

AXA Group UN Global Compact Communication on Progress 2010-2011

Company Name	AXA Group	Date	December 2012
Address	25 avenue Matignon, 75008 Paris, France.	Membership date	2003
Country	France	Number of employees	114,488 (year end 2011)
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UNGC Statement of support

Mr. Henri de Castries, Chairman of the AXA Group Management Board and Chief Executive Officer, has renewed his support of the Global Compact's 10 principles in the following statement: *"I renew AXA's commitment, undertaken at the time of our 2003 endorsement, to respect the UN Global Compact's 10 principles for the upcoming year"*.

About the AXA Group

AXA Group is a worldwide leader in insurance and asset management, with 163,000 employees (including exclusive distributors) serving 101 million clients in 57 countries. For 1H12, IFRS revenues amounted to Euro 48.4 billion and IFRS underlying earnings to Euro 2.3 billion. AXA had Euro 1,575 billion in assets under management as of August 3rd, 2012. The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISN FR 0000120628 – Bloomberg: CS FP – Reuters: AXAF.PA). AXA's American Depository Shares are also quoted on the OTC QX platform under the ticker symbol AXAHY. The Group is included in the main international SRI indexes, such as Dow Jones Sustainability Index (DJSI) and FTSE4GOOD, and is a founding member of the UN Environment Programme's Finance Initiative (UNEP FI) Principles for Sustainable Insurance.

Corporate Responsibility at AXA

AXA place Corporate Responsibility both at the heart of its business as well as its day to day interactions with its stakeholders. It is through adopting a responsible behaviour, as well as through sustainability added-value products and services, that the Group is able to most effectively participate in social, environmental and economic progress.

Since 2009, strong progress has been made on Corporate Responsibility, including:

- the formal integration of CR into local and Group strategic planning processes
- the creation of a senior executive-level network of Chief Corporate Responsibility Officers charged with a broad CR mandate
- the definition of a CR key performance indicator which enables precise tracking of local and Group CR performance, and is included in annual management objectives. This KPI is derived from AXA's CR self-assessment tool, which entities use annually to assess their maturity in the broad field of CR, benchmark their performance and identify appropriate steps to take towards developing an advanced CR strategy that has local relevance while remaining in line with the Group's CR strategy.
- the launch of "Risk Research & Education" as the Group's "CR flagship" theme, with the creation of a Group partnership with the non-profit CARE on risk education for disadvantaged populations, to complement the academic risk research supported by the AXA Research Fund
- engaging 10,000 employees across the Group in an online "Forum on Corporate Responsibility", resulting in an annual "CR Week" across the Group to highlight progress made.

Corporate Responsibility is now fully embedded in the Ambition AXA strategic plan launched in 2011 for the next 4 years.



The following selection of diverse initiatives from diverse regions illustrates our commitment to uphold the UN Global Compact's four themes (human rights, labour standards, environment, anti-corruption). These have been collected throughout 2009 and 2011 at Group level and among our local affiliates.

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights
- Principle 2: make sure that they are not complicit in human rights abuses.

As a financial services company, many of our human rights impacts on society are linked not to our own direct "production" processes or our own workforce, but indirectly through our choice of suppliers or investment policies. In making these choices, we integrate human rights criteria in the selection and management of our suppliers, as well as in our investment policy.

Actions recently implemented

Supply chain screening

GROUP – AXA is a major purchaser of products and services for the purpose of its internal operations and services provided to policyholders. This significant volume of purchases, for a total value of exceeding €11 billion in 2011, opens up an additional field of action for the Group in promoting human rights through the Corporate Responsibility (CR). The buyers are required to sign a specific Procurement code of ethics in addition to the Group Compliance & Ethics Guide.

AXA also encourages its suppliers to be socially and environmentally responsible and requests from them a formal commitment to uphold International Labor Organisation (ILO) principles, through a "CR clause" that was implemented in 2006. The clause has first been included in AXA's IT and "General Expenses & Professional Services" contracts, and the scope was extended to "Insurance Procurement" contracts (related to customer claims) in 2010. In 2011 the Group reached a penetration rate of around 89% of new or renewed contracts for IT and "General Expenses & Professional Services" and around 87% for "Insurance Procurement".

Since 2008, an in-depth analysis of the CR performance of 350 local or global suppliers was performed by AXA with the assistance of a specialized service provider. Based on AXA's CR stakes matrix, suppliers combining high or medium risks and high purchase volumes are targeted first. For example, 90 suppliers were assessed or re-assessed in 2011. The objective of this analysis is to identify the main CR risks and give suppliers a tangible incentive to improve their performance. When re-assessed, most suppliers have shown significant progress (the average score of the suppliers with an initial score of 4/10 or less has improved from 3.62 to 4.59/10). Specific training sessions are regularly organised with buyers to explain the issues involved and support them in the process and action plan follow-up.

Responsible Investment

GROUP – The Group's Controversial weapons policy (2007) prohibits AXA from investing in a companies involved in the production of certain weapons (anti personnel landmines and cluster bombs). These weapons are banned by international conventions on human rights grounds. In 2011, the blacklisting was extended to other controversial weapons. In this context, AXA's decision to divest was taken after a clear international consensus emerged with respect to these types of weapons:

- Anti-personnel landmines are outlawed by the Ottawa Convention (1997)
- Cluster bombs are outlawed by the Oslo Convention (2008).

In addition, in 2011 AXA decided to add the following weapons categories to its investment blacklist:

- Manufacturers of military equipment containing depleted uranium.
- Manufacturers of chemical / biological weapons (banned by several international conventions).

Any manufacturers of key components found to be breaching the Non Proliferation Treaty (NPT).



Results or outcomes

For case study-specific data, please refer to above texts.

GRI3, Financial Services Sector Supplement correspondence key:

- HR2, "Percentage of significant suppliers that have undergone screening on human rights"

Labour Standards

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

AXA strives to be a responsible employer, placing employee engagement at the heart of its business strategy. Achieving this means creating a workplace built on AXA's Values that fosters diversity and equal opportunities for all, promotes employee participation, encourages professional development, and supports employee well-being.

Actions recently implemented

> Employee representation

EUROPE – AXA has set up a European Works Council (EWC), whose extensive role goes beyond the regulatory requirements in force. The EWC is made up of staff representatives from AXA's largest European subsidiaries, who meet in order to receive and exchange information on the social, strategic and economic issues that concern the Group, and maintain an ongoing dialog between employees and management. In June 2009, the Group EWC agreement (www.axa.com/lib/axa/uploads/docsdd/Agreement_EWC_20090629.pdf) was renewed for an indefinite term starting December 1, 2009. This renewal takes into account the European Directive n° 2009/38 dated May 6, 2009. The initial agreement was concluded before the European directive on works councils became mandatory. In this way, staff rights to be consulted and informed were freely agreed on by management and employee representatives before the directive's compulsory provisions actually came into effect. AXA holds two plenary meetings a year, in combination with a preparatory and post-plenary session systematically held or debriefing. These plenary meetings are always attended by the Chairman of the Group's Management Board. Moreover, the EWC's bureau, which features ten representatives, meets monthly. The introductory section of the Group EWC agreement is based on a number of international benchmark documents, such as the UN's Declaration of Human Rights and the International Labor Organization's standards, as well as AXA's own set of core values and commitments.

In addition to the EWC's work, numerous collective bargaining agreements are signed on a local basis. For example, in France, 6 collective agreements have been signed throughout 2011. These agreements include for example a transition agreement for retirement which enables the implementation, at the end of a career, of part time work schedules followed by special retirement planning; an agreement on 2010-2012 recruitment targets; an addendum agreement facilitating and protecting the career development of employees who choose to become employee representatives; or agreements on the employee participation mechanism (which includes environmental targets), retirement schemes, and 3-years remuneration schemes. A major complementary agreement on anticipating employment changes within European AXA entities was signed in 2011

In November 2011, a framework agreement on anticipating changes within AXA Group entities located in the European Union has been officially signed by the management of the Group, UNI Europa Finance and all the French representative trade unions (CFDT, CFE/CGC, CGT, UDPA/UNSA). This agreement, negotiated within the European Works Council (EWC), sets out a social dialogue approach whose objective is to better anticipate changes within the sector in order to adapt the employees' skills to future needs and thus to preserve employment.

(www.axa.com/lib/en/uploads/pr/group/2011/AXA_PR_20111123.pdf)



Headcount adjustments and related measures

The aforementioned Group EWC agreement provides a certain number of commitments to employees in the event of major organizational changes with impacts on jobs. AXA has developed the following principles with a view to guiding its various European business units in their local management:

- When organizational changes affect jobs, AXA pledges to supply relevant information and, as appropriate in light of local cultures and rules, to consult with employees and their representatives;
- AXA will do its utmost to prevent compulsory redundancies and other collective transfers, by pursuing other approaches whenever possible. More specifically, AXA endeavours to: 1) seize the opportunities offered by natural headcount attrition to facilitate employment issues; 2) make every effort to help employees, analyse their skills and career paths and offer them training and reassignment opportunities, when feasible; 3) give priority to voluntary departures and redeployments instead of redundancies and other forms of collective transfers; and 4) deal with decisions of international transfer of business (for example in the case of off-shoring) applying the principles of social dialogue explained in this text to the European countries involved;
- AXA pledges to recognize staff representatives and uphold their liberty, rights and functions, in line with national legislation and, where relevant, agreements in force in local business units;

MISC. AFFILIATES – AXA Business Services India has provided for an Ombudsman who investigates complaints and facilitates fair settlements between aggrieved employees and the organisation. The Ombudsman is a trusted expert who functions outside the organisation's hierarchy in order to provide an independent avenue of grievance redressal. AXA Seguros in Spain, through an employment commission, informs the Trade Unions about the actions and initiatives which could have an impact on the staff.

> **Child labor / forced labor**

The main risks associated with child or forced labor in the financial services sector are located in our supply chain. As a consequence, see Principle 2 above (“complicit” human rights abuses).

> **Diversity & Inclusion**

GROUP – AXA is committed to promoting Diversity and Inclusion (D&I) by creating a work environment where all employees are treated with dignity and respect and where individual differences are valued. AXA is committed to equal opportunity in all aspects of employment. We oppose all forms of unfair or unlawful discrimination and will not tolerate discrimination based on age, race, nationality, ethnic origin, gender, sexual orientation, religion, marital status, or disability. AXA is dedicated to cultivate a diverse and inclusive environment where all employees feel fully engaged and included in our business and strategy to become the “Preferred Company”.

Diversity and inclusion is tightly linked to AXA's values and culture, based on respect for employees, customers, and communities around us. A diverse workforce helps AXA effectively meet diverse market and customer needs globally and locally, as well as improve its competitiveness through innovation. It also helps attract the most talented people in all populations and foster internal morale and employee engagement, as well as enhanced people management and optimized teamwork. Moreover, it enhances the brand image.

In 2011, AXA's five D&I Priorities were: 1) setting a D&I infrastructure; 2) growing D&I competencies within AXA; 3) embedding inclusion into AXA Culture initiatives; 4) launching gender balance Initiative; and 5) setting a framework on “Flex Work”. As part of the Infrastructure development, the AXA entity D&I leads meet monthly to share good practices. The AXA Group Advisory Council's members for 2012 have been rescoped to be from the local AXA entity D&I Executive Sponsor level, thus engaging more senior level leaders. Additionally, there are local D&I Councils in many AXA entities.

In 2011, there was a significant focus on launching the gender balance initiatives, through several awareness-raising sessions for the AXA Group Executive Committee, which focused on various dimensions of D&I, including a session on unconscious bias and inclusive culture and a supported list



of actions going forward, and a talent review session in 2011 focused on the female CEO successors and sponsorship. Additionally, the Board of Directors was briefed on AXA's D&I and Gender initiatives. To further support an inclusive culture in AXA, there is an "Inclusion Index" established in the annual employee survey, based upon 10 questions related to D&I. This Inclusion Index is one of the 4 key measures used to analyse AXA's "culture" overall. Also in 2011, an online course called 'Building an Inclusive Culture at AXA' has been developed and piloted. This course looks at areas such as unconscious bias, in groups and out groups, group think and micro behaviours in regards to inclusive culture. It will be available in 9 languages and rolled out company-wide in 2012.

Gender equality in the workplace

GROUP – Several Diversity and Inclusion initiatives have been implemented in 2011 across the AXA Group in order to support gender balance, as part of their D&I policies. On this topic, AXA France is regularly asked by the government or other corporations to share its methodology and implementation experience. Indeed, AXA France is the first French corporation to have experimented and renewed a special budget (€375,000 per year) dedicated to fix gender-based pay gaps.

In addition, training for all sales managers has been set up to provide them with the legal framework for non-discrimination, and more generally on diversity management. AXA IM set up another year-long mentoring programme to support the senior talented women identified in the 2011 Talent Management process. Also former female mentees, previously mentored by Executive Committee members, began mentoring high potential men and women in various locations providing all parties with a development and networking opportunity. AXA Corporate Solutions developed a gender mentoring program to give the chance to participants to be more visible, to get insights into top management perspectives and to develop their own management style. It has introduced in 2011 for high potentials in their first management responsibility. A similar initiative has been launched at AXA Germany where mentees benefit from their male mentors who provide them with advice. Through this program, they have the opportunity to share more easily gender-specific problems and to boost their career. In

MISC. AFFILIATES – 2011, AXA Belgium continued with the AXA Wo-Men@Work award which rewards a CEO, CFO, CIO, COO, or Board member, outside of AXA, who is actively promoting gender diversity within the senior management of his or her company or organization.

AXA Asia Life also conducts a study twice a year to capture the gender diversity in the top three layers of leadership in the leading Insurance organizations in Asia. The latest one, carried in July 2011, demonstrated AXA Asia Life has a significantly higher percentage of "women as leaders" compared to other Life insurance companies in Asia. The last study was carried out in December 2011. At AXA Business Services in India, the gender balance currently is at 45%, which is already above the industry average. The entity created a working group to include the staff going on maternity to create conducive work environment before, during and after maternity. AXA Switzerland continued the development of its "Gender-Mentoring" programme launched in 2009, whereby Executive Board members and senior managers mentored women willing to develop their careers, exchange career experiences, discuss different life situations, etc. The entity also launched a programme to increase the number of women in management position in its distribution staff. The Group's head office (GIE) co-developed the "Financi'Elles" network with other companies in order to reinforce gender balance at all levels within the financial industry.

Hiring and integrating the disabled

MISC. AFFILIATES – AXA entities also promote the integration of employees with disabilities. In the French perimeter (where it is legal to report this figure), the number of employees with disabilities went from 690 in 2010 to 746 in 2011. Local initiatives in this area include for example, AXA Global Direct Spain, which signed an agreement in order to facilitate the integration of employees with disabilities into the Company and help staff and families to know more about legal benefits for people with disabilities. AXA Germany signed a specific agreement with its Works Council, whereby specific facilities accessible for the people with disabilities are provided, such as adapted elevators, even floors and doorsteps, special rest room facilities and ramps. The workspace is modified if an employee needs special arrangements due to a personal handicap. AXA France's "Mission Handicap" enables hundreds of employees to benefit from adapted working schedules, transportation and real estate services. These efforts also apply to the parents of children with disabilities. AXA Thailand was awarded as the "Organization that provided contribution for People with disabilities". This award was presented to the local Chief Executive Officer by the Deputy Minister of the Ministry of Social Development and Human Security.



Results or outcomes

For case study-specific data, please refer to above texts.

Employee representation:

- 2011: At least 51% of the Group's employees are covered by the European Works Council's framework agreement. It is likely that other non-EWC AXA affiliates have developed social dialogue / freedom of association agreements, but these are not monitored at Group level.

Diversity & equal opportunities - proportion of women in workforce per category (Headcount of non sales force - open-ended contract only):

- Executives : 23,7%
- Managers: 39,3%
- Experts & Staff : 57,2%
- Overall average: 51,9%

GRI V3, Financial Services Sector Supplement correspondence key:

- Employee representation : LA4, LA5
- Diversity & equal opportunities : LA13

AXA Group social data reporting 2011:

- http://www.axa.com/lib/axa/uploads/ds/2008/AXA_Social_Data_2011.pdf

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

AXA is committed to protecting the environment by improving its own environmental footprint, but also through the very conduct of its insurance and investment business. This "indirect" effort seeks to reduce the environmental footprint of our millions of clients throughout the world by developing new or adapted "green" insurance or investment products and services. This involves leveraging the Group's P&C insurance and asset management activities in order to encourage "responsible" environmental practices by our insured clients and investment portfolio companies.

Actions recently implemented

> Group commitments

GROUP - AXA has signed or adhered to numerous international collaborative initiatives linked to environmental protection. These include the following:

- World Business Council for Sustainable Development (WBCSD) manifesto for Energy Efficiency in buildings (signed in 2010).
- "Kyoto statement" of the Geneva Association, a major commitment of the world's largest insurers, attesting the deep concern of climate change and its consequences for the insurance industry.
- United Nations' "Caring for Climate", a voluntary action platform for companies that seek to demonstrate leadership on the issue of climate change.
- Partner with the Carbon Disclosure Project, an investor coalition on climate change.
- Global Investor Statement on climate change, UNEP FI, 2009 and 2010.

> Direct environmental footprint: target setting, reporting and certification



GROUP - The Group aims to reduce the company's direct impact on the environment, rally employees around a common environmental protection culture, comply with certain legal reporting requirements, and meet the expectations of environmentally concerned investors.

Within this framework, in 2009, AXA set new quantitative targets for its Key Performance Indicators (KPIs) related to energy, CO₂ emissions, paper and water consumption for the 2008-2012 period:

- Power consumption (kWh/Full Time Employee [FTE]): 20% reduction.
- CO₂ emissions (T eq. CO₂/FTE): 20% reduction.
- Water consumption (m³/FTE): 15% reduction.
- Paper consumption (kg/FTE): 15% reduction.

All of these targets are monitored on a regular basis and reported on annually so that local entities can gradually implement their own action plans in order to achieve these goals.

Environmental reporting

The environmental reporting process embraces 41 countries over five continents. The scope of the 2011 annual environmental reporting remains stable compared to 2010, with much effort focused on improving data collection accuracy through new tools that enable better data analysis. In 2011, to secure increased data quality, a formal local Chief Financial Officer (CFO) sign-off was integrated into the reporting process.

Certification and evaluation

PricewaterhouseCoopers Audit, one of AXA SA's Statutory Auditors, reviewed the environmental reporting process (Environmental Protocol, reporting tool, organization), as well as the data collection processes of eight significant European, Asian and American countries. The auditors' statement of assurance is included in the Activity and Corporate Responsibility Report. In 2011, 40 sites were reported to have some form of environmental certification.

> Direct environmental footprint management

Power consumption: IT and Energy Efficiency

GROUP – AXA's power consumption per FTE decreased by 5% in 2011 compared to 2010. The proportion of renewable energy consumed by AXA's premises is 34%. AXA's premises use electricity (77% of floor space), gas (16% of floor space) and fuel/steam (7% of floor space).

MISC. AFFILIATES – IT – Local entities have developed various initiatives to reduce their power consumption. These include for example the rolling out of a "Green IT" strategy, initiated in 2008 by AXA Technology Services (AXA Tech), the Group's IT subsidiary, affiliated with the Climate Savers Computing Initiative (an environmental standards benchmark for all computers, screens and printers). AXA Tech expects a saving of 88 GWh by the end of 2012, compared with a 2008 power consumption basis. To reach this target, several actions have been implemented such as a server refresh and PC refresh which deploys low energy consumption servers and computers. Among the 5,600 servers eligible for the refresh, 2,300 will be replaced in 2012. At the end of 2011, 47,300 PC had been changed to low consumption PCs, representing 35% of the IT pool. At the end of 2012, this will represent 75% of the IT pool. AXA Tech is also continuing its server virtualisation strategy (reduction of the number of physical servers). At the end of 2011, 55 % of the servers were used virtually. In 2010, AXA Tech tested the implementation of an automatic power cut-off system which does not disrupt software updates. This program was successfully implemented in AXA UK, AXA Belgium and AXA Switzerland and is being rolled-out across the rest of the Group.

MISC. AFFILIATES – Energy Efficiency – Within the other entities, several initiatives have been taken to lower AXA's power consumption and to better understand the Group environmental impact and raise awareness. AXA Switzerland set up new energy guidelines, which cover energy consumption in buildings (e.g. workplace appliances, lights, heating and climate control as well as building standards for new or renovated buildings) as well as energy used for mobility purposes (business traffic and workplace commuting) and demanding ecological norms have been implemented for new or renovated buildings, in line with the Group's energy guidelines. AXA Switzerland also installed a "Green Button" for its computers and laptops, which allows employees to quickly put their computers into sleep and



wake mode. In addition, in 2010, AXA Switzerland started assessing the energy efficiency of its buildings. The result of this diagnosis showed that the various energy savings initiatives implemented up to now led to a 4.9% energy consumption reduction. Moreover, the entity's electricity consumption is 100% renewable (hydro and wind power). AXA France emphasizes employee behaviour change by setting up communications campaigns on water and energy consumption, highlighting actual consumption levels on a quarterly basis. AXA France also tested new environmental technologies on its premises and requires that all new office buildings should respect the French environmental certification HQE. AXA Belgium covers all its power consumption via hydroelectric power plants.

CO2 emissions: transportation and energy

GROUP – AXA's CO2 emissions per FTE related to energy and business travel (air, rail and car fleet) were reduced by 14% between 2010 and 2011. 58% of Group CO2 emissions come from energy, 26% from business travel (air and train) and 16% from AXA's vehicle fleet. Employee commuting-related CO2 emissions per FTE decreased by 4% compared to 2010 to achieved 0.95 T eq. CO2 per FTE.

GROUP & MISC. AFFILIATES – While multiple local entities have developed greenhouse gas emissions standards for their business travels (air, train, vehicle fleets) over the years, the Group defined common environmental travel guidelines in 2010, which were rolled out across the Group in 2011. These will be updated periodically. These guidelines define carbon emissions limits for AXA's executive and commercial vehicle fleet and encourages a tax "reward & penalty" ("bonus-malus") approach for car allowances, which are required to feature local CO2 taxes in their Total Cost of Ownership calculations. The Guidelines also feature vehicle security standards and promote employee access to "safe and green driving" courses. Regarding business travel, train and economy travel is encouraged (rail is to be chosen over air for short distances when available, and business class flights, which have a larger CO2 footprint may be used only for longhaul flights). Self booking tools are also required when possible to integrate CO2 emissions information and offer alternatives (e.g. videoconferencing), as well as propose the compensation of CO2 emissions. Finally, employees are to be provided with easy access to video conferencing facilities and online conference tools to the extent possible.

MISC. AFFILIATES – AXA Tech actively continued the roll-out of its "AXA Presence" advanced teleconferencing system which enables multi-region teams to conduct meetings that retain the feeling of face to face meetings while avoiding the significant carbon emissions and travel time associated with air travel. AXA started rolling out these tele-presence facilities in 2008. In 2011, the Group had 46 "AXA Presence" rooms installed. Thanks to this service, over 26 000 meeting have been held between 2008 and 2011, which represents savings of over 16,000 tonnes of CO2. As a local example, AXA Switzerland replaced over 500 flights through the use of AXA Presence which represents around 180 tonnes of CO2.

AXA Switzerland, in addition to its travel policy, implemented a car-sharing pilot program with a local service provider in order to encourage employees to combine train and car when travelling. Employees have now the opportunity to travel to the destination's closest train station and cover the remaining distance by "Mobility"-Car. AXA France, which also developed an online car-sharing facility, offered its employees the possibility to test an electric car, as well as implemented ecodriving courses for sales employees, and developed a mobility plan within its main sites. Various entities, including AXA MPS and AXA Assicurazioni in Italy, regularly compensate the CO2 emissions of internal and external events. In the 2010 Transport Survey, for the first time the Group gave the opportunity to the entity with the highest participation rate to win a Group donation to support an environmental project. AXA Assurances in Gabon won this contest and financed a TV documentary, 'Friends of Nature', produced by the Wildlife Conservation Society, which raises awareness for young students on the tropical forest ecosystem in Gabon.

Water consumption

GROUP – AXA's water consumption per FTE decreased by 3% between 2010 and 2011. Related initiatives include the installation of water-saving faucets at various entities. AXA Corporate Solutions improved its cooling towers to reduce water consumption.

MISC. AFFILIATES – AXA Business Services India installed water level controllers for the overhead tanks, so that there is no water overflow and resulting wastage. The entity also recycles rainwater. Entities such as AXA France and AXA Ivory Coast have improved their monitoring of meters and bills



to reduce over-consumption and detect leaks. In addition, AXA France has put in place several initiatives to reduce its water consumption (e.g. reduced water pressure, installed eco aerators, etc.).

Paper consumption

GROUP – AXA's office and marketing and distribution paper consumption decreased by 27% and 17% respectively between 2010 and 2011. AXA tracks both office paper and marketing and distribution paper separately, in order to measure its impact more accurately.

Various entities have implemented a printing policy to help reduce office paper consumption and achieve the Group target of 15% reduction between 2009 and 2012. This printing policy includes reducing the number of printers, and installing an employee badging system to collect all printed documents. In addition, both the GIE and AXA France put in place a profit sharing agreement that include office paper consumption metrics. The agreement, validated by local employee representatives, incentivises employees to contribute to the Group effort.

MISC. AFFILIATES – For marketing and distribution paper, AXA Equitable put in place a programme to increase the use of online rather than printed financial documents delivered to customers. Many entities are also working on improving their document management by encouraging online customer information exchanges and reducing the volume and length of commercial documentation and customer policies. For example, AXA Seguros Spain reduced the length of its policies by over 40%. AXA is also working on increasing the volume of paper originating from recycled sources or sustainably managed forests. In 2011, AXA increased from 52% to 64% its office paper from recycled sources and from 47% to 72% its marketing and distribution paper. This trend is the result of the roll-out of various internal campaigns. In 2011, the Group rolled out environmentally-friendly paper sourcing minimum standards, which will be integrated in supplier tenders. Certain entities, such as AXA Switzerland, already source 100% of their paper from recycled or sustainably managed sources.

Waste management

GROUP & MISC. AFFILIATES – AXA is monitoring waste more closely this year and continuing to liaise with its IT business unit AXA Technology Services, for which electronic waste is of particular relevance, to ensure compliance with the Waste Electronic and Electrical Equipment (WEEE) Directive. Ink cartridges are systematically recycled by local entities, and many of them voluntarily collect various waste streams for recycling (e.g. used batteries). In 2011, 48% of ink cartridges were recycled. Other initiatives include the installation of recycling bins in meeting rooms, replacing disposable cups, plates and cutlery with non-disposable items, rolling out awareness campaigns, etc. Many entities sort, collect and recycle various types of waste such as compact fluorescent lamps, mobile phones, batteries, ink cartridges, cans, kitchen waste, etc., often in partnership with NGOs or protected employment organisations.

> Business-related environmental impacts: “green” insurance and “responsible investment”

GROUP – In addition to reducing its operational environmental footprint, the Group seeks to minimize its “indirect” impact on the environment by offering insurance and investment solutions that promote environmentally-friendly behaviour.

Numerous offers with environmental added-value (further developed in the Group Activity and Corporate Responsibility Report) have been developed by various AXA entities in the P&C business segment: Retail, e.g. motor insurance encouraging low emissions vehicles, home insurance with environmental appliances upgrades; SMEs, e.g. encouraging “green” buildings or car fleets; Industrial, e.g. environmental risk prevention, promotion of the development of renewable energies via adapted policies covering the equipment and the revenues derived from electric energy sales, etc.; Reinsurance and claims management strategies.

In 2010, AXA's Global Business Line P&C launched a “Green Products” initiative with a view to share existing best practices and identify market risks and opportunities. 2011 achievements included the drafting and roll-out of Group-level guidelines that are designed to help local entities develop and distribute offers addressing certain markets driven by environmental concerns. In addition to the development of various local “green” products, the AXA Group recently won a pan European RFP for a significant insurance offer covering electric vehicles.



In 2010, the Group also created a Responsible Investment Committee (RIC), presided by the Group Chief Investment Officer. The RIC's mandate is to develop a global approach to responsible investment issues which takes into account both controversial sectors on a reputation standpoint, and the more positive inclusion of ESG issues in investments processes, from a performance and risk management perspective.

In 2011, the RIC initiated the development of a comprehensive RI policy, updated the Group's controversial weapons policy, organised RI training & awareness raising sessions for key executives, and conducted an internal survey to gauge the level of interest and knowledge about RI, as well the variety of beliefs held across the Group. The committee also conducted a peer benchmark spanning a broad spectrum of RI issues and an in-depth analysis of the impact of climate-change on AXA's investment portfolio.

Furthermore, AXA seeks to enhance the understanding of environmental risks by conducting and sharing research about vulnerability through the AXA Research Fund (www.axa-research.org/en) workstream on Climate change; internal (Group Risk Management) research; and the various engagements listed below.

MISC. AFFILIATES – In the Asset Management business, AXA IM has developed a significant Responsible Investment (RI) expertise and tools since 2001. AXA IM developed "RI Search", a responsible investment research, analysis and environmental, social and governance (ESG) performance evaluation tool. RI Search enables AXA IM fund managers across all areas of expertise, to easily take into account ESG criteria and carbon emissions, when managing their funds and making investment decisions. It also allows fund managers to: Assess the extra-financial risk of an investment or a portfolio of more than 600 companies; Measure a portfolio's carbon footprint or pick companies according to their carbon intensity; Integrate new factors of performance and stock picking into investment process; Enrich client reporting and better respond to new client requirements; Have access to AXA IM's RI team's research.

AXA IM also pursues a "RI mainstreaming" strategy across asset classes, together with specific RI products and shareholder engagement services integrating ESG risks and opportunities. Since 2010, RI Search integrates information provided by Trucost, a carbon performance information provider. AXA IM is now able to measure accurately the carbon footprint of its different portfolios, to benchmark them and to integrate this data into portfolio management. Low-carbon portfolios can also be developed for clients.

In 2010-2011, AXA IM engaged in an external verification process by an independent expert, Deloitte, with regard to the compliance of its RI funds in line with the Principles of Responsible Investment. This initiative meets a growing investor demand and reinforces the transparency of the investment and management processes of AXA IM's RI funds. Deloitte experts analysed the principles used to manage portfolio construction as well as the procedures and mechanisms related to the investment process. Subsequently, the consultants verified the construction of the portfolio and the transactions carried out over the course of the previous year for each fund. Given the lack of globally recognised and shared RI standards, with this initiative AXA IM aims to reinforce the internal rules that govern the investment choices of its RI managers and ensure that these rules are abided by. By making these rules public, AXA IM is demonstrating to investors that the construction and management of its RI funds are in line with both their expectations and their convictions.

AXA Real Estate, an AXA IM business, continues to apply environmental criteria to its real estate investment portfolio, within the framework of its Responsible Property Investing strategy. AXA Real Estate is a founding member of the Green Rating Alliance, a major industry partnership for monitoring and improving the sustainability of existing buildings. AXA Real Estate reviews environmental performance and potential through Green Rating audits, performed on a systematic basis as part of its acquisition due diligence process and focusing on six tangible indicators (energy, water, waste, well-being, transports and carbon). AXA Real Estate has also developed a proprietary "Sustainability Toolbox" for its asset managers, comprising of a focused set of efficient sustainability tools such as Automated Meter Reading, Green Leases and Green Ratings which are mutually supportive and can be applied systematically. As of 2011, 49 Green Ratings have been performed on properties under management, over 450 properties equipped with smart meters, 39 Green Leases signed in France and Germany, and a network of 19 sustainability correspondents across 9 European countries has



been created. Both AXA IM and AXA Private Equity are UN Principles for Responsible Investment (UN PRI) signatories since 2007 and 2008 respectively. AllianceBernstein also signed up to the UN PRI in 2011.

> Maximizing opportunities: the key role of research

GROUP - As described above, AXA is investing significant resources in developing and marketing products and services that are both designed to adapt to the effects (eg. flood prevention) and minimise the causes of climate change (eg. low emissions vehicles insurance). In addition, AXA invests significant resources in external and internal research which, among other long term topics, a focus on environmental matters with a view to maximise opportunities and limit risks. These include the following initiatives:

- In 2008, AXA launched the AXA Research Fund whose core mission is to finance basic research contributing to understand and prevent risks within three areas: environmental risks, life risks, and socio-economic risks. It will thus foster research on those major risks, by providing researchers a financial support, contributing to the development of competitive institutions, and encouraging a living research community committed to a better understanding of major risks. The results of research are publicly available; AXA doesn't own intellectual property of research results. As of November 1st, 2011 the Fund has committed 63M € by supporting 256 projects such as the Ecole Polytechnique Chair on Cardiovascular Cellular Engineering or the University of Bristol Chair on Volcanology. Funding is granted in accordance with the decisions of the AXA Research Fund Scientific Board, composed of senior researchers and AXA representatives. Furthermore, the AXA Research Fund wants to provide more than financial support to its grantees: that's why, three times a year, it gathers 20 of them in AXA headquarter in Paris to work together, learn from a senior scientist master-class, but also being helped to popularize their research, and thus play a role in the public debate. Current supported research teams can be browsed at www.axa-research.org
- AXA's Group Risk Management central structure and local network is at the centre of the Group's direct R&D efforts, working both on long term risk trends and new product development.

Results or outcomes

- For case study-specific quantitative data, targets, awards, etc, please refer to above texts.
- Environmental reporting, 2011 Group data: see below.



AXA GROUP ENVIRONMENTAL INDICATORS ⁽¹⁾	UNIT	2008	2009	2010	2011
Number of employees on site, Full-Time Equivalent (FTEs)	FTE	121 990	121 108	122 671	104 972
Net internal area (sites)	m2	2 487 602	2 330 602	2 398 745	1 966 321
POWER (sites)					
Power consumption ⁽²⁾	Kwh	627 987 507	617 473 679	604 498 594	489 425 467
KPI: Power consumption per person	Kwh/FTE	5 148	5 099	4 928	4 662
Evolution compared to 2007		- 6%	- 7%	- 3%	- 5%
TRANSPORTATION					
Business travel: airplane and train ⁽³⁾	Km	352 931 708	257 875 862	297 992 347	249 703 349
Business travel: AXA vehicle fleet	Km	393 466 688	333 923 046	304 203 026	277 304 077
Home/workplace commute (round trip) ⁽⁴⁾	Km	1 258 507 154	1 219 253 316	1 287 660 394	1 014 065 612
CO2 EMISSIONS⁽⁵⁾					
CO2 emissions resulting from onsite power consumption	T eq. CO2	225 833	216 542	200 646	145 478
CO2 emissions resulting from business travel: airplane and train	T eq. CO2	116 907	78 691	92 646	65 225
CO2 emissions resulting from business travel: AXA vehicle fleet ⁽⁶⁾	T eq. CO2	77 513	60 461	45 055	39 169
KPI: CO2 emissions resulting from onsite power consumption and business travel (airplane, train, AXA vehicle fleet) per person	T eq. CO2 / FTE	3,44	2.94	2.76	2.38
Evolution compared to 2007		- 17%	- 29%	- 33%	- 43%
CO2 emissions resulting from home/workplace commute ⁽⁷⁾	T eq. CO2	133 773	123 830	121 620	99,706
WATER					
Water consumption ⁽⁸⁾	m3	1 263 816	1 215 053	1 276 738	1,062,581
KPI: Water consumption per person	m3/FTE	10,36	10,03	10,41	10,12
Evolution compared to 2007		0%	- 3%	3%	- 3%
PAPER⁽⁹⁾					
Paper consumption	T	15 337	N/A	N/A	N/A
Paper consumption per person	kg/FTE	126	N/A	N/A	N/A
Office paper consumption	T		5 995	5 269	3 299
KPI: Office paper consumption per person	kg/FTE		49	43	31
Marketing and distribution paper consumption	T		15 574	14 188	12 458
KPI: Marketing and distribution paper consumption per customer⁽¹⁰⁾	Kg / customer		0.17	0.15	0.12
Percentage of paper recycled and/or guaranteeing sustainable management	%	49	32	47	72

Stable reporting perimeter compared to 2010, representing the 41 most significant countries where the AXA Group is present. Key Performance Indicators (KPIs) highlighted in bold.

(1) In 2011, environmental indicators were collected for sites representing 94,889 FTEs (unless otherwise indicated in these footnotes) and were then extrapolated, continent by continent, to cover all 104,972 salaried FTEs working at the AXA Group as of 31/12/2011. Of note, the salaried FTE base used for extrapolation was modified in 2011 to align and reconcile with the Group's Finance Department reporting and consolidation principles. As a result, certain entities within the Asian perimeter were excluded from the extrapolation perimeter but not from the data collection scope, which explains an FTE decrease compared to



redefining / standards

previous years. In 2010, this process took place on the basis of data collected from 96,645 FTEs, extrapolated to 122,671 FTEs.

(2) Includes electricity, natural gas, fuel, steam and covers 94,784 FTEs.

(3) This data has been collected from 92,267 FTEs. In 2011, entities business travel per employee remained stable compared to 2010.

(4) Home/workplace commute estimations are based on an annual online transportation survey, issued to every AXA salaried employee. This data has been collected from 23,583 FTEs and then extrapolated. Sites whose response rate was below 5% have been excluded from the data consolidation process.

(5) The emissions factors specific to each country used for energy, train and air were revised in 2011, which has had a positive impact on the Group CO2 KPI, and is particularly noticeable for train travel. An 18% decrease is visible if 2011 emission factors are used in published 2010 data. These factors are based on standards established by ADEME (Agence de l'Environnement et de la Maîtrise de l'Énergie - France) and the International Energy Agency (IEA).

(6) The AXA vehicle fleet covers 89,554 FTEs. As of 2010, the data collection method for vehicle fleet was modified. Data is now collected and classified by the average grams of CO2 emitted per kilometer - to have a more precise evaluation of these emissions - rather than by type of motor, which explains some of the 2010 emissions decreases. Performance in 2011 remains stable.

(7) Does not include company cars, to avoid double counting with the AXA vehicle fleet data.

(8) This data has been collected from 86,980 FTEs. Some sites in Asia and America are not equipped with water meters, which prevents accurate measurement and excludes them from the reporting scope before extrapolation. However, entities are starting to better track their water consumption with the installation of water meters (e.g. data centers, AXA Ireland).

(9) Office paper indicator covers 94,807 FTEs, whilst marketing and distribution covers 91,478 FTEs, as certain entities have not been able to report this data.

(10) The Group had 101,000,000 customers in 2011 and 95,000,000 in 2010. The 2010 figure has been updated based on revised Group marketing data.



Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

AXA's responsibility towards our shareholders includes ensuring the long-term viability of the company through sound and transparent corporate governance and a culture of business ethics, supported by AXA's Standards and Code of Ethics.

Actions recently implemented

GROUP - AXA's Supervisory Board proposed a more accessible version of its Compliance and Ethics Guide, available on the Group's website:

(http://www.axa.com/lib/en/uploads/refdoc/compliance/AXA_ComplianceGuide_2011.pdf).

The purpose of the Guide is to establish Group-wide guidelines and rules to ensure that AXA Group companies and employees have a common understanding of applicable ethical standards and conduct business accordingly. The Guide covers a variety of matters, including specific rules concerning conflicts of interest, transactions involving AXA securities and those of its listed subsidiaries, confidentiality and control of sensitive information as well as record keeping and retention. The Guide also seeks to reflect AXA's values. Most of AXA's principal operating subsidiaries have developed ethical guidelines that comply with local regulatory and statutory requirements. In 2011, the Guide has been partly updated. The current version of the Guide is available on the Group's website (www.axa.com). In addition, AXA launched a worldwide e-learning initiative in 2010 covering selected topics in the Guide, namely insider trading, corruption, competition law, improper gifts and entertainment and Corporate Responsibility. This initiative is currently being rolled out.

How do you intend to make this COP available to your stakeholders?

- Our COP is primarily intended to be browsed publicly on the UN Global Compact's dedicated website (<http://www.unglobalcompact.org/COPs/detail/4728>).

In addition, this COP is integrated or highlighted into our existing communications with our stakeholders:

- Corporate website, section describing our commitment to support the UN Global Compact : <http://www.axa.com/en/responsibility/strategy-commitments/Commitments/>
- Annual Activity & Sustainable Development report: http://www.axa.com/lib/en/uploads/acr/group/AXA_Rapport_Activite_2011_VAb.pdf