair value of the assets was used to calculate the various indicators.

Based exclusively on data published by companies subject to the reporting requirements under the EU Taxonomy Regulation and collected through an ESG data provider, AXA has identified 3.8 billion investments exposed to Taxonomy-aligned activities, representing 1.0% of the Covered Assets, and 44.5 billion other assets exposed to eligible activities but not Taxonomy-aligned, representing 11.2% of the Covered Assets. These assets correspond mainly to debt or equity instruments in European non-financial companies held directly by AXA.

The available data has nevertheless made it possible to calculate a relatively insignificant amount of aligned investment in companies identified as financial. They correspond to real estate investment trusts (REITs) and financial subsidiaries of European non-financial entities that published their first alignment ratio in 2023.

In accordance with the list of economic activities eligible to the EU Taxonomy Regulation, investments in real estate properties have been recognized as Taxonomy-eligible based on actual information, representing 10.1% of the Covered Assets.

A review is underway to determine their alignment with the EU Taxonomy Regulation, but the results at this stage are insufficient to classify the assets reliably. It has been decided not to declare any alignment to date for this asset class. The aim is to define a framework over the course of 2024 to assess the shortcomings in terms of data collection, given the level of detail expected, and to be able to accurately measure the alignment of these properties.

Exposures to Taxonomy non-eligible activities represent 87.9% ovf the Covered Assets. It includes exposures to cash and loans, but also the remaining assets for which Taxonomy eligibility could not be assessed, *i.e.*, debts and equity instruments for which actual Taxonomy information is not yet available from AXA Group's external ESG data provider, as well as exposures through investment funds for which the information by issuer is not known. AXA is currently organizing a more granular analysis of the funds' portfolios to be in a position to determine the alignment of indirectly held assets.

Mortgage loans, which by nature are deemed Taxonomy-eligible, have been conservatively excluded from the KPIs, as they essentially come from the AXA Group's banking activities and not from its insurance activities in line with draft Third Commission Notice. As these exposures are not significant in terms of value, this exclusion is not likely to significantly affect the KPI.

Integration of the EU Taxonomy in the business strategy, product design process and engagement with counterparties

AXA has not at this stage made any global commitment regarding Taxonomy alignment but has begun to set alignment targets at the level of a few products, with low alignment expectations, mainly for green bond strategies. The expected improvements in terms of understanding of the regulatory framework, data availability and quality of information will eventually enable AXA to refine and raise its ambitions regarding the proportion of its investments in economic activities aligned with the Taxonomy.

AXA will then be able to integrate this dimension into its shareholder engagement, at least for undertakings that fall within the Scope of the European Taxonomy Regulation.

TAXONOMY ALIGNMENT AND ELIGIBILITY OF NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Contextual information

AXA Group has taken into consideration the additional requirements of the First Complementary Climate Delegated Act pertaining to Taxonomy eligibility of nuclear and fossil gas related activities, as well as guidance published by the European Commission [1].

On the basis of information provided by the relevant investees concerning the levels of safety, innovation and waste production from the fuel cycle and collected through an ESG data provided, AXA Group considers that it is exposed through its investments to all activities related to the production of electricity, heat or cold from gaseous fossil fuels [2] nuclear energy [3] as presented in Template 1 in Annex XII of Disclosure Delegated Act, as amended by the First Complementary Climate Delegated Act.

The following tables present information on exposure to fossil gas and nuclear energy activities in accordance with templates 1 to 5 of Annex XII of Disclosure Delegated Act, as amended by the First Complementary Climate Delegated Act. However, in the interests of readability, template 2 is not presented given the redundancy of the information set out in the first six rows of the table showing the Taxonomy-aligned economic activities and complying with template 3. Furthermore, as the six economic activities covered in this section are by definition recognized as Taxonomy-eligible, no Taxonomy non-eligible amounts are attributable to them and the table corresponding to model 5 would not provide any additional information. It was intentionally decided not to disclose it.

In below tables, it should be noted that, in some instances, the exposure to economic activities that have been reported as either Taxonomy-aligned or Taxonomy-eligible but not Taxonomy-aligned, could not be allocated to either of the two climate change objectives, which explains that the amounts reported in the total columns do not systematically reconcile with the sum of the amounts for climate change mitigation and climate change adaptation. These differences are not significant, in our view.

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(1) *Draft Commission Notice dated December 19, 2022, on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets published by the EU Commission (the "***Second Commission Notice"***)*

(2) **(i)** *Construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels;* **(ii)** *Construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels;* **(iii)** *Construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.*

(3) **(i)** *Research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle;* **(ii)** *Construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies;* **(iii)** *Safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.*

Exposure to nuclear and fossil gas related activities

	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Taxonomy-aligned economic activities

	(In Euro million, except percentages)	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	**Economic activities**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
1	Taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
2	Taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	-	0%
3	Taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	67	2%	67	2%	-	0%
4	Taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
5	Taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
6	Taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
7	**Other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**3,734**	**98%**	**3,730**	**98%**	**4**	**100%**
8	**Total applicable KPI**	**3,801**	**100%**	**3,797**	**100%**	**4**	**100%**

Taxonomy-eligible but not Taxonomy-aligned economic activities

	(In Euro million, except percentages)	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	**Economic activities**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
1.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
2.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
3.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0.0%	-	0.0%	-	0.0%
4.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	25	0.1%	25	0.1%	-	0.0%
5.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	32	0.1%	32	0.1%	-	0.0%
6.	Taxonomy- eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3	0.0%	3	0.0%	-	0.0%
7.	Other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	43,781	99.9%	43,723	99.9%	58	100.0%
8.	**Total Taxonomy eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**43,841**	**100.0%**	**43,784**	**100.0%**	**58**	**100.0%**

2023 Key Performance Indicators

Based on the 2023 sustainability risk assessment presented in Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment", the relevant risks and key performance indicators described in the Chapter 4 "Sustainability" are presented in the table below:

Sustainability theme	Non-Financial risks assessed	Definition of the risk	Section	Indicator	2022	2023	Target	Timeline
Governance	Stakeholder engagement	Risk of not being engaged with our stakeholders	4.1 AXA Group's sustainability strategy	Number of coalitions/ working groups/ pledges involving AXA Group	> 50	> 50	N/A	Annually
Responsible Employer	Safe environment	Employee's health and safety breaches (incl. workers' compensation, pandemia, emerging risks affecting employees)	4.2 Employer Responsibility	Employee Net Promoter Score "eNPS"	35	40	36	Annually
	Diversity & Inclusion	Failure to comply with principles of diversity and equality or to tackle discrimination or harassment properly		AXA's gender parity amongst Top Senior Executives (women representation)	39%	40%	50%	2023
	Talent Management/Loss of key staff	Insufficient skills assessment, development and recognition resulting in high turnover		Salaried employees having been trained at least once during the year	100%	100%	100%	Annually

Sustainability theme	Non-Financial risks assessed	Definition of the risk	Section	Indicator	2022	2023	Target	Timeline
Climate change and biodiversity loss	Own operations	AXA's own operations impact on climate change	4.3 Climate change and biodiversity loss	Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital); performance versus FY2019 ("**AXA For Progress Index**")	-45% (a)	-34%	-20%	2019-2025
				% of employees who have been upskilled on climate issues ("**AXA For Progress Index**")	87%	96%	100%	2023
		Impact of climate change on AXA operations		Number of entities that tested all Business Continuity Plans for High/Mission critical business processes	95%	95%	100%	N/A
	Investments	AXA's impact on climate change as an investor		Carbon intensity of AXA's portfolio (General Account Assets); performance versus FY2019 ("**AXA For Progress Index**")	-36% (b)	-48% (b)	-20% (b)	2025
		Impact of climate change on AXA as an investor		Green Investments ("**AXA For Progress Index**")	€25.1 billion	€29.9 billion	€26 billion	2023
	Insurance	AXA's impact on climate change as an insurer		Green Premiums ("**AXA For Progress Index**")	€1.7 billion	€2 billion	€1.7 billion (c)	2023
		Impact of climate change on AXA as an insurer		Annual analysis of assets or business activities vulnerable to physical risks	Yes	Yes	N/A	Annually
	Biodiversity	AXA's investments and insurance activities' impact on biodiversity		Deforestation and Ecosystem Conversion Policy	Policy applied	Policy applied	N/A	N/A

Sustainability theme	Non-Financial risks assessed	Definition of the risk	Section	Indicator	2022	2023	Target	Timeline
Inclusive insurer	Inclusive Protection	Inability or difficulties to provide insurance products or services to society at large, including underserved communities	4.4 Inclusive insurer	Number of customers covered by AXA's Inclusive Protection program **("AXA For Progress Index")**	11 million	14 million	12 million	2023
	Partnership & Philanthropy	Inapropriate or inadequate partnerships & philanthropy commitments		% of philanthropic support aligned with the 2 pillars of the sustainability's strategy: climate change & biodiversity and inclusive protection [(d)]	78%	72%	50%	N/A
Business behavior	Anti-bribery & fight against corruption	Risk of corruption and not complying with Sapin II law	4.5 Business behavior	% of CEOs that have certified the anti-bribery & corruption section of the AXA Standards	100%	100%	100%	Annually
	Business ethics	Mis-selling or non transparent selling practices, mismanagement of claims		% of CEOs that have certified AXA Standards on Product Approval Process	100%	100%	100%	Annually
	Responsible use of data and AI, data privacy and data security	Non compliance with data protection legislation (GDPR) and risk of a data breach or cyber attack		% of customers that complained on Data Privacy	0.0005%	0.0005%	Less than 0.01%	Annually
				Scoring ISO 27001	3.30/5	3.47/5	3.00/5	Annually
				% of employees trained and certified (security, data protection and cybersecurity training)	100%	100%	100%	Annually
	Tax policy	Risk of not complying with tax legislation and not to meet stakeholders' expectations of good tax practices		% of the Group Tax footprint covered in the Tax transparency report published during the year (relating to N-1)	90%	100%	90%	Annually
	Sustainable procurement	Accusation that AXA or any of its supplier fail to uphold human rights	4.6 Vigilance plan	% of procurement contracts entered or renewed with the sustainability clause	94.0%	97.3%	N/A	Annually

N/A stands for Not Applicable (information not existing at the reporting period)

(a) Historical numbers has been restated compared to past publications.

(b) These results are subject to volatility, namely linked to the industry evolution of carbon emissions, financial markets' performance and coverage of issuers AXA has invested in which may evolve over time. Following methodological enhancements in 2023, historical figures including baseline have been restated. While AXA initially commited to reducing the carbon intensity of its General Account investments by 20% between 2019 and 2025, the objective was met, and exceeded, with a reduced carbon intensity of 35% at year-end 2022. Consequently, on June 29, 2023, the AXA Group announced a new intermediate target on investments to reduce the carbon intensity of its General Account assets by 50% by 2030 (using the baseline year 2019).

(c) Based on the strong performance in 2022, AXA Group decided to increase its ambition and set a floor at €1.7 billion for 2023.

(d) Except donations made by Mutuelles AXA and those in favour of humanitarian emergencies.

Definitions of Key Performance Indicators (KPI)

The KPI listed in the table above are explained as follows:

Number of coalitions/working groups/pledges involving AXA Group: participation of AXA Group in coalitions, working groups and pledges around climate and inclusion themes.

Employee Net Promoter Score "eNPS": the employee Net Promoter Score is measured by asking employees one question: "How likely are you to recommend AXA as a place to work?". The answer scale is from 0 to 10, and the result is calculated by taking the percent of promoters (answers of 9-10) and subtracting the percent of detractors (answers of 0-5). This then produces a metric on a scale from (-100) to (+100).

AXA's gender parity amongst Top Senior Executives (women representation): share of women part of the GLN. The Global Leadership Network (GLN) is made up of CEO and Executive Committees of AXA's largest markets, growth engines and major transversal entities, as well as senior leaders from the corporate functions, markets, and some country CEOs. The Scope for this calculation concerns all entities having GLN members.

Salaried employees having been trained at least once during the year: share of salaried workforce having received one or more training course provided by the legal entity part of SDR Scope during the reporting year, whether those training hours corresponds to complete courses or incomplete courses, whether in-house, including AXA University programs, or outside the legal entity, including e-learning programs. Even though an employee has received several trainings, the employee is counted only once. Employees having received one or more training course who left the Group and no longer are part of the workforce as of December 31 are included.

Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital): variation of the AXA Group CO_2 emissions related to energy, car fleet, business travel and IT equipment and services. The percentage corresponds to the evolution between the reference year 2019 and the performance year. Target is -20% between 2019 and 2025.

Percentage of employees who have been upskilled on climate issues: share of permanent employees within the SDR Scope who have been trained in climate issues, completing the AXA Climate Academy or with a similar local initiative, excluding new joiners and long absences (according to local management rules).

Number of entities that tested all Business Continuity Plans for high and mission critical business processes: number of entities that tested all Business Continuity Plans for high and mission critical business processes.

Carbon intensity of AXA's portfolio (General Account Assets): EVIC-based carbon intensity of AXA's portfolio, expressed in tons of CO_2 equivalent per million euros of Enterprise Value Including Cash, and covering GHC emmissions of Scope 1 and 2. These results are subject to volatility, namely linked to the industry evolution of carbon emissions, financial markets' performance and coverage of issuers AXA has invested in which may evolve over time. AXA's priority is to achieve -20% carbon footprint reduction target by 2025 with 2019 as the base year.

Green Investments: Billion euros of AXA Group's General Account assets invested in "green" assets, defined based on external labels, certifications, and environmental standards as appropriate. Covers the following asset classes: green bonds, infrastructure debt & equity, impact investments, real estate, and commercial real estate loans.

Green Premium: GWP collected on insurance products part of the Green Business framework (*i.e.,* contributing to Climate Change Mitigation, Climate Change Adaptation, Transition to a Circular economy and/or Limitation of biodiversity loss and pollution) defined in Section 4.3 "Climate change and biodiversity loss".

Annual analysis of assets or business activities vulnerable to physical risks: an annual analysis forward-looking climate physical risk on AXA Group's Property & Casualty business.

Deforestation and Ecosystem Conversion Policy: existence of a Group-wide policy to manage biodiversity risks related to commodity-linked deforestation and ecosystem conversion.

Number of customers covered by AXA Group's Inclusive Protection program: number of policies-in-force of products in Scope of the Inclusive Protection program as defined in Section 4.4 "Inclusive insurer". This year's Inclusive Protection program offers an additional level of granularity, providing more detailed policy information, including a split between AXA Emerging Customers' products and policies with enhanced coverage against vulnerabilities. The data is collected annually from AXA entities participating in the Inclusive Protection program. As of to date, this raw data is **(i)** collected directly from business partners; **(ii)** reviewed locally for consistency by participating AXA entities; and **(iii)** submitted to AXA Group for consolidation.

Percentage of philanthropic support aligned with the two strategic pillars of the sustainability's strategy (climate change & biodiversity and inclusive protection): share of philanthropic donations aligned with the sustainability strategy (except donations made by Mutuelles AXA and those for humanitarian emergencies) monitored by the AXA Community Investment Survey (CIS), the AXA Group reporting of philanthropic and volunteering activities.

Percentage of CEOs that have certified the anti-bribery & corruption section of the AXA Standards: share of CEOs who have certified on the compliance level of their entities with the anti-bribery & corruption section of the AXA Standards.

Percentage of CEOs that have certified AXA Standards on Product Approval Process: share of CEOs who have certified on the compliance level of their entities with the AXA Standards, which engaged them to conduct a Product Approval Process.

Percentage of customers that complained on Data Privacy: among all customers, percentage of customers with a substantiated complaint on Data Privacy.

Scoring ISO 27001: average of ISO 27001 Maturity assessments conducted on the 20ish most mature entities of the Group called "Tier 1" entities. ISO 27001 is an international cyber-security standard against which entities maturity is evaluated on a scale from 0 (inexistent) to 5 (optimized), where 3 is the minimum to have an "effective" control environment. It is the framework used to compare AXA to other companies of the financial and insurance sector (AXA Tier 1 entities are all part of the first quartile of the most secured companies of the sector).

Percentage of employees trained and certified (security, data protection and cybersecurity training): share of salaried employees trained and certified during the year on the topic of security (including physical security, health & safety, operational resilience & information security), data protection and cybersecurity.

Percentage of the Group Tax footprint covered in the Tax transparency report published during the year (relating to N-1): share of the Group Tax footprint covered in the Tax transparency report published in 2023 (relating to 2022). This Tax footprint corresponds to the detail of the various taxes paid (direct and indirect) by geography where the AXA Group operates.

Percentage of procurement contracts entered or renewed with the sustainability clause: share of procurement contracts entered or renewed with the mandatory sustainability clause which includes, in particular, complying with the principles of the ILO (prohibiting the use of child/forced labor, promoting employee health & safety and freedom of expression, and non-discrimination).

Reporting methodology

An assessment of the employer responsibility, environmental, societal, business behavior and human rights impacts of the Group's activities has enabled the appropriate performance indicators to be defined in accordance with the requirements of the French Commercial Code.

As every year, a sustainability risk assessment was conducted for 2023 to identify non-financial ESG risks and assess their materiality. For more details on the ESG risks assessment methodology, please refer to Section 4.1 "AXA Group's sustainability strategy - Sustainability risk assessment".

SCOPE OF SOCIAL, ENVIRONMENTAL AND SOCIETAL REPORTING

For the perimeters defined below, indicators are fully consolidated, unless otherwise indicated:

Scope of social indicators

The social data provided in Section 4.2 "Employer Responsibility" of this Annual Report are collected from entities in which AXA Group holds, directly or indirectly, management control, as of December 31, 2023. It includes all companies that are fully consolidated for financial reporting, representing a total of 108,357 Full Time Employees (FTEs) [1].

Scope of environmental indicators

Environmental reporting's Scope is based on the same Scope as Social reporting but AXA Group's entities of less than 250 FTEs and AXA Group's sites with less than 50 FTEs are not included in the data collection process. These entities and sites are considered using an extrapolation process.

In 2023, the environmental indicators regarding activities concerning AXA Group's sites (energy, water, paper, waste) were collected for 97,302 FTEs working in AXA's group sites and were then extrapolated continent by continent, to cover all 121,354 FTEs (salaried workforce with open-ended and fix-term contracts, contingent labour and trainees, interns and apprentices – average annual personnel) working at AXA Group in 2023 according to the social reporting.

The environmental indicators regarding business travel and car fleet were collected for 100,062 FTEs working in AXA's group entities and were then extrapolated continent by continent to cover the 108,357 FTEs of salaried workforce (open-ended and fix-term contracts – average annual personnel) working at AXA Group in 2023 according to the social reporting.

The environmental indicators regarding employee commuting were collected for 16,940 FTEs working in 31 Group entities and were then extrapolated continent by continent, to cover all 121,354 FTEs (salaried workforce with open-ended and fix-term contracts, contingent labour and trainees, interns and

(1) *Average salaried workforce with open-ended and fixed-term contracts.*

apprentices – average annual personnel) working at AXA Group in 2023 according to the social reporting.

The environmental indicators regarding data centers were collected from 10 regional data centers sites and 71 local data centers sites used by AXA XL, AXA IM, AXA partners and other smaller entities. The other indicators related to IT were collected from 22 entities within AXA Group.

Scope of societal indicators

In 2023, AXA's entities contributing to the Community Investment Survey, as described in Section 4.4 "Inclusive insurer" of this Annual Report, represent 105,353 FTEs working on AXA sites, meaning a coverage rate of 96.4%.

PERIOD

The indicators cover the period from January 1, 2023, to December 31, 2023, unless mentioned otherwise. To facilitate collection and processing, some data may be collected early in the year. The data for any remaining months (maximum 6 months) is then estimated in accordance with the Group's defined methodology.

DATA REPORTING

Social data reporting

The social data provided in Section 4.2 "Employer Responsibility" of this Annual Report are collected through a reporting process defined by procedures associated with a list of indicators shared with all entities of the AXA Group. This process is updated and communicated to each entity on a yearly basis. Social data are provided by local correspondents using an IT tool dedicated to the social data reporting process. Consistency checks and quality controls are carried out before and during the data collection process, as well as evaluations by an independent third party on some legal entities and the overall process. A validation process of this reporting is also performed locally. There is no estimation or extrapolation made on data provided. Regarding data published in ratios and percentages, numerator and denominator are realigned for each calculation to exclude entities with empty data points.

Environmental data reporting

Environmental data has been collected since 2002, through a dedicated reporting tool filled out by entities in the scope of reporting (see scope of environmental indicators above).

The reporting procedure includes guidelines for reporting and controlling, and calculation rules. AXA Group monitors its environmental footprint reduction towards its targets. The reporting procedure is updated annually, and contributors are trained each year. For each site, contributors specify whether the data has been measured or estimated based on the calculation rules defined in the Group's reporting procedures. Data reported by entities are validated locally by the entity CFOs, except data related to IT and data centers that are validated by each entity CIOs.

Data needed for employee commuting calculation is collected *via* a dedicated questionnaire available for AXA's employees in the reporting scope (see "Scope of environmental indicators" above).

For more information, please refer to Section 4.3 "Climate change and biodiversity loss - AXA as a company: climate change and biodiversity loss" of this Annual Report.

Societal data collection

Societal engagement data which is presented in Section 4.4 "Inclusive insurer - Corporate philanthropy and engagement" of this Annual Report is collected through a dedicated reporting tool with specific definitions for engagement practices. The number of unique volunteers is an estimate based on local entity knowledge of volunteering activities.

LIMITATIONS

Reporting on certain indicators may have limitations due to circumstances sometimes outside of our control such as:

- the absence of nationally and/or internationally recognized definitions, concerning the different categories of employment contracts;
- headcount accounting may differ from one entity to another depending on local management rules and the availability of data (particularly with regard to long-term absences);
- the necessary estimates, the representativeness of the measurements made, or the limited availability of external data required for calculations as the required annual update of emission factors;
- the practical procedures for collecting and entering this information;
- lack of standardization of methodologies, resulting in incomparable data year-on-year (*e.g.,* Warming Potential, CVaR); and
- delays from third-party data providers, notably in respect of information relating to the carbon footprint of investee companies in the context of measuring our Scope 3 emissions.

Therefore, whenever possible, definitions, methodologies and, where applicable, the associated margins of uncertainty are specified for the concerned indicators.

The sustainability themes "circular economy", "food waste", "waste prevention and management", "fight against food insecurity", "respect of animals' well-being", "fair and sustainable food supply", "use of soils", "consumption of raw materials" and "promoting the practice of physical activities and sports for people with disabilities", among others, are not considered as main sustainability risks for AXA and are not included in AXA's extra-financial performance statement.

USE OF INTERNATIONAL BENCHMARKS

To develop its sustainability strategy and extra-financial performance statement, AXA voluntarily uses certain international benchmarks, as described in this chapter. These include, for example, the United Nations Sustainable Development Goals (as developed in Section 4.1 "AXA Group's sustainability strategy"), the Greenhouse Gas Protocol (https://ghgprotocol.org) for the calculation of CO_2 emissions, and the Science Based Target Initiative (https://sciencebasedtargets.org) for the reduction of its carbon footprint. Other benchmarks are highlighted in the relevant sections, where appropriate.

4.8 REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT INCLUDED IN THE GROUP MANAGEMENT REPORT

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

FOR THE YEAR ENDED DECEMBER 31, 2023

To the Board of Directors of AXA,

In our capacity as Statutory Auditor (the "third party") of AXA (hereinafter the "Entity"), appointed as an independent third party and accredited by the COFRAC (COFRAC Inspection Accreditation n°3-1681, scope available at www.cofrac.fr), and a member of your company statutory auditors, we conducted our work in order to provide a report expressing a limited assurance conclusion on the historical information (observed and extrapolated) of the consolidated non-financial information statement (hereinafter respectively the "Information" and the "Statement"), prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the financial year ended on December 31, 2023 , included in the management report pursuant to the legal and regulatory provisions of articles L. 225-102-1,R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce)

Conclusion

Based on the procedures performed, as described in the "Nature and scope of procedures" section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the consolidated non-financial information statement is not compliant with the applicable regulatory provisions and that the Information, taken as a whole, are not presented fairly in accordance with the Guidelines.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, significant elements of which are disclosed in the Statement and available on the Entity's website.

Limitations in the preparation of information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

The Board of Directors is responsible for:

- selecting or establishing suitable criteria for preparing the Information;

- preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of those policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- preparing the Statement in accordance with the Entity's Guidelines as mentioned above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

Responsibility of the Statutory Auditor appointed as an independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R. 225- 105 of the French Commercial Code;
- the fairness of the Information provided in accordance with Article R. 225 105 I, 3 and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the main risks.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- the fairness of the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagement, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes – Intervention de l'OTI – déclaration de performance extra-financière* and acting as the verification programme as well as the international standard ISAE 3000 (revised) [(1)].

Independance and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work was carried out by a team of 8 people between October 2023 and March 2024 and took a total of twenty-two weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted about twenty interviews with people responsible for preparing the Statement, representing in particular Group PBRC, Group Sustainability, Group Investment, Group Underwriting, Group Risk Management, Compliance, IT (data security and privacy) and Human Resources.

Nature and scope of procedures

We planned and performed our work considering the risk of a material misstatement of the Information.

We consider that the procedures we performed were based on our professional judgment and allowed us to provide a limited assurance conclusion on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the associated principal risks;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, objectivity and comprehensibility, taking into account, where appropriate, best practices within the sector;

(1) ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

- verified that the Statement includes each category of social and environmental information set out in Article L. 225 102 1 III of the French Commercial Code as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- verified that the Statement provides the information set out in Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement presents the business model and a description of the main risks associated with of all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to such main risks;
- referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks and the consistency of the outcomes, including the key performance indicators used with respect to the main risks, and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the appendix. For certain risks (impact of climate change on AXA as an investor and as an insurer, AXA's impact on climate change as an investor and as an insurer, inclusive protection, AXA's impact on biodiversity, responsible data use (data privacy and data security), our work was performed at the level of the consolidated entity; for the remaining risks, our work was carried out at the consolidated entity and on a selection of entities, listed below:
  - AXA's impact on climate change as an insurer (green business): AXA France;
  - Inclusive Protection: AXA Emerging Customers;
  - Human resources (safe environment, diversity and inclusion, talent management/loss of key staff): AXA China Region Insurance Company Limited, AXA General Insurance Hong Kong Limited, AXA France, AXA Versicherungen AG, AXA Group Operations SAS et AXA Colpatria Seguros de Vida;
  - AXA's own operations impact on climate change: AXA Hong Kong, AXA France, AXA Switzerland, AXA Colombia, AXA Group Operations;
- verified that the Statement covers the scope of consolidation, *i.e.*, all the entities within the scope of the consolidated entity in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;
- studied the internal control and risk management procedures implemented by the entity and assessed its data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important as set out in appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, based on polls or other sampling techniques to assess the proper usage of the definitions and procedures and to reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities listed above and covers between 20,1% and 97% of the consolidated data selected for these tests;
- assessed the overall consistency of the Statement in relation to our knowledge of all the entities within the scope of the consolidated entity.

The procedures performed in a limited assurance review are less extensive than those required for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, March 18, 2024

The independent third-party
EY & Associés

Caroline Delérable	Olivier Durand
Partner, Sustainable Finance	Partner, one of the Statutory Auditors

Appendix : List of the information we considered most important

Social Information

Quantitative information (including KPIs)	*Qualitative information (actions or results)*
Employee Net Promoter Score "eNPS" (Group level)	
AXA's gender parity amongst Top Senior Executives (Group level)	
% of employees who have been upskilled on climate issues (Group level)	
Salaried employees having been trained at least once during the year (21,5% of headcount)	
Total absenteeism rate salaried workforce (21,5% of headcount)	
Headcount of salaried non-sales force as of 31st December (open-ended contract) (21,5% of headcount)	
Headcount of salaried sales force as of 31st December (open-ended contract) (21,5% of headcount)	

Environmental Information

Quantitative information (including KPIs)	*Qualitative information (actions or results)*
Carbon footprint of AXA's own operations (energy, car fleet, business travel, digital) (Group level)	
Total energy consumption (20,1% of FTEs)	Impact of climate change on AXA operations as an insurer
Distance travelled by the AXA fleet for business travels	Impact of climate change on AXA operations as an investor
Professional travels (plane and train) (20,1% of FTEs)	AXA's impact on climate change as an insurer
CO_2 emissions estimated from energy consumption (20,1% of FTEs)	AXA's impact on climate change as an investor
CO_2 emissions estimated from business travels by air and train (20,1% of FTEs)	AXA's own operations impact on climate change
CO_2 emissions estimated from AXA vehicle fleet (20,1% of FTEs) (20,1% of FTEs)	AXA's impact on biodiversity
Green Premiums (40,4% of green premiums)	
Green Investments (Group level)	

Societal information

Quantitative information (including KPIs)	*Qualitative information (actions or results)*
Number of customers covered by the AXA Group's Inclusive Protection program (97% of covered customers)	Inclusive protection
	Responsible use of data, data protection and data security