

AXA Group UN Global Compact Communication on Progress 2013

Company Name	AXA Group	Date	January 2015
Address	25 avenue Matignon, 75008 Paris, France.	Membership date	2003
Country	France	Number of employees	112,869 (year end 2013)
Contact name	Liza Garay Liza.garay@axa.com	Contact Position	Corporate Responsibility

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

The AXA Group is a worldwide leader in insurance and asset management, with 157,000 employees serving 102 million clients in 56 countries. In 2013, IFRS revenues amounted to Euro 91.2 billion and IFRS underlying earnings to Euro 4.7 billion. AXA had Euro 1,113 billion in assets under management as of December 31, 2013. 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 Share is also quoted on the OTC QX platform under the ticker symbol AXAHY.

The AXA Group is included in the main international SRI indexes, such as Dow Jones Sustainability Index (DJSI) and FTSE4GOOD.

It is a founding member of the UN Environment Programme's Finance Initiative (UNEP FI) Principles for Sustainable Insurance and a signatory of the UN Principles for Responsible Investment.

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. Thanks to the new endowment of € 100 million received in 2013, the Fund continues to support scientific research into environmental, socio-economic and human risks
- engaging 10,000 employees across the Group in an online "Forum on Corporate Responsibility", resulting in an annual "Corporate Responsibility Week" across the Group to highlight progress made. In 2013, 56,000 employees took part in Corporate Responsibility Week.

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 2013 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 as well as services provided to its policyholders. The volume of purchases equalled €10 billion in 2013. 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 principles. In addition, the Group applies social and environmental criteria to assess supplier performance.

These criteria enable the Group to improve service quality and reduce some supply chain risks.

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. 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).

Group investment policy

GROUP - The Group has 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 which takes into account both controversial sectors from a reputational standpoint, and the more positive inclusion of ESG issues in investment processes, from a performance and risk management perspective.

The RIC developed the Group’s RI Policy. The policy defines the corporate governance practices – such as effective and accountable boards, shareholder rights and transparent remuneration policies – that AXA asset managers are expected to encourage, including via engagement and voting. Moreover, the Policy allows for a structured development of investment guidelines for sectors that pose particularly acute environmental or ethical challenges. Finally, the RI Policy initiates the Group’s

“Impact Investment” project, which aims to allocate capital to investment strategies whose goal is to focus on assets that address key sustainability concerns such as renewable energy, health or risk prevention. The AXA Group is also a UN Principles for Responsible Investment signatory since 2012.

MISC. AFFILIATES - Asset Management

Leveraging AXA IM’s multi-expert model, AXA IM embeds global Environmental, Social and Governance (ESG) research across all asset classes and provides investors the opportunity to select the level of ESG integration that best fits their needs and objectives. To do so, AXA IM has a dedicated Responsible Investment (RI) research team as well as a global ESG research capacity through its platform, RI Search©. This tool covers more than 4,000 companies and 150 countries with ESG research from many sources. RI Search© provides an

ESG score for each security and assesses these scores against peers, thus enabling the portfolio managers to take ESG risks into account in their decision-making process.

AXA IM has also expanded proxy voting coverage to include listed companies on a global basis and leads engagement efforts on specific themes and companies. Finally, the RI team conducts thematic research in order to investigate material ESG issues. This has included research on the skills shortage in the Oil & Gas sector, board diversity in the largest European companies, and ESG integration in equity and sovereign debt asset classes. Further information can be found at www.axaim.com/en/responsible-investment. AXA IM is a UN-backed Principles for Responsible Investment (UN PRI) signatory since 2007. AllianceBernstein signed the UN PRI in 2011 and the AXA Group in 2012.

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 has meant creating a workplace built on AXA's values which foster diversity and equal opportunity for all, promote employee participation, encourage professional development and support employee wellbeing. For additional and more comprehensive information, refer to the 2013 "Social Data Report".

> Employee representation

Workforce size

GROUP - AXA's overall salaried workforce on December 31, 2013, was 112,869 employees (open-ended and fixed-term contracts), which represents a slight decrease of 0.5%.

Moreover, the footprint of AXA's salaried workforce in 2013 was 65% in Europe (vs. 66% in 2012), 20% in Asia-Pacific (vs. 19% in 2012), 12% in the Americas (vs. 12% in 2012) and 3% in Africa (vs. 3% in 2012). AXA continued to recruit in 2013 and hired more than 16,500 employees, of which almost 4,800 were sales employees. Out of that total number of hires, nearly 400 persons were re-hires into the Company.

Employee relations and collective bargaining

GROUP - Effective labor-management communications and social dialogue pave the way for the stability which is needed to implement the Group's business development strategy.

Each AXA Group entity therefore engages with staff or their representatives for communications on a regular basis.

EUROPE - AXA has also set up a European Works Council (EWC), whose extensive role goes beyond regulatory requirements. The EWC is made up of staff representatives from AXA's largest European entities, who meet in order to receive and exchange information on the social, strategic and economic issues that concern the Group and maintain an ongoing dialogue between employees and management. In June 2009, a Group EWC agreement (available at www.axa.com) was concluded in order to guarantee a high level of social dialogue. AXA holds two EWC plenary meetings a year as well as monthly sessions, held by 12 members of the EWC, to stay abreast of labor and economic developments in each country.

The majority of the Group's employees are covered by the EWC's framework agreement. Other affiliates outside the scope of the EWC have also developed social dialogue agreements, but these are not monitored at Group level. More generally beyond Europe, the Group strives to ensure that employees are fairly represented in all major countries where it is present.

In addition to the work of the EWC, numerous collective bargaining agreements are signed on a local basis.

Headcount adjustments, mobility and related measures

THE CONDUCT OF RESTRUCTURING

EUROPE - The aforementioned Group EWC agreement commits the Group to a certain number of measures in favor of employees when major organizational changes impact their jobs. AXA maintains the following principles with a view to guiding its various European business units in local management practices:

- 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;
- in connection with an information-gathering and consultative process, AXA would provide data and information about possible alternative solutions, where relevant;
- factoring in its employees', customers' and shareholders' interests, AXA undertakes to maximize opportunities for internal and external redeployment, when applicable, for all AXA employees affected by possible employment issues;
- AXA will do its utmost to prevent compulsory redundancies and other collective transfers, by pursuing other approaches whenever possible;
- when geographic mobility is necessary, it must be offered as a matter of priority to employees who volunteer to move, with the process managed with a view to enabling their integration into a new environment under the best possible conditions;
- AXA pledges to acknowledge certain individuals as staff representatives and uphold their liberty, rights and purpose, in line with national legislation and, where relevant, agreements in force in local business units;
- aware that training represents a major investment both for the Group and for its employees, AXA commits to embrace a continuous-learning culture;
- AXA condemns discrimination of any kind on the basis of gender, race, color, ethnic origin, genetic form of difference, disability, sexual orientation, language, religion, personal conviction, union membership or political opinion.

In addition, AXA, UNI Europe Finance and all French trade unions signed a major European agreement on anticipating change.

The agreement, negotiated within the European Works Council, sets out an approach for social dialogue with the purpose of anticipating change in the sector in order to adapt employee skills to future needs and thus preserve jobs. According to the EWC, this agreement is unique in the insurance sector. It offers significant means to secure employment in Europe.

MOBILITY AND RECRUITMENT

GROUP & MAJOR ENTITIES - AXA established mobility policies and processes across its major entities to make business needs immediately visible through global Group-wide posting of available jobs, both internally and externally, and to facilitate transfers to align resources with AXA's business priorities. In 2013, following the deployment by AXA in the United States and Germany in 2012, AXA France, AXA Banque France, AXA Headquarters in Paris, Family Protect, AXA Global P&C and AXA Spain launched an extension of the mobility process with the intent of fully integrating an external recruitment platform.

International mobility remained stable, with about 600 assignments in 2013. The main objectives of international assignments remain deployment and development of key expertise and leadership skills in mature as well as developing markets. The recently created Centre of Expertise (CEMI France – April 2012) continues to provide support and expertise to 75% of AXA employees on international assignments within the Group. In 2013, revised international mobility policies were launched and rolled out globally. The aim was to segment the policy to reinforce the purpose of different types of international assignments for both the individual and the business as well as provide more tailored support to each type of assignment.

> **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 promotes 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 an equal opportunity employer in all aspects of the work environment. AXA opposes all forms of unfair or unlawful discrimination and does not tolerate discrimination based on age, race, nationality, ethnic origin, gender, sexual orientation, religion, marital status or disability.

In order to increase awareness of cross-cultural diversity and unconscious bias, online and e-learning tools were rolled out globally in 2013.

Gender equality in the workplace

GROUP - Gender equality remained a key topic for AXA.

To identify how AXA can continue to improve gender diversity at all levels of the organization and to foster the professional development of women, the first AXA Women's Conference was held in September 2013. In the presence of the Group Executive Committee, 115 senior men and women executives from over 35 AXA entities worldwide participated in this event. In total, AXA's global gender balance was 52.5% women and 47.5% men.

MISC. AFFILIATES - At AXA MedLA we have always made our diversity one of our key strengths. Everything starts and ends with people.

We are committed to valuing diverse backgrounds and a strong entrepreneurial mindset, to continue bringing innovative products and impeccable quality of service that customers expect from AXA, everywhere.

Meanwhile to support our mature entities facing economic turmoil, we have accelerated the implementation of new managerial practices which contribute to strengthen operational efficiency while encouraging a collaborative and innovative culture. This initiative increased the performance and engagement of the teams in the challenging environment. Equally important is our commitment to progress towards a more flexible and agile organization. In 2013, we have spread out our Extended Team models across the various professional communities, breaking silos and building up new transversal innovations.

Transferring knowledge and expertise from one country to another, in particular through international assignments within the Region and across the AXA Group, is a key pillar of our Talent Management approach.

Over the last four years, we have had continuously more than 150 employees from of our talent pool benefiting from an international experience, providing attractive learning and careers opportunities for those people having a pioneer and entrepreneurial spirit.

Identifying, attracting and developing talents in our international context have been instrumental to support business growth particularly in the emerging entities.

Preparing the future and creating a new Employee experience

More than before, the role of HR is evolving within our organizations: HR professionals are also now expected to support the digital transformation of the business and to use digital abilities in managing people and up-skill current employees as businesses undergo rapid transformation in structure and processes. It is not only turning HR practices to "e-HR", but is also about re-considering the role of HR all along the value chain in order to build a meaningful and distinctive working experience for each and every one that will strengthen the engagement of our teams and the AXA Brand.

Hiring and integrating the disabled

GROUP - AXA also continued to further encourage and support the integration of disabled employees.

MISC. AFFILIATES – In France, the number of employees with disabilities was 767 in 2013.

Results or outcomes

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

Employee representation:

- 2013: The majority of the Group's employees are covered by the European Works Council's framework agreement. Other affiliates outside the scope of the European Works Council have also developed social dialogue 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 : 26,8%
- Managers: 40,9%
- Experts & Staff : 57,2%
- Overall average: 52,5%

GRI V3, Financial Services Sector Supplement correspondence key:

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

AXA Group social data reporting 2013:

- http://www.axa.com/lib/axa/uploads/ds/2008/AXA_Social_Data_2013.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 reducing its direct impact on the environment by actively managing its energy, paper and water consumption, as well as carbon emissions and waste. AXA is also conscious of the role it can play in promoting environmental protection awareness amongst its stakeholders, contributing to improve the understanding of global and local environmental risks, and committing to address climate change.

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.
- In 2013, AXA signed the UNISDR Private Sector Commitment for Disaster Risk Reduction and is represented in their Advisory Board Group. These principles cover 5 key areas around the role that the private sector can take to further encourage Disaster Prevention, Resilience and Risk Reduction (e.g. increase public private partnership, share risk management expertise, etc.).
- AXA is also member of 2° Investing Initiative (multi-stakeholder think tank).

> Direct environmental footprint: target setting, reporting and certification

GROUP - In 2013, AXA Group's Corporate Responsibility and operational teams (e.g. procurement, IT, marketing, HR) worked closely to set ambitious 2020 targets which will steer AXA to a more sophisticated and embedded environmental strategy. As a result, AXA set a new Global Key Performance Indicator (KPI) target for the 2012-2020 period:

- -25% carbon emissions per FTE. This target is broken-down into the following targets:
- -35% power consumption (kWh/FTE);
- -15% business travel: vehicle fleet (km/FTE);
- -5% business travel: air and train (km/FTE);
- -45% office paper (kg/FTE);
- -50% marketing and distribution paper consumption (kg/client). In addition, the Group has also set two environmental targets that are unrelated to carbon emissions:
- 95% of paper must originate from recycled or sustainable sources;
- -15% water consumption.



Environmental reporting

Environmental reporting

To measure its environmental footprint, the Group Corporate Responsibility team coordinates a network of around 300 dedicated environmental managers and employees in local entities. This network monitors annual progress on its reduction targets through the internal reporting tool, which helps local entities evaluate their own action plans and targets. These managers then analyse indicators, identify performance targets and promote best practice sharing. To accompany these action plans, entities have put in place a wide variety of activities to raise awareness and train employees on environmental issues and risks (e.g. lunch and learn conferences, etc.). At

Group level, AXA organizes a yearly event on Corporate Responsibility, the “CR Week” which is rolled out by all local entities. Environmental awareness is one of the key topics addressed during this event.

In addition, an annual transport survey available in 41 countries and in 22 languages is used to help estimating the amount of CO2 emissions related to home-work commuting and help raise employee awareness on alternative modes of transportation.

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.

> Direct environmental footprint management

Power consumption: IT and Energy Efficiency

GROUP – AXA’s power consumption per FTE slightly decreased by 1% in 2013 compared to 2012. One of the main reasons for the limited reduction was the inclusion of cooling from the outsourced data centers in the scope of calculation. Another reason was extreme weather affecting our entities around the world (e.g. volatile temperatures, typhoon, etc.).

MISC. AFFILIATES – Excluding those effects, AXA entities made significant steps forward on reducing their energy footprint. For example:

- AXA Switzerland has implemented a building strategy focused on energy efficiency program, consolidation of buildings and Flexwork. The results are very positive as some sites have reduced by 60% their energy footprint;
- Some entities have implemented on-site energy consumption actions and seek green certificates (e.g. AXA France, AXA UK, AXA India, etc.);
- Selection of more energy efficient buildings in cases of location transfers (e.g. AXA Assicurazioni, AXA Germany).
- In addition, AXA Technology Services has further pursued its Green IT program based on servers refreshes, data center consolidation and virtualization, PC refreshes and power management.
- AXA’s premises use electricity (75% of floor space), gas (17% of floor space), fuel/steam (6% of floor space) and chilled water (2% of floor space). Of note, the proportion of renewable energy consumed by AXA’s premises is 39%.

> CO2 emissions: transportation and energy

GROUP – AXA’s CO2 emissions per FTE related to energy, paper and business travel (air, rail and car fleet) decreased by 7% between 2012 and 2013. 57% of Group CO2 emissions are related to energy consumption, 21% from business travel (air and train), 15% from AXA’s vehicle fleet and 7% from paper.

GROUP & MISC. AFFILIATES – While multiple local entities over the years have developed greenhouse gas emissions standards for their business travels (air, train, vehicle fleets); the Group in 2010 defined common environmental travel guidelines, which were rolled out across the Group in 2011. These will be



updated in 2014. To encourage employees to reduce travel, the Group has installed 50 videoconferencing rooms since 2008. These have saved 38,217 trips and 42,162 tons of CO₂ in 2013. Furthermore, employee commuting-related CO₂ emissions per FTE decreased by 8% compared to 2012 to achieved 0.90 T eq. CO₂ per FTE.

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 2012 and 2013.

MISC. AFFILIATES – Since 2008, AXA entities have achieved a better level of management maturity and reporting quality regarding their water consumption patterns. Related initiatives include the installation of water sensors in bathroom facilities for AXA Ireland and water-saving faucets at various entities (e.g. AXA Philippines, AXA China).

Paper consumption

GROUP – AXA’s office paper consumption decreased by 13% between 2012 and 2013. A significant number of entities have implemented a printing policy to help reduce office paper consumption which includes reducing the number of printers, and installing an employee badging system to collect all printed documents. In 2013, AXA’s marketing and distribution paper consumption increased by 17% compared to 2012 mainly explained by regulatory changes, business growth and a more accurate measurement process in some entities. AXA is also working on increasing the volume of paper originating from recycled sources or sustainably managed forests. In 2013, AXA increased its use of office paper from recycled sources from 66% to 70% and decreased the use of its marketing and distribution paper from 68% to 60%. This trend is linked to the roll-out of internal campaigns. In 2011, the Group selected environmentally-friendly office paper as sourcing minimum standards for the main group entities.

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's unsorted waste volume has decreased by 12% and sorted paper for recycling increased by 5% between 2012 and 2013. This shows that a significant number of entities are sorting their waste (e.g. AXA US, AXA Germany, AXA China Region, AXA France, etc.). In addition, the recycling of ink cartridges has increased from 51% to 61%. Indeed, in 2013, AXA's IT business unit, AXA Technology Services, for which electronic waste is of particular relevance, strives to ensure compliance with the Waste Electronic and Electrical Equipment (WEEE) Directive.

> **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 have been developed by various AXA entities in the Property & Casualty business segment:

- In the retail product line: Motor insurance policies/products encouraging low CO2 emission vehicles (e.g. promoting electric, hybrid and low emitting), home insurance policies encouraging energy efficiency (e.g. environmental appliances upgrades), renewable energy installations (e.g. wind, solar power, etc.), and environmental claims strategies (e.g. repair rather than replace auto spare parts). In addition, prevention devices (e.g. smartphone applications) to help raise customer and general public awareness are also being developed;
- In the Commercial product line:
 - encouraging “green” buildings or car fleets in the SME segment, industrial: environmental risk prevention, promoting the development of renewable energies via adapted policies covering the equipment and the revenues derived from electric energy sales, etc.,
 - creating a reinsurance pool to develop infrastructures producing renewable energy.

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 – In a constantly changing world, societies cannot only rely on the past to explain the future nor on mere incremental adaptation of existing models. The AXA Research Fund (www.axa-research.org) therefore supports independent academic research to challenge local or historical consensus on risks related to:

- environment (Climate change, Weather hazards, Volcanic and seismic risks, Biodiversity risks, Socioeconomic consequences);
- human life (Longevity, Healthy Lifestyle, Infectious and non-infectious diseases, Mental Health and Addictions, Health Policies);
- society and economy (Decision making, Finance and Systemic Risks, Sociopolitical Risks, Macroeconomic Risks, Mathematics).

The AXA Research Fund contributes to truly understand the current reality of those risks: today’s research will help better protect tomorrow. This scientific philanthropy initiative is a major constituent of AXA’s commitment to better protect people against risks. AXA confirmed its support for independent academic research by endowing the AXA Research Fund with e100 million for the period 2013–2018. This sum is in addition to the e100 million allocated to the Fund upon its creation in 2007, which has since funded 367 projects carried out by researchers of 49 nationalities associated with more than 150 universities in 27 countries across Europe, Asia and America

Results or outcomes

- For case study-specific quantitative data, targets, awards, etc, please refer to above texts.
- Environmental reporting, 2013 Group data: see below.



AXA GROUP ENVIRONMENTAL INDICATORS ⁽¹⁾	UNIT	2010	2011	2012	2013
Number of employees on site, Full-Time Equivalent (FTEs)	FTE	122 671	104 972	104 082	103 554
Net internal area (sites)	m2	2 398 745	1 966 321	1 841 781	1 767 558
POWER (sites)					
Power consumption ⁽²⁾	Kwh	604 498 594	489 425 467	449 067 868	453 709
KPI: Power consumption per person	Kwh/FTE	4 928	4 662	4 315	4381
Evolution compared to 2007		- 3%	- 5%	- 7%	-1%
TRANSPORTATION					
Business travel: airplane and train ⁽³⁾	Km	297 992 347	249 703 349	249 315 384	266 095
Business travel: AXA vehicle fleet	Km	304 203 026	277 304 077	264 954 373	271 172
Home/workplace commute (round trip) ⁽⁴⁾	Km	1 287 660 394	1 014 065 612	1 088 174 373	1 098 634
CO2 EMISSIONS⁽⁵⁾					
CO2 emissions resulting from onsite power consumption	T eq. CO2	200 646	145 478	135 869	131 947
CO2 emissions resulting from business travel: airplane and train	T eq. CO2	92 646	65 225	65 179	47 972
CO2 emissions resulting from business travel: AXA vehicle fleet ⁽⁶⁾	T eq. CO2	45 055	39 169	35 947	35 603
KPI: CO2 emissions resulting from onsite power consumption and business travel (airplane, train, AXA vehicle fleet) per person	T eq. CO2 / FTE	2.76	2.38	2.28	2.23
Evolution compared to 2007		- 33%	- 43%	- 51%	- 7%
CO2 emissions resulting from home/workplace commute ⁽⁷⁾	T eq. CO2	121 620	99,706	101,966	93 667
WATER					
Water consumption ⁽⁸⁾	m3	1 276 738	1,062,581	1,036,455	998 509
KPI: Water consumption per person	m3/FTE	10,41	10,12	9,96	9.64
Evolution compared to 2007		3%	- 3%	- 2%	- 3%
PAPER⁽⁹⁾					
Paper consumption	T	N/A	N/A	N/A	N/A
Paper consumption per person	kg/FTE	N/A	N/A	N/A	N/A
Office paper consumption	T	5 269	3 299	2 909	2523
KPI: Office paper consumption per person	kg/FTE	43	31	28	24
Marketing and distribution paper consumption	T	14 188	12 458	11 287	13 248
KPI: Marketing and distribution paper consumption per customer⁽¹⁰⁾	Kg / customer	0.15	0.12	0.11	0.13
Percentage of paper recycled and/or guaranteeing sustainable management	%	47	72	68	60

The reporting scope is unchanged from 2012 and includes the 41 countries in which AXA has a major presence. Key Performance Indicators (KPIs) are shown in bold.

(a) AXA Group environmental data were collected from 89,830 FTEs (unless otherwise indicated in these footnotes) and were then extrapolated, continent by continent, to cover all 103,554 salaried FTEs employed by AXA as of December 31, 2013. In 2012, data were collected from 94,889 FTEs and extrapolated to 104,082 FTEs.



redefining / standards

(b) Includes electricity, natural gas, fuel oil and steam, and covers 89,830 FTEs.

(c) Data collected from 88,541 FTEs.

(d) Home/workplace commute estimations are based on an annual online transportation survey, issued to every AXA salaried employee. Data were collected from 24,000 FTEs and then extrapolated. Sites whose response rate was below 5% were excluded from the data consolidation process.

(e) Country-specific emission factors for energy, train and plane were revised in 2013. There was a 56% decrease in the "plane, business class" emission factor, which had a positive impact on the Group's plane and train data. Source: International Energy Agency (IEA) and Ademe.

(f) AXA vehicle fleet data were collected from 88,781 FTEs.

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

(h) Data collected from 82,331 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, some of these entities are starting to track their water consumption with the installation of water meters (e.g. AXA Ireland and certain data centers).

(i) Office paper data were collected from 89,756 FTEs. Marketing and distribution paper data were collected from only 87,516 FTEs, as certain entities were not able to provide figures for this indicator.

(j) The Group had 102 million customers in 2013 and in 2012.

(k) Unsorted waste data were collected from 64,846 FTEs. This figure is low because many entities are not yet able to provide this information.



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.

In 2013, AXA became a member of the non-profit Transparency International France and, therefore, supports TI's vision, values and founding principles disclosed in their "Charter".

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_2013_VA.pdf
- AXA Corporate Responsibility report: http://www.axa.com/lib/fr/uploads/docsref/brochurere/AXA_CR_Brochure_VF_20140120.pdf