



Our impact



**Our sustainable
value creation**

Our indicators

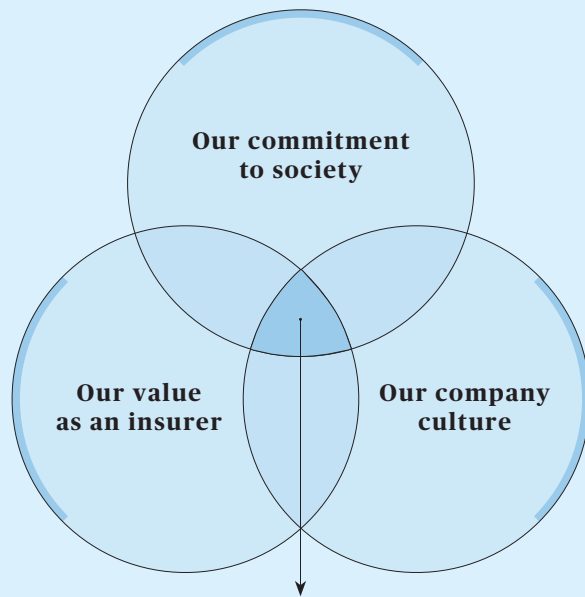
Our levers



2019

Our purpose

In formulating our purpose, our aim is to put into words what drives AXA and its teams, expressing both our role in the business economy and our commitments as a responsible company serving society. Using a collaborative process throughout the Group, the people behind AXA have chosen these words to describe our action.



We asked members of the Partners Group and eight categories of Group stakeholders for their opinions. Their responses and the 160,000 quotes provided in the Pulse survey were analyzed to throw light on the key features of AXA's identity. This work was then followed by contributions from the Group's 1,000 top managers during AXA Days, which led to the formulation of a purpose that was submitted to the Board of Directors of the Group. Finally, the AXA Conversation platform has enabled AXA employees to discuss and adopt this purpose.

Acting for human progress by protecting what matters

Acting for human progress...

AXA works with and for individuals and communities, from NGOs, to cities and governments. The essence of our insurance profession – pooling risks – makes us a critical link in mutual support and social ties. Our understanding of risks enables all these stakeholders to anticipate the future and become more resilient. Through our investment choices, we foster positive directions for society. In this way, we encourage responsible innovation and make it universally accessible.

... by protecting...

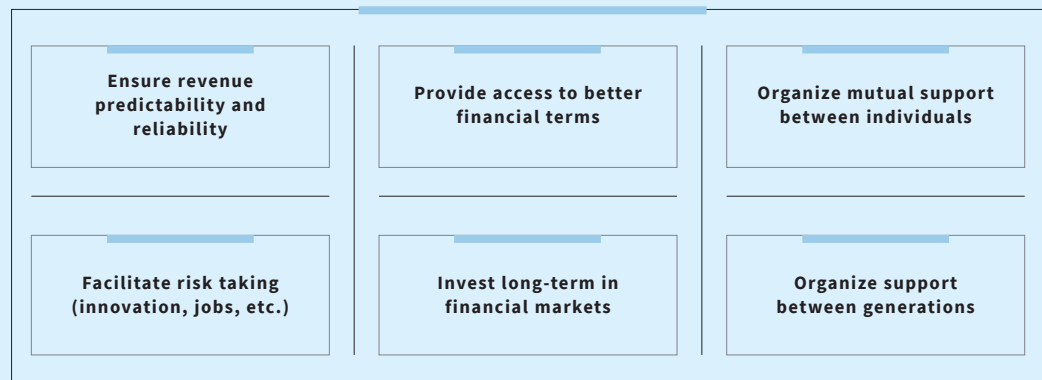
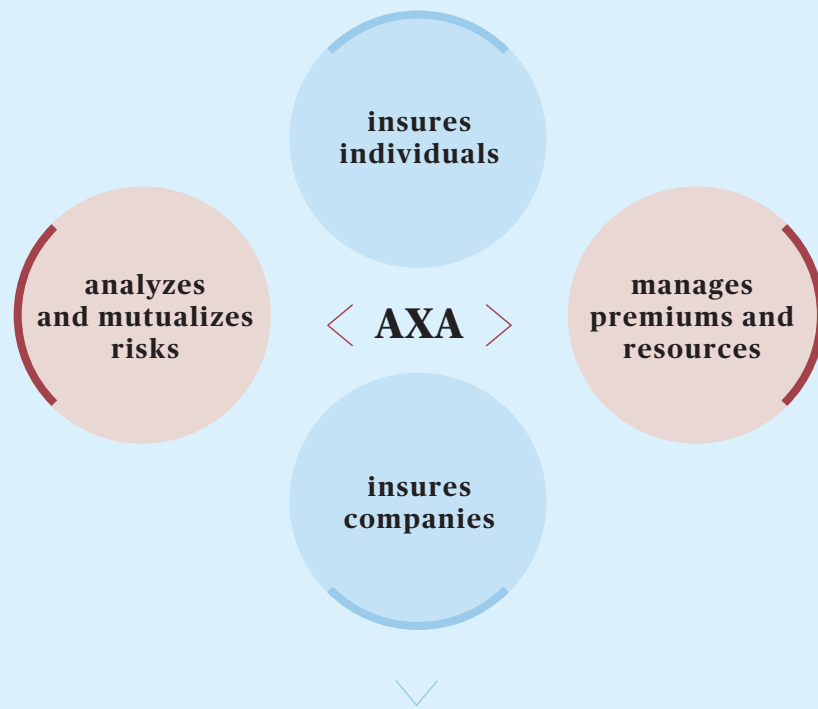
Being there for our customers and protecting them is at the heart of everything we do. We are at their side to help them get back on their feet and return to normal. We facilitate their everyday lives by facilitating their access to health services, savings and long-term care. We manage the risks they need to face to soften the impact. Through all these actions, we help customer overcome challenges and achieve their goals.

... what matters

We enable individuals and communities to move forward by protecting their basic needs: environmental protection, access to healthcare, prosperity and quality of life. Our decisions and commitments are based on objective scientific data. We also consider society as a whole, inclusively: what is good for an individual must also serve the public interest. As a global leader, we act on a very large scale, making a significant impact on economies and societies.

Our profession

Insurance is a major catalyst for economic development and progress in society. It also plays a key role in the distribution of wealth, the allocation of economic resources and the resilience of individuals in the face of risks. AXA's aim is to extend the scope of insurance action to reinforce its positive role.



1. Pushing the boundaries of underwriting

Insurers analyze the impact and frequency of risks to set prices. Pooling creates a system of mutual support, through which the good fortune of the many benefits the few who encounter difficulties. AXA is developing ways to extend the scope of insurance coverage. The Group is innovating to enable populations who have traditionally been less well protected (such as emerging consumers or women) to access insurance. It is also creating solutions to cover new types of risks: cybercrime, weather risks, and so on. Like natural disaster insurance schemes that are jointly managed by the State and insurance companies, AXA is working to create a pandemic insurance regime as a public-private partnership.

2. Promoting positive-impact investment

Insurers invest the premiums they receive in financial markets to cover their customers' risks in the future. Often focused on the long term, these investments are essential for funding the economy. AXA aims to meet two objectives with its investment choices. First of all, it looks for quality, to bring its customers and shareholders guarantees of solidity and durability. Second, the Group aims to steer business stakeholders in directions that are positive for society. Its commitment to divesting from the coal and tobacco industries, in particular, and the creation of positive-impact funds enable AXA to direct financial flows to business sectors that take a more responsible approach to the environment and healthcare.

3. Offering useful new solutions

In line with its "Payer to Partner" strategy, AXA is developing new services. In this way, the Group is expanding the insurance value chain to enable customers to prevent or reduce the impact of negative events. With the support of AXA Next, the division focused on innovation, all the Group's business lines are developing additional solutions for their customers. In addition to its health insurance offering, for example, AXA is developing a whole range of services enabling customers to prevent health problems, access quality practitioners and simplify treatment follow-up. AXA is also pioneering new e-health applications and opened its first integrated medical centers in 2019.

CUSTOMERS

We serve both corporate and individual customers. They bring us the revenues we need to act, through their premiums and payments.

INVESTORS

AXA shareholders and bondholders provide the funds required for our business.

EMPLOYEES

Our employees' diverse range of profiles and professional expertise enables AXA to be effective, profitable and well managed.

DISTRIBUTORS

We work in close cooperation with distributors: agents, brokers and bankers.

PARTNERS

We buy products and services from external providers.

GOVERNMENTS AND REGULATORS

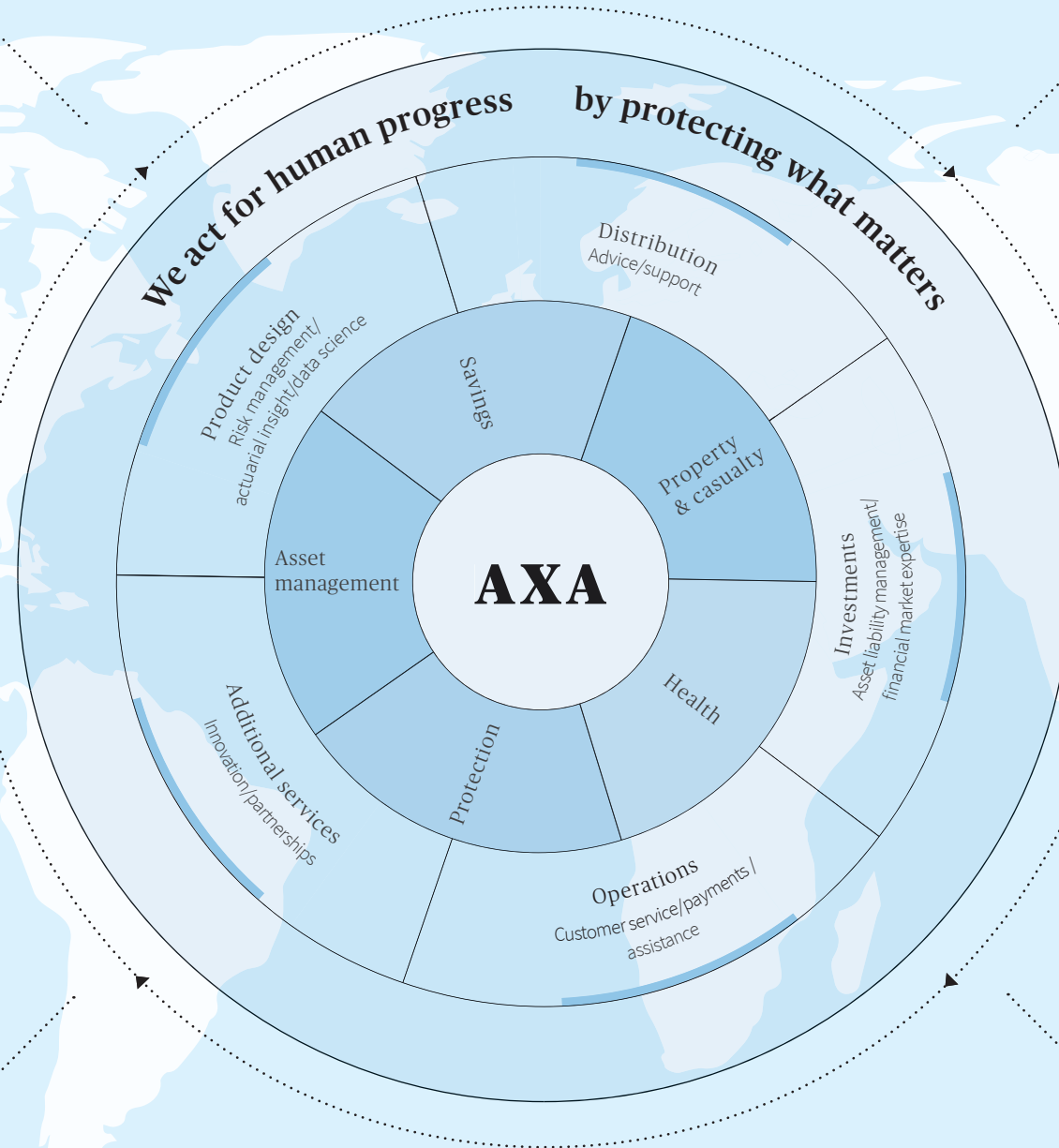
These authorities set the rules for the insurance sector: prudential regulation and taxes on our products and services.

CIVIL SOCIETY

We require the trust and support of our stakeholders to operate our business effectively.

WE IDENTIFY, ASSESS AND POOL RISKS RELATED TO PEOPLE AND BUSINESSES FOR A MORE STABLE WORLD. WE HELP OUR CUSTOMERS MANAGE THEIR RISKS.

WE COMMIT TO CUSTOMERS, PARTNERS AND INVESTORS AND REINVEST PART OF OUR PROFITS IN OUR BUSINESS, IN OUR HUMAN RESOURCES AND IN OUR COMMUNITIES.



WE CREATE PRODUCTS AND SERVICES THAT ENABLE OUR CLIENTS TO TRANSFER THEIR RISKS.

WE INVEST RESPONSIBLY OUR ASSETS ON BEHALF OF BOTH OUR CUSTOMERS AND OUR SHAREHOLDERS.

CUSTOMERS

Our service before, during and after claims provide financial security and peace of mind. Our preventative action helps them to live a better life.

INVESTORS

The dividends and interests we pay them generate regular returns.

EMPLOYEES

We pay our employees fairly, while developing their skills and employability.

DISTRIBUTORS

We pay our distributors according to our established agreements and support them with training throughout their careers.

PARTNERS

As a reliable partner, we help the companies we work with and invest in, to grow.

GOVERNMENTS AND REGULATORS

We work with authorities as a responsible, ethical company and contribute to the countries in which we operate by paying our taxes.

CIVIL SOCIETY

We generate a positive impact on society through our investments and our universally accessible products, and by helping solve major environmental and social issues through our business and commitments.

OUR IMPACT - SUSTAINABLE VALUE CREATION

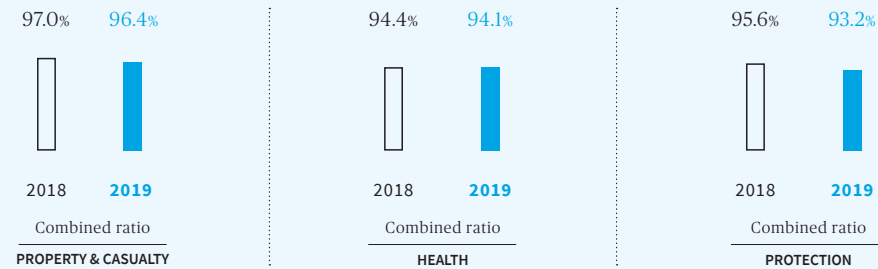
Our sustainable value creation

Our 2019 financial results

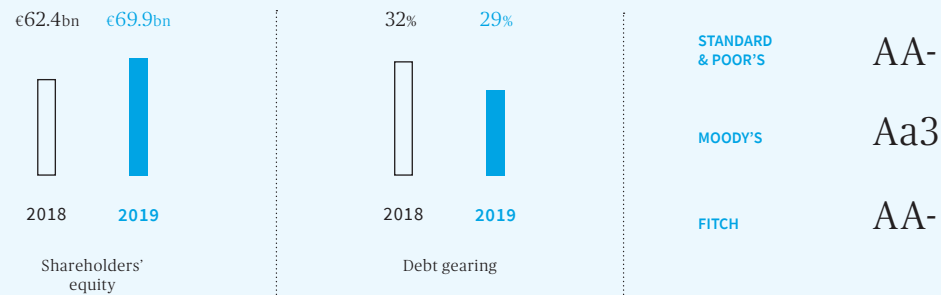
Revenues



Technical profitability



Financial strength

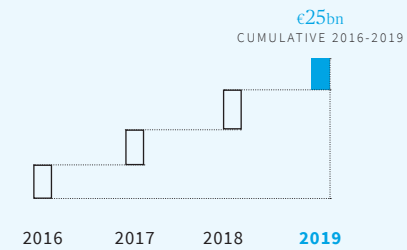


"AXA pursued organic growth and high underwriting profitability in 2019, driven by its key segments: corporate property and casualty, health and protection. With its increasing equity and decreasing debt ratio, the Group's balance sheet is robust."

ÉTIENNE BOUAS-LAURENT
AXA Group Chief Financial Officer

AMBITION 2020

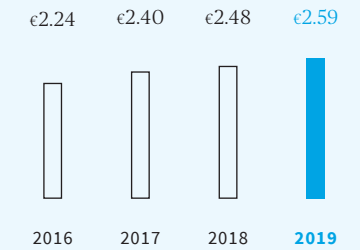
Free cash flows



€25bn
CUMULATIVE
2016-2019

Ambition 2020
€28bn - €32bn
CUMULATIVE
2016-2020

Underlying earnings per share

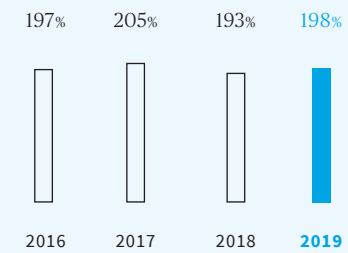


+5%
CAGR*
2015-2019

Ambition 2020
3% - 7%
CAGR*
2015-2020

*Compound annual growth rate

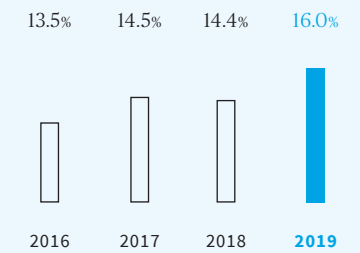
Solvency II ratio



198%
2019

Ambition 2020
170% - 220%
TARGET RANGE

Adjusted return on equity



16%
2019

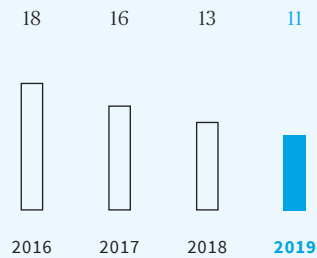
Ambition 2020
14% - 16%
TARGET RANGE

Our environmental impact

OUR FOOTPRINT

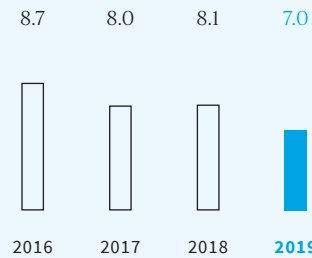
Paper consumption

(kg/FTE*)



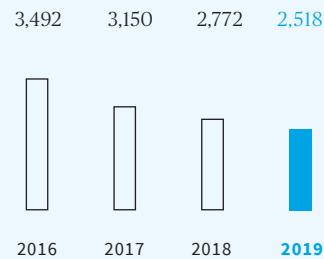
Water consumption

(m³/FTE*)



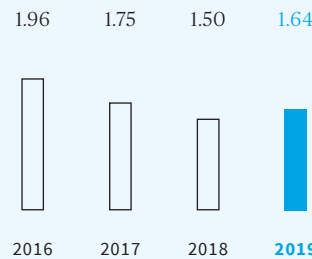
Energy consumption

(kWh/FTE*)

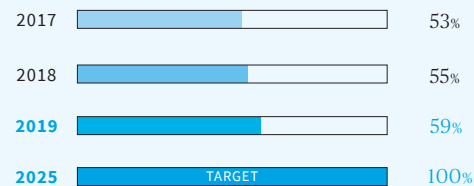


CO₂ emissions

(tCO₂/FTE*)



Share of electricity consumption from renewable sources

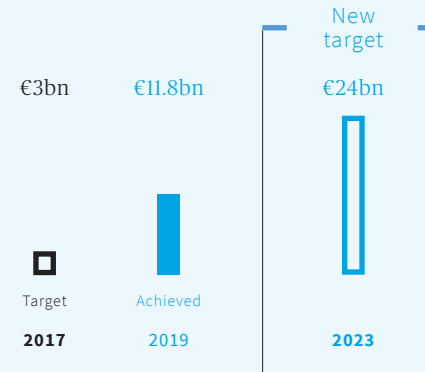


In 2002, AXA introduced an environmental reporting process. Implemented in its divisions through a network of 300 employees and environmental managers, this process enables the Group to assess and manage its carbon footprint, consumption of natural resources, including water and energy, and production of waste. In addition to the action driven by its investment and underwriting policies, AXA also aims to continually improve its environmental footprint.

*FTE: Full-Time Equivalent

OUR IMPACT

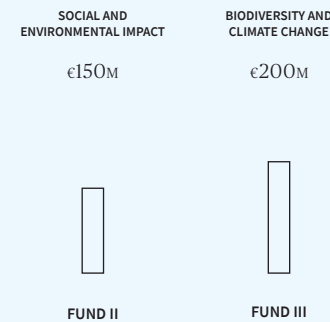
Green investments



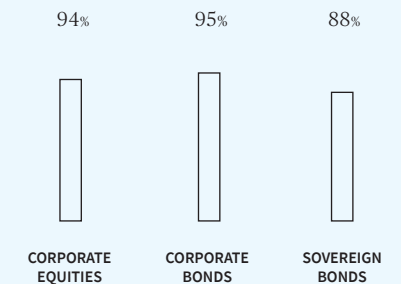
Assessment criteria

- **Green bonds:** externally labelled (e.g. by the Climate Bonds Initiative) + additional AXA criteria and reviews
- **Infrastructure:** Climate Bonds Initiative criteria/focus on renewable energies, water treatment and clean transport
- **Impact funds:** the share of AXA impact funds targeting a climate impact
- **Real estate:** excellent or gold environmental certification and B or above energy performance certificate
- **Commercial real estate securities:** strict green criteria/excellent or gold environmental certification criteria

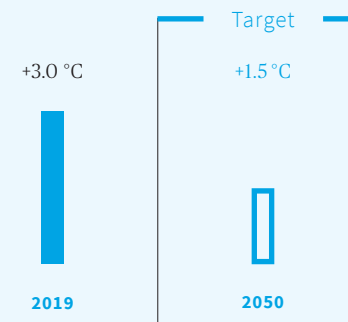
Environmental impact funds



Share of the investment portfolio covered by ESG analysis (2018)



Global warming potential of the investment portfolio



The Paris Agreement, ratified by 189 countries, sets a target of containing global warming below +2°C by the end of the century, while urging member states to pursue efforts to achieve a maximum of +1.5°C above pre-industrial levels. AXA is committed to measuring the warming potential of its investment portfolio and aligning it with the trajectory set out in this agreement. The method used to calculate warming potential is based on economic and corporate accounting data, as well as the carbon intensity projections presented in the Paris Agreement.

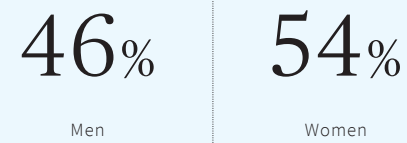
Our social impact

FOOTPRINT

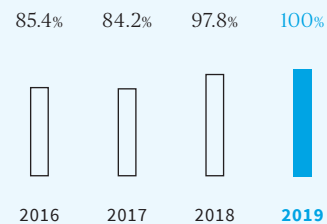
Number of employees in 2019



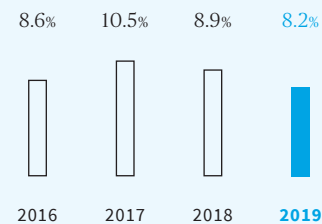
Salaried workforce diversity in 2019



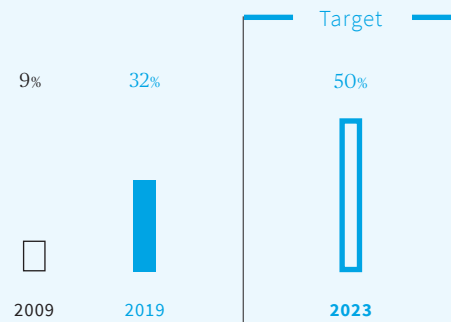
Share of employees who attended training in 2019



Internal mobility



Share of women among AXA Group Senior Executives

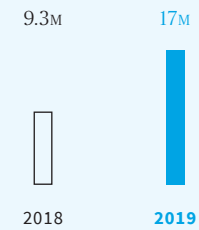


AXA has introduced a program to **achieve gender parity among its top managers by 2023**. AXA has also committed to eliminating all unjustified pay gaps, using dedicated budgets if necessary, to **reach gender pay parity** in every region of the world by 2023 at the latest.

IMPACT

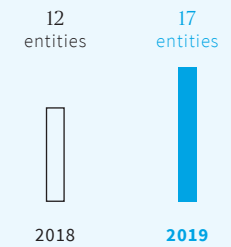
MAKING INSURANCE ACCESSIBLE TO ALL

Emerging customers



17 million emerging customers are insured by AXA through its local teams and partnerships in India, Indonesia, Thailand, Egypt, Malaysia, Morocco, Nigeria, Brazil and Mexico.

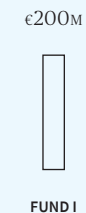
Women in Insurance initiative



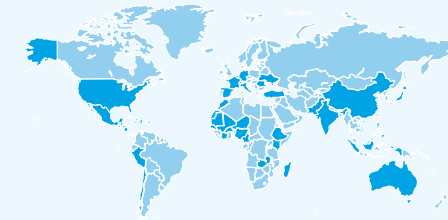
17 entities have made a strategic priority of growing the female segment. 26 products have been developed to better meet women's needs.

Impact fund

FINANCIAL INCLUSIVENESS (EDUCATION AND HEALTH)



AXA Climate

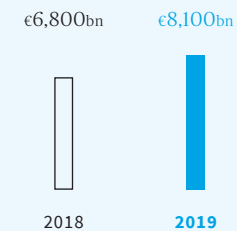


AXA Climate provides immediate coverage to communities facing climate risks. In 2019, 150 million customers in 40 countries benefitted from AXA Climate coverage.

2019 AXA Climate coverage

COMMITTING TO COLLECTIVE ACTION

Tobacco-Free Finance Pledge



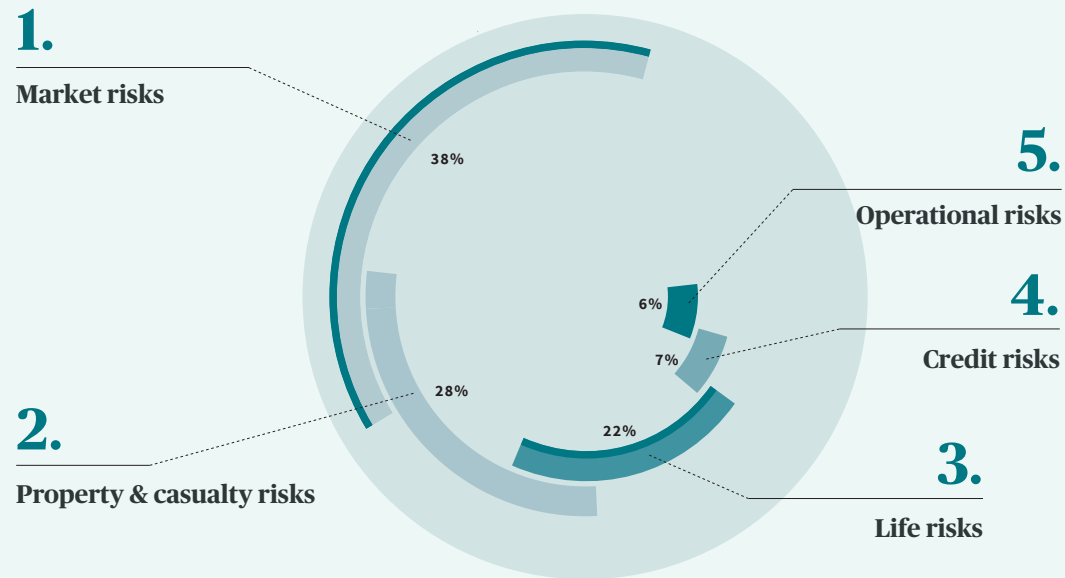
Assets under management by the signatories of the Tobacco-Free Finance Pledge

Inclusive economy

- AXA has been a founding member of the "Coalition pour une économie inclusive," a coalition of companies supporting an inclusive economy in France since December 2018.
- AXA has also been a founding member of the Business for Inclusive Growth (B4IG) coalition coordinated by the OECD since August 2019.

Understanding, anticipating and managing risks

To measure its exposure to risks, AXA uses a robust internal model that calculates the required capital to withstand an extreme shock.



1 / MARKET RISKS

These risks are mainly fluctuations in interest rates and share prices impacting AXA's business, variations in exchange rates and the management of currency exposure and holding company debt.

2 / PROPERTY & CASUALTY RISKS

AXA is exposed to risks linked to premiums (fluctuations in insured events) and the assessment of technical provisions (variations in the frequency and cost of damage). The Group is also exposed to disaster risks. Damage risks are mitigated by diversification across geographic areas and business lines.

3 / LIFE RISKS

A change in mortality trends, either upwards or downwards, can have an impact on the amounts paid by AXA to its insurance customers.

4 / CREDIT RISKS

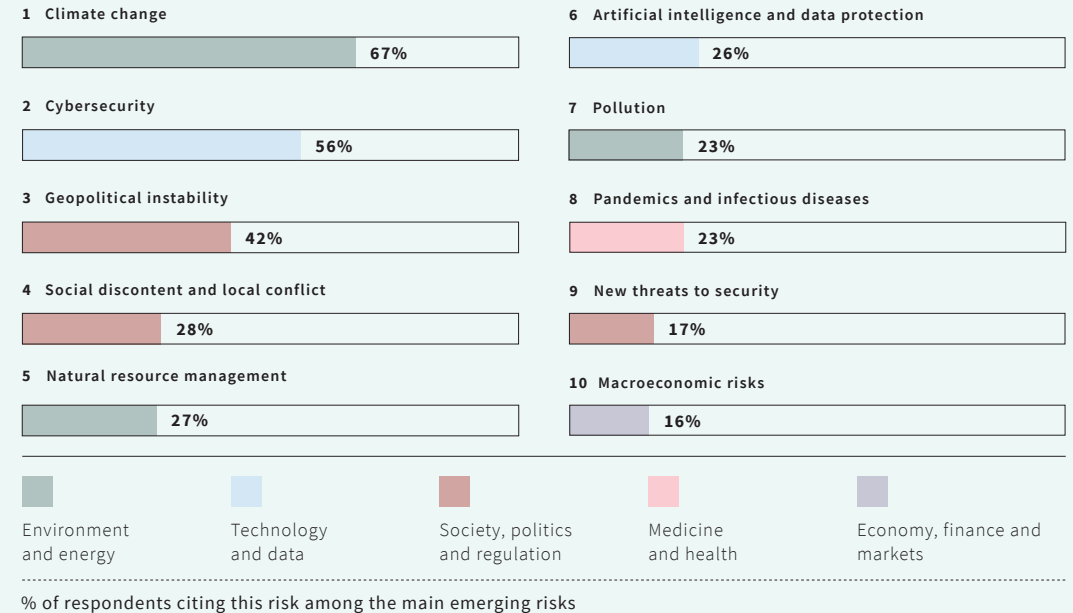
Credit risks, or potential loan defaults, mainly concern investment portfolios, reinsurer debt and exposure to third-party debtors.

5 / OPERATIONAL RISKS

These are risks of losses from unsuitable or ineffective internal processes, human error or external events (fraud, cyberattacks, etc.).

AXA uses a risk management framework to systematically identify, measure, manage and control risks. With its Ambition 2020 plan, the Group significantly reduced its exposure to financial risks in 2018 and 2019, while increasing its exposure to insurance risks.

Every year, AXA produces a barometer of emerging risks. In 2019, in partnership with Eurasia Group, 1,700 experts from 58 countries were surveyed on their perceptions of emerging risks.



1 / CLIMATE CHANGE

- **Evolution:** 67% in 2019 / 63% in 2018 / 39% in 2017.
- **Main threat:** the vast majority of respondents emphasized the physical risks linked to global warming (88%), before responsibility and transition risks.

2 / CYBERSECURITY

- **Evolution:** 56% in 2019 / 54% in 2018 / 34% in 2017.
- **Main threats:** disruption to essential services and critical infrastructure is the most cited threat (44%), before extortion (15%) and identity theft (15%).

3 / GEOPOLITICAL INSECURITY

- **Evolution:** 42% in 2019 / 31% in 2018 / 20% in 2017.
- **Main threat:** the responses vary between regions, reflecting the current situation: American respondents mostly cite populist threats, whereas those in Asia, Africa and the Middle East cite tensions between nation states.

4 / SOCIAL DISCONTENT AND LOCAL CONFLICTS

- **Evolution:** 28% in 2019 / 25% in 2018 / n.d. in 2017.
- **Main threat:** for around half of all respondents, pay gaps are creating the worst tension. Migration and territorial issues are also cited by 23% of respondents, mainly from America.

Anticipating emerging risks enables AXA to play its role as an insurer, make the right decisions and provide society with expert insights on risks. The growing interconnectivity of risks validates the Group's cross-functional approach and consistent, integrated risk management. Even though they are not at the top of the survey's ranking, several **medical and health risks** are directly connected to environmental, technological and political developments. This analysis validates AXA's focus on health insurance as a priority segment.

Find the **Future Risks Report** on axa.com (Newsroom > Publications).

Entering a new phase in our climate strategy

In the financial sector, AXA has been a pioneer in its action to limit global warming. The Group was the first to commit to divesting from the coal sector in 2015, followed by oil sands in 2017. In 2019, the Group initiated an ambitious new phase in its climate strategy.

2019: a new phase in AXA's commitment

In 2019, AXA entered a new phase in its climate commitment, drawing on its expertise to offer new, even more effective and impactful measures. AXA also set a new ambition: to help drive transition in industry, as well as the finance sector.

At the heart of these new commitments is AXA's aim of limiting the warming potential of its investment portfolio to +1.5°C, in line with the Paris Agreement. Currently, this potential stands at +3.0°C, which is significantly better than the sector average due to the divestments made since 2015, but still too high to help build a sustainable world.

AXA's portfolio reflects the state of the economy. That is why the Group is aiming to help industrial companies achieve transformation by creating transition bonds, a new asset class for funding transition projects led by companies that are

not yet eligible for green bonds. At the same time, AXA is continuing to increase its green investments, aiming to reach €24 billion by 2023. The Group's new climate policy also includes a complete withdrawal from the coal industry by 2030 in European and OECD countries, and by 2040 in the rest of the world. This objective naturally aligns with the gradual exit strategy launched by the Group in 2015.

Driving adaptation to climate change

As a driver of the energy transition, AXA also aims to drive adaptation, drawing on its expertise as an insurer to better mitigate the impact of climate change.

The Group aims to be an ally in climate change adaptation, by providing solutions like CYMO (a surveillance system by satellite or drone that issues alerts and evaluates damage in real time) and by offering authorities information to aid decision making.

Collective action

It has always been AXA's conviction that efforts to limit climate change require a commitment to major collective action. That is why AXA has joined the Net Zero Asset Owner Alliance, a group of investors committed to transitioning their portfolio to net-zero greenhouse gas emissions by 2050.

AXA will contribute in particular by sharing its expertise in climate finance methodology. AXA has also partnered with C40, a coalition of the world's largest cities working to boost their resilience to natural disasters.

1. Aligning our portfolio with a +1.5°C scenario

AXA measures the warming potential of its investment portfolio and commits to reducing it to +1.5°C by 2050. Part of the €50 billion reinvested annually by AXA will thus follow low-carbon and warming-potential criteria.

2. Supporting the energy transition

Transition bonds are a new asset class designed to finance companies engaged in transition projects. A first €100 million fund has been launched in partnership with Crédit Agricole. This will finance energy providers in emerging countries that are switching from coal to gas, and maritime transportation companies that are replacing their diesel fleets with ships powered by liquified natural gas.

3. Fully withdrawing from coal

To reach its objective of fully exiting the coal industry, AXA is reinforcing its exclusion criteria, discontinuing business with any customers that are developing new coal projects exceeding a capacity of 300 MW (compared to 3 GW previously). It is also adding a new criterion: a maximum total output of 10 GW.

4. Contributing to climate resilience

Through its knowledge and understanding of risks, AXA can help identify the right measures for strengthening resilience to climate change. However, these measures often concern facilities and infrastructure operated by public authorities, making public-private cooperation essential. AXA's involvement in the C40 network supports this approach.

Co-building with our stakeholders

AXA maintains regular dialogue with its stakeholders. The Group has also set up discussion forums to anticipate and integrate society's needs into its business decisions and commitments.

Extra-financial ratings

DOW JONES SUSTAINABILITY INDEX 3rd place <small>Score: 83/100</small>	MSCI (ESG rating) AAA	UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT (SCORE) A+
VIGEO EIRIS Sector leader	CDP (SCORE) A -	FTSE4GOOD <small>Included in the index since</small> 2008

Why we engage in dialogue

Anticipating trends and transitions

AXA has set up dialogue to obtain input on the major transitions underway and understand the short, medium and long-term impacts. This helps the Group anticipate emerging risks and understand the opportunities for its customers and society.

Who we engage in dialogue with

EMPLOYEES: our experts from all over the world bring an in-depth and international vision of issues.

PARTNERS: we can discuss and share our ideas with peers asking similar questions.

GOVERNMENTS AND REGULATORS: we work with international institutions and governments leading collective initiatives.

CIVIL SOCIETY: experts and NGOs provide insights on the major transitions underway.

How we engage in dialogue

- **PARTNERSHIPS WITH NGOS:** AXA is building partnerships with NGOs to work in depth on major issues.
- **INTERNATIONAL SUMMITS AND CONFERENCES:** AXA takes part in international events that enable the Group to discuss issues with the international community.
- **STAKEHOLDERS ADVISORY COMMITTEE:** AXA has set up a committee of civil society stakeholders that meet at least once a year with the Group's governing bodies to share their perspectives on the transitions underway.

Some examples of our action

AXA's decision to withdraw from the tobacco industry was driven by our work with the Tobacco Free Portfolios (TFP) NGO. The Group was one of the first signatories of the Tobacco-Free Finance Pledge at the United Nations headquarters in 2018.

In line with its climate and biodiversity commitments, AXA has been working with The Nature Conservancy for the past two years to create blue carbon credits. Tied to the carbon credit system, these assets place a price on the services rendered to biodiversity by coastal wetlands.

Founding member of the Task Force on Climate-related Financial Disclosures (TCFD), a working group on financial information related to climate performance, and a leader in measuring the impact of climate change. AXA is the first company in the financial sector to have published a TCFD report.

Co-building action

Day to day, AXA builds solutions and processes to meet the needs of its stakeholders. Through regular dialogue, the Group can integrate and validate its choices to best serve its beneficiaries.

INVESTORS: we discuss regularly with our shareholders and investors, and take their constructive feedback into account.

CUSTOMERS: our individual and corporate customers provide us with tangible information on their needs.

EMPLOYEES: our employees share their needs and report on the needs of the customers and partners they work alongside day to day.

PARTNERS: the business partners we co-build our solutions with bring views and expertise to complement our own.

GOVERNMENTS AND REGULATORS: contacts with them can help us comply with complex regulation.

- **SPECIALIST COMMITTEES:** AXA organizes dialogue with groups of direct stakeholders (such as shareholders) to guide decisions on specific topics.
- **LABOR RELATIONS:** AXA has set up formal labor relations with employee representatives worldwide, particularly within the Group's European Works Council.
- **INTERNAL CO-CREATION:** AXA regularly collects employee feedback through the AXA Pulse survey and uses the AXA Conversation platform to promote constructive exchanges.
- **INTERNAL AND EXTERNAL SURVEYS:** similar to its emerging risk barometer, AXA has developed a number of other surveys to monitor its clients and other stakeholders' changing needs.

AXA has set up a network of experts to move forward on ethics and data protection issues and prepare for new legislation.

Through the AXA Conversation platform, AXA has opened in-depth dialogue with employees on the expression of its purpose, enabling each individual to adopt this purpose.

In 2019, AXA France launched monassurancecitoyenne.com, a crowdsourcing platform to define the priorities for citizen savings. After this public consultation, the Épargne Citoyenne label was created and four certified products have already been launched.

Drawing on strong governance

Board of Directors 31/12/2019



DENIS DUVERNE

Chairman of AXA's Board of Directors



THOMAS BUBERL

Chief Executive Officer of AXA



PATRICIA BARBIZET



MARTINE BIÈVRE

Employee Representative



JEAN-PIERRE CLAMADIEU

Senior Independent Director



BETTINA CRAMM

Employee Representative



IRENE DÖRNER



RACHEL DUAN



ANDRÉ FRANÇOIS-PONCET



ANGELIEN KEMNA



STEFAN LIPPE*



FRANÇOIS MARTINEAU



RAMON DE OLIVEIRA



DOINA PALICI-CHEHAB

Employee Shareholders Representative



ELAINE SARSYNSKI

*It is with great sadness that AXA announced the death of **Stefan Lippe** on April 24, 2020. The Board of Directors and the Management Committee of AXA are grateful for his many decisive contributions to the Group during his eight years on the Board.

■ Audit Committee ■ Financial Committee ■ Compensation and Governance Committee ⓘ Senior Independent Director

Composition of the Board

60%

independent directors

53%

women members*

8

nationalities

61

average age

*46% of women excluding employee representative

Board members' skills and expertise

Experience in businesses and industries



NUMBER OF BOARD MEMBERS WITH THESE SKILLS AND EXPERIENCES

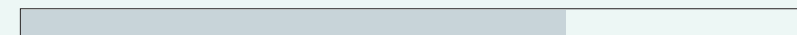
12 / 15

Experience and knowledge of regulatory and legal matters



9 / 15

Financial expertise



11 / 15

Extensive experience of customer services and digital strategies



5 / 15

Experience in growing and emerging markets



7 / 15

Strong leadership and senior management experience



9 / 15

Oversight of sustainability and environmental stewardship



7 / 15

Committee activity in 2019

AUDIT

6

meetings

Attendance: 90%

FINANCIAL

5

meetings

Attendance: 100%

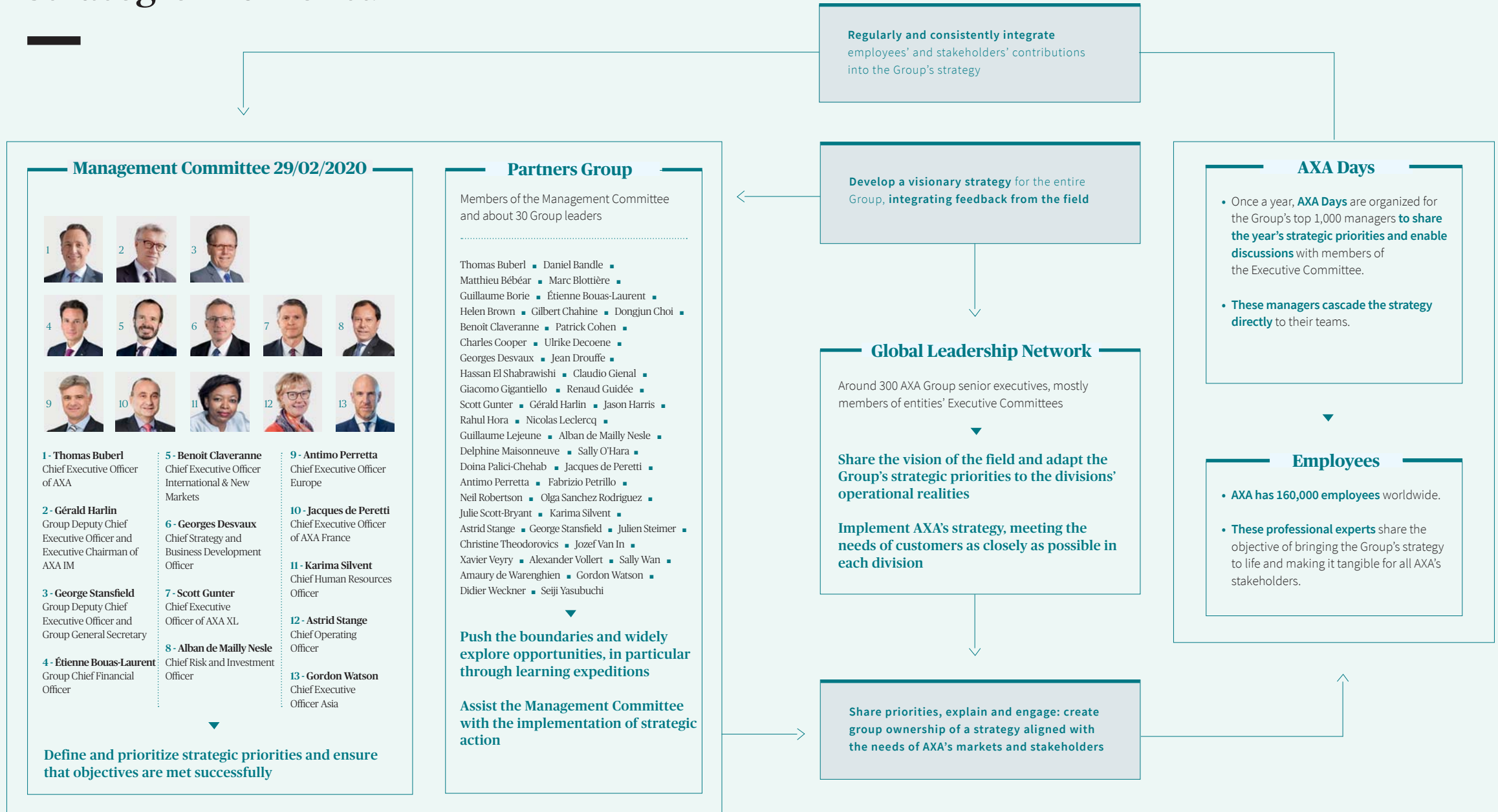
COMPENSATION AND GOVERNANCE

5

meetings

Attendance: 100%

Driving strategic momentum



Ensure the success of the Ambition 2020 strategic plan >>>

Define and create momentum for the next strategic plan