

Year: 2017

**SHOW CASE TITLE : Socially Responsible Investment****COMPANY NAME : AXA Group****Category :**

Financing: Green assets,  
Environmental and Social

Country of the Best Practice:  
Global

Company name: AXA

Industry: INSURANCE

**Turnover (2015):**

Worldwide: Euro 98,534 million  
Asia Pacific: Euro 8,868 million

**Workforce (2015):**

Worldwide: 165,703  
Asia Pacific: 45,094  
Singapore: 870

Headquarter (country): FRANCE

**Company Website :**

<https://www.axa.com/>

<https://www.axa.com/en/about-us/strategy-commitments>

<https://www.axa.com/en/about-us/corporate-responsibility-strategy>

**Company logo:****BACKGROUND**

Please briefly describe your line of Business. Who Initiated this Project? What drove the company buy into this initiative?

The AXA Group is a worldwide leader in insurance. Headquartered in Paris, we have a wide portfolio of businesses that includes Life Insurance, Health Insurance, Property & Casualty Insurance as well as Asset Management.

The Socially Responsible Investment (SRI) initiative has been initiated by AXA Group's Top Management (CEO) as part of our overall Corporate Responsibility Strategy, which integrates long term environmental, social and governance factors into our business.

**OBJECTIVE(S)**

Which Best Practice objective(s) does the company want to achieve with Your Project?

SRI is the integration of environmental, social, and corporate governance (ESG) considerations into investment processes and ownership practices, in the belief that these may impact both risks and returns.

Through this initiative, we hope to play a role in contributing to the sustainable economic development and the interests of society by taking responsibility for the direct and indirect impact of our activities on various stakeholders, including: customers, suppliers, employees, shareholders, communities and the environment.

**APPROACH**

Which were the critical phases of Your Project implementation? Were other department(s) or function(s) involved in your project?

As part of an ongoing global initiative, there were a few critical phases that determined the success of the implementation of the SRI project:

- AXA Group making a pledge and committing to adhering to the UN Principles for Responsible Investment, AXAESG and Carbon-related pledges, etc.
- The integration of the "Responsible Investment" governance within the Group Corporate Responsibility Governance (RI Committee, RI Center of Excellence).

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- Defining, launching and monitoring the RI strategy through the overall AXA Group investment Community.

The main professional families involved in the implementation of the initiative are the Group Asset Managers and the Group investment communities (CIOs).

A collaborative approach has been adopted to:

- Implement divestment commitment within AXA entities portfolio globally (General Account assets).
- Develop a dedicated strategy to generate measurable social and environmental impact alongside financial returns (eg, AXA "Impact" Fund – private equity type).
- Source green assets via bonds, infrastructure and private equity projects.
- Define "ESG" scoring criteria for the AXA Group ESG Footprint Committee.



### RESULTS

Was your project successful? Which tangible results could be highlighted? Also please state any challenges and obstacles encountered if any.

We are happy with the progress of this initiative thus far and we are still tracking our results closely. By 2020, we aim to:

- Reduce our CO2 emissions by 25% compared with 2012
- Triple our green investments as compared to 2015
- Double our renewable energy premiums as compared to 2013

If successful, this will demonstrate AXA's commitment to reduce our carbon footprint and leveraging our core business of insurance and investment to help the communities we operate in better tackle risks brought about by climate change.

The main challenges faced by the Group with regards to SRI is twofold:

- Design the right ESG scoring methodology.
- Source Green assets while not being detrimental to the overall investment performance. (Green Bonds, Infrastructure Equity/Debt, Private Equity).

### KEY SUCCESS FACTORS

#### CONTRIBUTION TO CORPORATE PERFORMANCE

Describe the concrete measurable benefits and outcome of Your Projects (if possible give numerical results)

AXA Group SRI has been pivotal in complementing our overall Corporate Responsibility Strategy while supporting the overall financial performance of the investment.

#### ENVIRONMENTAL, SOCIAL AND GOVERNANCE BENEFITS

What are the social, environmental and/or governance benefit(s) and impact(s) resulting from your Best practice?

The AXA Impact Fund I was launched to allocate capital to organizations that address key societal challenges including: healthcare, microfinance / micro

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## Sustainable Investment and Best Practices SHOWCASES

insurance, education, agriculture & food, mainly in emerging markets. This fund has been instrumental in supporting AXA Group's financial and ESG objectives, serving as a clear demonstration of our commitment to help our stakeholders manage their exposure to environmental risks.