2024 AXA Group Climate and Biodiversity Report

Roadmap to a Climate Transition Plan

In line with recommendations from the Task Force on Climate-Related Financial Disclosures and the Taskforce on Nature-Related Financial Disclosures

July 2024

Contents

Report development and coordination: AXA Group Sustainability, **Photos credits:** Shutterstock GettyImages, **Design and production:** BearIdeas.

Report structure

Since 2015, AXA has published an annual Climate and Biodiversity Report.[1] This Group Report has been prepared on a voluntary basis and aims at preparing the Group for its Climate Transition Plan by engaging discussions on four key topics: purpose and current ambition, new ambitions (including climate change adaptation, circular economy, nature and just transition), business and functions readiness and operating model for the Climate Transition Plan.

For the avoidance of doubt, this Report is not the Group's Climate Transition Plan in alignment with ESRS E1-1 of the Corporate Sustainability Reporting Directive (CSRD).[2]

Certain sections of the Report were taken from AXA's 2023 Universal Registration Document ("AXA's 2023 Universal Registration Document" or the "Annual Report").[3] Certain sections were also taken from the AXA Group's 2023 Climate and Biodiversity Report for the year ended 2022 which was published in accordance with the requirements of Article 29 of Law No 2019-1147 dated November 8, 2019 on energy and climate.

Preliminary information

In the Report, unless provided otherwise, (i) the "Company," "AXA" and "AXA S.A." refer to AXA, a société anonyme (a French public limited company) organized under the laws of France, which is the publicly traded parent company of the AXA Group, (ii) "AXA Group," the "Group" and "we" refer to AXA S.A. together with its direct and indirect consolidated subsidiaries, and (iii) "ESG" and "sustainability," are used in the context of describing criteria, risks or objectives, referring to environmental, social and governance matters.

Where reference is made to a website in the Report, the contents of such website do not form part of the Report. No information, document or material from the website of the Company (www.axa.com) or any other source shall form part of the Report, unless such information, document or material is expressly incorporated by reference into the Report.

AXA's external auditors (EY & Associés) have issued an independent limited assurance report, on certain information in this Report, which can be found at the end of this Report.

For further details on factors impacting AXA Group's methodologies, assessments, targets and processes, please see the Legal Disclaimer in the "Appendix" of this Report.

1. Past Climate and Biodiversity Reports are available on www.axa.com.
2. Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 as regards corporate sustainability reporting.
3. AXA's 2023 "Universal Registration Document" for the year ended December 31, 2023 was published in March 2024.
Available at: https://www.axa.com/en/press/publications/2023-annual-report

Editorial

Expanding our role to achieve the climate transition

Thomas Buberl, *CHIEF EXECUTIVE OFFICER OF AXA*

The path of the climate transition

The ecological transition has exerted a profound influence on corporate operations. Enterprises are confronting the challenges to reduce their carbon footprint, embrace sustainable methodologies and comply with stringent regulatory frameworks while catering to consumer preferences for environmentally responsible goods and services. Their role is central to the climate transition and to limit the consequences of new global crises, as the latest edition of our Future Risks Report[1] reminds us. AXA Group is determined to meet these challenges by setting goals which reflect our commitment to our 94 million clients, for whom we are a reliable partner, and to our 147,000 employees and agents. For them, and for society, we are seeking to make the path of the ecological transition positive and inclusive.

One year to go before application of the Corporate Sustainability Reporting Directive (CSRD)

This year is also the last before the entry into force of the CSRD.[2] This new edition of the Climate and Biodiversity Report is a step toward AXA Group's Climate Transition Plan, in the sense of the European Sustainability Reporting Standard (ESRS) related to transition plan for climate change mitigation (E1-1) of the CSRD. This new regulation will bring greater transparency to the financial sector, as well as to businesses in general.

Shifting perspectives and ambitions

A world warmer by three degrees Celsius will not be the same as today's and for this reason, we must maintain realistic long-term objectives, implement them, and be accountable to all our stakeholders. Our vision, our successes, our projections, and our approach are aligned with this path. We want to keep the world insurable. To do so, we are seeking to make it more sustainable.

A new strategic plan, an intact ambition

The climate transition permeates our actions across all our businesses. In 2023, AXA Group achieved and surpassed most of its key AXA for Progress Index objectives. We must now take steps to build out our roadmap to be consistent with our Net-Zero goal by 2050. At AXA Group, we intend to bridge understanding of the changing risk landscape by continuing our philanthropic support for climate research through the AXA Research Fund, which since its launch in 2008, has funded over 720 projects in 39 countries for a total of €256 million. In 2023, the Group funded with €3.3 million 16 research projects and partnerships focusing on climate and environmental risks. In addition, we expanded our offering of climate and biodiversity training that is already accessible to nearly 6 million employees of client companies. We also intend to trigger the transformation by dedicating €5 billion each year in investments to the transition, and achieving €6 billion of transition insurance in our key markets through the period 2024-2026. To be even more effective and to achieve the decarbonization goals we have set for ourselves by 2030, we must have a significant impact on a large scale. We aim to provide over 9,000 adaptation engagements with our commercial insureds and strive to continue mitigating climate change in both our investment and underwriting portfolios. This will also involve scaling up our capacity to help our clients adapt to the consequences of climate change.

1. https://www.axa.com/en/press/publications/future-risks-report-2023-report
2. Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 as regards corporate sustainability reporting

Executive summary of 2023 climate metric results

Reduce the carbon intensity of the AXA Group General Account[1] assets by 2030

-48%[2] ✓
Achieved between 2019 and 2023

-50%
Target for 2030 vs. 2019

AXA Group's fossil fuel exposure

	Assets under management (General Account assets) FY 22*	Assets under management (General Account assets) FY 23	% of assets under management (General Account assets) FY 23
Coal	€2.2Bn	1.9Bn ✓	0.4% ✓
Overall oil & gas	€5.0Bn	4.5Bn ✓	1.0% ✓
Of which unconventional oil & gas	€0.7Bn	0.6Bn ✓	0.1% ✓

* FY 22 exposures to fossil fuel have been restated compared with the values disclosed in AXA's 2023 Climate and Biodiversity Report. Exposure on coal was restated following an important increase in the coverage of our data provider Urgewald, and oil & gas figures were adjusted with the inclusion of private assets in the reported values.

AXA Group portfolio's implied temperature rise (°C)[3]
Listed corporate bonds & equities

FY 2023

2.2°C ✓
AXA Group portfolio's

2.2°C
Benchmark's

Reach at least €1.7Bn in premiums on green business products and services by 2023

€1.7Bn
2022

€2Bn
2023

S&P Global Corporate Sustainability Assessment (CSA):

98th
percentile ranking[4]

AXA Group portfolio's warming potential (°C)
Government bonds

FY 2023

2.1°C ✓
AXA Group portfolio's

2.5°C
Benchmark's

Train AXA employees[5] in climate issues

87%
2022

96%
2023

Reach €26Bn in green investments by 2023

€29.9Bn
2023

1. AXA Group uses the carbon intensity normalized by Enterprise Value Including Cash (EVIC) as the measure for its decarbonization targets for 2025 and 2030. It is applied to GHG emissions of Scope 1 and 2, according to the GHG Protocol, and is expressed in tons of CO_2-equivalent per € million invested (tCO_2e/€m). The targets and metrics apply to AXA's General Account assets invested in listed corporate debt and equities, complemented by real estate equity assets, which represent a total amount under management of €163 billion at the end of 2023, constituting 36% of AXA's General Account.
2. These results are subject to volatility linked to the evolution of industry carbon emissions, financial market performance and coverage of issuers AXA Group has invested in that may evolve over time. AXA Group's priority is to achieve a -20% carbon reduction target by 2025 with 2019 as the base year.
3. Data available from FY 2021 onwards based on the Implied Temperature Rise methodology applied on General Account's investments in listed corporate debt and equities.
4. The S&P Global Corporate Sustainability Assessment (S&P CSA) enables companies to benchmark their performance on a wide range of industry-specific economic, environmental, and social criteria which are relevant both to the sustainability focused investors and to corporate success.
5. Share of permanent employees within the scope of AXA Group's Social Data Report (SDR) who have been trained in climate issues, completing the AXA Climate Academy or a similar local initiative, excluding newcomers and people on a long-term leave (according to local management rules).

✓ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

AXA's key climate & biodiversity commitments in context 1/2

2014	2015	2016	2017	2018	2019	2020	2021
Market/political context & milestones							
• 2012-2013 Food riots	• COP21 Paris Agreement "well below 2°C" target, enshrining the role of investors	• TCFD launch	• Finalization of the TCFD guidelines • U.S. Government withdrawal from the Paris Agreement • First One Planet Summit		• G7 Summit in France • European Green Deal (EU)	• COP26 postponed due to Covid-19	• The U.S. rejoins the Paris Agreement • U.S.-led Leaders' Summit on Climate • Glasgow Financial Alliance for Net-Zero (GFANZ) launch • COP26 (Glasgow) • UN Biodiversity Conference (CBD COP 15) (Part 1) • TNFD launch • IPBES-IPCC Report on Biodiversity and Climate Change
AXA's commitments							
• Palm oil policy	• First divestment from coal • First green investment target • AXA vice-chairs TCFD	• AXA's Climate Report wins top award	• Strengthened coal divestment criteria • Coal policy extended to insurance underwriting • Oil sands investment and underwriting restrictions	• Underwriting restrictions extended to newly acquired AXA XL • Creation of AXA Climate to address climate resilience • Act4Nature pledge	• New climate strategy: - 1.5°C by 2050 - €24 billion green investments - Transition bonds - Coal phase-out • Net-Zero Asset Owner Alliance • AXA-WWF "Into the Wild" Report • Climate & Biodiversity Impact Investment Fund • TCFD membership	• Climate leadership integrated into 2023 strategy plan • Commitment to reduce investment carbon intensity by 20% by 2025 (from a 2019 baseline) • New €100 million investment in transition bonds issued by BPCE • Climate & Biodiversity Impact Investment Fund size doubled to US$350 million • AXA calls for the creation of Net-Zero Insurance Alliance • 3-year partnership with WWF focused on biodiversity • Joined the Business for Nature and Finance for Biodiversity initiatives • Led Informal Working Group's Governance workstream to create TNFD	• AXA S.A.'s inaugural Green Bond issuance (€1 billion) • Green Investment target increased to €26 billion by 2023 • Ecosystem Protection, Deforestation and Natural World Heritage Sites policy • Oil and gas exclusions to support the energy transition

AXA's key climate & biodiversity commitments in context 2/2

2022	2023	2024	2025	2030	2035	2040	2050
Market/political context & milestones							
• COP 15 Kunming- Montreal Framework • U.S. Inflation Reduction Act • SEC rules on climate-related disclosures for investors • ISSB launch • IPCC AR6 report	• Summit for a New Global Financing Pact, Paris						• Net-Zero macrotargets: carbon sinks must offset residual carbon emissions
AXA's commitments							
• Green Business & Inclusive Protection insurance targets	• Update of AXA Group's Energy policy • Announcement of Property & Casualty (P&C) underwriting emissions reduction targets, commercial client engagement targets, and targets for supporting the transition with renewable energy and sustainable claims targets • Annoucement of new intermediate targets to reduce the carbon intensity of AXA Group's General Account assets by 50% by 2030 (from a 2019 baseline)	• Announcement of additional P&C objectives for supporting the transition, building off of previous Green Business momentum, and for adaptation services available to both commercial and consumer clients • Announcement of additional investment objectives; supporting transition financing with €5 billion per year in investments, and investing to improve the resilience of communities		• EU and OECD countries coal phase-out		• Rest of the world coal phase-out	

1. AXA's vision and strategic approach

a. General ambition

As an insurer, long-term investor and exemplary company, AXA Group has long considered its overarching purpose to act for human progress by protecting what matters. In this regard, AXA Group's overall sustainability strategy aims to fulfill two main goals: to act against climate change and to develop health and protection activities as an inclusive insurer.

In 2024, the Group presented the main priorities of its new strategic plan **"Unlock the Future."** The pillar **"Expanding AXA's commitment to society"** focuses on the Group's role and actions in supporting major transitions and protecting people from new risks, showing how insurance can contribute to human progress. These new strategic guidelines involve pursuing current actions to fight climate change and biodiversity loss, and are a means of mobilizing to help society adapt to the already visible effects of global warming. At the same time, AXA Group is reinforcing its efforts to provide inclusive insurance, aware that vulnerable populations[1] need effective protection more than ever.

The Group's sustainability strategy aims to **further expand its role in society**. This ambition to reinforce AXA Group's role as a leading force in contributing to a more sustainable future is aligned with the Group's role as a leading insurance group for the following reasons:

1. **The insurability challenge:** To keep the world insurable, it needs to be more sustainable. The Group firstly aims at tackling insurability issues, a concern of customers, regulators, and governments. According to the World Bank, around half of the world's population live in a climate-vulnerable environment[2]. The Nature Communications review adds that extreme weather events have globally cost US$16 million per hour during the last 20 years.[3] As an insurer, it is AXA Group's role to support society in adapting to such changes and to build both physical and social resilience.
2. **The responsibility towards its stakeholders:** AXA Group aims at meeting its 94 million customers' new protection needs created by these challenges, such as climate change adaptation resources. The Group is also responsible for its own teams. The Group's 147,000 employees and distributors strive for purpose in their work. Finally, AXA Group is determined to play a proactive role in finding solutions through investments, the projects it insures and as a responsible company.
3. **Finding new and better business opportunities:** The effectiveness in tackling challenges such as climate transition is a source of new opportunities for the Group as it will enhance its ability to innovate and make sure it remains relevant to the emerging needs of society and the economy.

AXA Group's ambition to act as a leading force in contributing to a more sustainable future is deeply rooted in its core business objectives and aligned with its customers' needs.

1. As provided in the Group's 2023 Integrated Report, AXA defines vulnerable populations as "populations based in emerging markets (today AXA Emerging Customers is present in Brazil, China, Colombia, Egypt, France, India, Indonesia, Mexico, Morocco, Nigeria, the Philippines, Senegal, Thailand and Turkey), with often irregular incomes."
2. World Bank Group (2023). Climate Shocks: Estimates of People Exposed, Vulnerable, and at High Risk.
3. Newman, R., Noy, I. "The global costs of extreme weather that are attributable to climate change." Nature Communications 14, 6103 (2023).

b. Objectives and priorities

To make AXA Group's purpose tangible for all its teams, the Group implemented a set of strategic key performance indicators (KPIs) to measure and track its progress: the "AXA for Progress Index." Launched in April 2021 during the annual shareholders' meeting, the "AXA for Progress Index" is a set of seven commitments, translated into targets and shared across the Group to further embed sustainable development in its activities: as an investor, as an insurer and as an exemplary company.

In 2023, AXA Group successfully delivered on its plan "Driving Progress 2023" across its strategic priorities, notably the pillar "sustain our leading climate position": (i) reaffirmation of AXA Group's climate position and commitment to align its business with the COP21 Paris Agreement, (ii) announcement of new targets for 2030 to drive the decarbonization for both its insurance and investments portfolios, and (iii) continuing to support the climate transition, namely with the development of climate training (e.g. AXA Climate Academy) and green investments of €29.9 billion as of end of 2023.

Based on the new sustainability strategy, the Group has updated its AXA for Progress Index with new initiatives and targets, in complement of the decarbonization plan:

AXA for Progress Index - 2024-2026

As an **INVESTOR**	As an **INSURER**	As an **EXEMPLARY COMPANY**
Support transition financing with €5Bn[1] per year in investments	**Support transition underwriting** to reach €6Bn[2] for P&C GWP cumulative 2024-2026 **Deliver 9,000+[3] climate adaptation solutions & services**[4] to companies by 2026	**Upskill AXA Group's employees on climate adaptation** by 2026 **Contribute to Net-Zero for AXA Group's own operations**[6] by 2030
Invest to improve the resilience of communities	**Increase the number of customers covered by inclusive insurance** to reach >20M[5] by 2026	**Increase engagement of AXA Group's employees** in volunteering activities to reach 50% by 2026

In addition to the AXA for Progress Index, AXA Group has, as a transversal commitment: AXA's S&P Global Corporate Sustainability Assessment (CSA) percentile ranking (95th, 99th).

1. Scope: corporate and sovereign bonds, real estate and private assets.
2. Scope: AXA France, AXA Germany, AXA Switzerland, AXA UK, AXA Belgium, AXA Hong Kong, AXA Mexico, and AXA XL; Unit: Gross Written Premiums (GWP); Time frame: cumulative 2024-2026.
3. Scope: AXA France, AXA Germany, AXA Switzerland, AXA UK, AXA Belgium, AXA Hong Kong, AXA Mexico, and AXA XL; Time frame: cumulative 2024-2026. Corporate accounts to be defined by each entity.
4. These include (i) training/education, (ii) risk assessment/awareness, (iii) gap analysis, (iv) prevention/adaptation solution, and/or (v) crisis management/remediation response.
5. Low-income to mass-market segments in emerging markets and low-middle income segments in eight European Markets including France.
6. Reducing by 50% AXA Group energy Scope 1 and 2, car fleet and business travel related GHG emissions between 2019 and 2030, and offsetting the remaining emissions in the scope with high quality carbon credits.

Mitigation of AXA Group's activities on climate change

Along with these new strategic initiatives for enhancing sustainability, AXA Group remains engaged in mitigating the adverse effects of its activities (insurance, investment and own operations) on the environment through the following actions:

With respect to investment activities:

- Reducing the carbon intensity of AXA Group's General Account assets by 50% between 2019 and 2030 (i.e. 50% cumulative reduction for listed corporate debt and equities, and real estate equity assets where possible), using the Net-Zero Asset Owner Alliance (NZAOA) Target Setting Protocol.[1] As part of its participation in the NZAOA, AXA Group commits to publishing intermediate targets every five years to track progress towards "Net-Zero" by 2050.

With respect to underwriting activities:

- Reducing in absolute terms insurance associated emissions for AXA's largest corporate clients by 30%[2] by 2030;
- Reducing in intensity insurance associated emissions for all other corporate clients within AXA's largest markets by 20%[3] by 2030;
- Reduce in intensity insurance associated emissions for retail motor vehicles insured within AXA's largest markets by 20%[4] by 2030;
- Developing environmentally sustainable claims management for its retail motor business[5] to achieve a 10% increase in customer utilization by 2026 (compared to 2021 baseline);
- Strengthening dialogue with its customers, particularly its corporate customers, but also with external stakeholders and partners to better support them in the transition starting with 200 of its top, largest corporate clients by 2026.

With respect to AXA's own operations:

- Achieving carbon neutrality: reducing the carbon footprint of AXA Group's own operations by 50% by 2030 for its GHG emissions related to energy consumption, car fleet and business travel compared to 2019, and offsetting the residual emissions.

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

AXA Group also seeks to mitigate the adverse effects of its activities on biodiversity loss, notably through the following actions:

- Integration of ESG criteria into its insurance business processes and investment strategies to address risks related to deforestation and ecosystem conversion, and protected areas of key biodiversity value;
- Investing in natural capital projects aiming to protect and restore natural capital, for example in forests, mangroves and peatlands, and investing in project developers to enhance their capacity to develop and deliver natural capital projects;
- Developing active partnerships with academia and organizations addressing biodiversity loss risks and carry out dissemination to ensure science-based decisions and address this critical issue;
- Supporting through its philanthropic activities research program focusing on marine biodiversity in the land-sea interfaces across European coastlines to improve understanding of the coastal ecosystem, especially the impacts of anthropic pollution on microbiome and its interactions; and
- Partnering with scientists, NGOs, and forestry experts to experiment with new methods of forest restoration and management, including mixed species plantations, propose a more effective and sustainable way to restore damaged plantations and promote the multifunctionality of harvested forests.

1. Available at: https://www.unepfi.org/industries/target-setting-protocol-fourth-edition/
2. Scope: commercial lines portfolio of AXA France, AXA Germany, AXA Switzerland, AXA UK, AXA Belgium, AXA Hong Kong, AXA Mexico, and AXA XL; Unit: absolute Insurance Associated Emissions (IAE); Timeframe: 2021-2030.
3. Scope: commercial lines portfolio of AXA XL, AXA France and AXA Germany; Unit: Insurance Associated Emissions (IAE)/Gross Written Premium (GWP); Timeframe: 2021-2030.
4. Scope: personal lines retail motor portfolio of AXA France, AXA Germany, AXA Switzerland and AXA UK; Unit: Insurance Associated Emissions (IAE)/vehicle; Timeframe: 2019-2030.
5. Motor portfolios of AXA France, Germany, Switzerland, and United Kingdom.

c. Key assumptions

Underwriting targets

AXA Group's underwriting portfolio Insurance-Associated Emissions (IAE) reduction targets reflect an optimistic-yet-possible view of real economy efforts for a stable and just transition. Achieving these intermediate targets depends on a number of variables. In particular:

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

These variables are not within the control of AXA Group but we will nonetheless play our part in continuing to improve our own disclosure efforts to achieve our IAE reduction targets. In this regard, the Group's measurement and disclosure of its underwriting portfolio carbon emissions, which is a key step in achieving emission reductions, is limited by the disclosure efforts of the real economy. Until this improves, actions and ambition are limited where only proxy data is available.

For more details on our key assumptions, please refer to section 4.3 of the Group's Annual Report.

Investment targets

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

- The real economy and the companies in which we invest transitioning in line with those scientific +1.5°C pathways[3] which have been used for AXA Group's investment portfolio carbon reduction calculation;
- Governments and regulators (including insurance and financial regulators) around the world retaining, strengthening and evolving policies to achieve the emission reductions necessary to meet their +1.5°C pledges.

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

1. Climate or sustainability-related metrics and underlying emission data are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used to determine them. There is a limited availability of relevant data: Such data is not yet systematically disclosed by insureds, or, when disclosed by insureds or collected from third-party data providers, it may be incorrect, incomplete or follow various reporting methodologies. The measurement techniques used for determining non-financial metrics and data may involve complex modelling processes and research. The use of different measurement techniques can also result in materially different measurements, while the precision of these techniques may vary. The data sources and methodologies for emission factors are expected to evolve and improve over time and may materially impact targets and the achievement of targets.
2. The interim portfolio transition targets noted above reflect management's current expectations, and are subject to a number of assumptions, variables and uncertainties. In particular, the achievement of AXA's transition targets will depend on the overall transition of the world economy and society to Net-Zero in the coming decades which itself will depend on a variety of political, economic, regulatory, civil society and scientific developments beyond AXA's control. There can be no assurances that our transition targets will be achieved in whole or in part, the timetable for any transition process, or the impact on our business of meeting or failing to meet such targets.
3. IPCC Special Report on Global Warming of 1.5°C and IPCC Sixth Assessment Report (AR6).

2. AXA's implementation plan

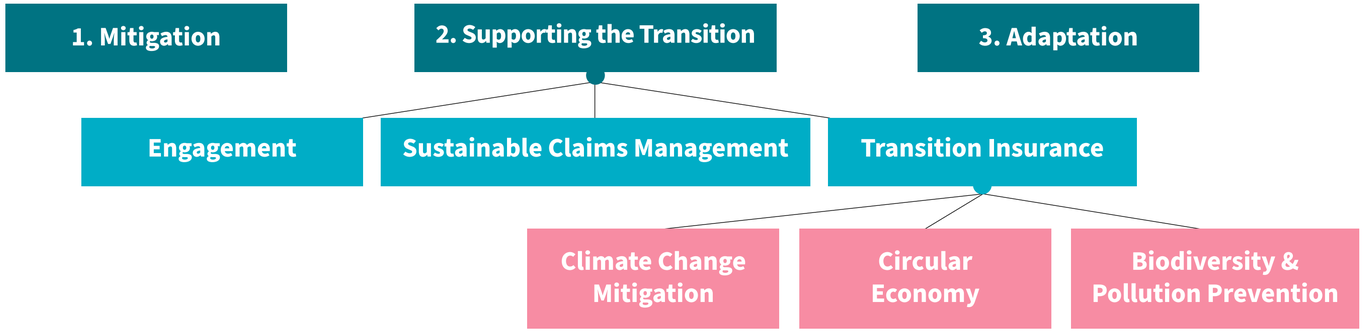
a. AXA's implementation plan as an insurer

As part of its new strategic plan, "Unlock the Future," AXA Group reaffirmed its determination to preserve the environment and fight climate change, in alignment with its dedication to supporting society's shift towards a low-carbon and less resource-intensive economy through:

- Introducing a transition insurance objective, which leverages the previous Green Business framework (see below for the Green Business categories taken from the EU Taxonomy definitions) and 2023 Net-Zero ambitions for renewable energy. **Transition insurance objectives to reach €6 billion gross written premium cumulative between 2024 to 2026**;
- Deploying products and services to support people and communities in climate change adaptation, achieving more than 9,000 of such engagements cumulative between 2024 to 2026; and
- Increasing the number of customers covered by inclusive insurance to reach >20 million[1] by 2026.

These new strategic plan objectives join the 2023 announcements covered above (see section "Mitigation of AXA Group's activities on climate change"), and create three pillars of focus for the Property & Casualty (P&C) Underwriting businesses: climate change mitigation, supporting the climate transition, and climate change adaptation. Examples of efforts and future initiatives are presented here.

AXA Insurance "Plan to Net-Zero" Framework



1. Mitigate AXA Group's climate and biodiversity impacts

A. Sector guidelines and policies

AXA Group strives to incorporate sustainability criteria, including those related to climate and biodiversity, in its underwriting activities, consistent with its investment strategy, through sector guidelines and policies. The AXA Group Energy Policy, covers coal, oil and gas, the AXA Group Ecosystem conversion and Deforestation policy covers palm oil, soy, cattle and timber and the Natural World Site Heritage policy covers sensitive sectors (oil and gas, mining, large scale hydropower, large scale infrastructures).

AXA Group Coal and Energy Policies

The latest version of underwriting restrictions was made public in July 2023, part of a global AXA Group Energy Policy[2], described in detail in AXA's 2023 Universal Registration Document[3] at section 4.3 "Climate Change and Biodiversity Loss."

AXA Group Ecosystem Conversion and Deforestation Policy

AXA Group's policy on the protection of ecosystems and deforestation seeks to address risks related to deforestation and ecosystem conversion. Curbing deforestation conserves water resources, prevents flooding, controls soil erosion, and preserves habitats and biodiversity, in addition to preserving key carbon sinks.

This policy is implemented at Group level and is subject to the oversight of the Responsible Investment Committee and the Group Underwriting Committee. This policy has been implemented by all AXA entities.

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

1. Low-income to mass-market segments in emerging markets and low-middle income segments in 8 European Markets including France.
2. AXA Group Energy Policy of July 2023.
3. Please note that from the September 1st, 2025, AXA will not provide new stand-alone site-specific insurance policies for upstream gas greenfield and development projects licensed after December 31, 2021.

AXA Group Natural World Heritage Sites policy

In line with the UN PSI-UNESCO classification[1], AXA Group commits to protect Natural World Heritage Sites (NWHS) by ensuring it does not support, through Property and Construction insurance underwriting, businesses in sensitive sectors that are developing activities incompatible with ecosystem preservation in these vital sites. NWHS are classified by UNESCO as containing both "exceptional natural beauty" and "the most important and significant natural habitats for conservation." Examples include the Galapagos Islands of Ecuador, and the Ivindo National Park in Gabon. They provide both key biodiversity benefits, such as fauna and flora protection, and environmental benefits, including soil stabilization, flood prevention, and carbon capture. They also contribute to economies through jobs, ecotourism, recreation, and exports.

Full details of the current AXA Group Natural World Heritage Sites policy are available at https://www.axa.com/en/commitments/axa-and-forests

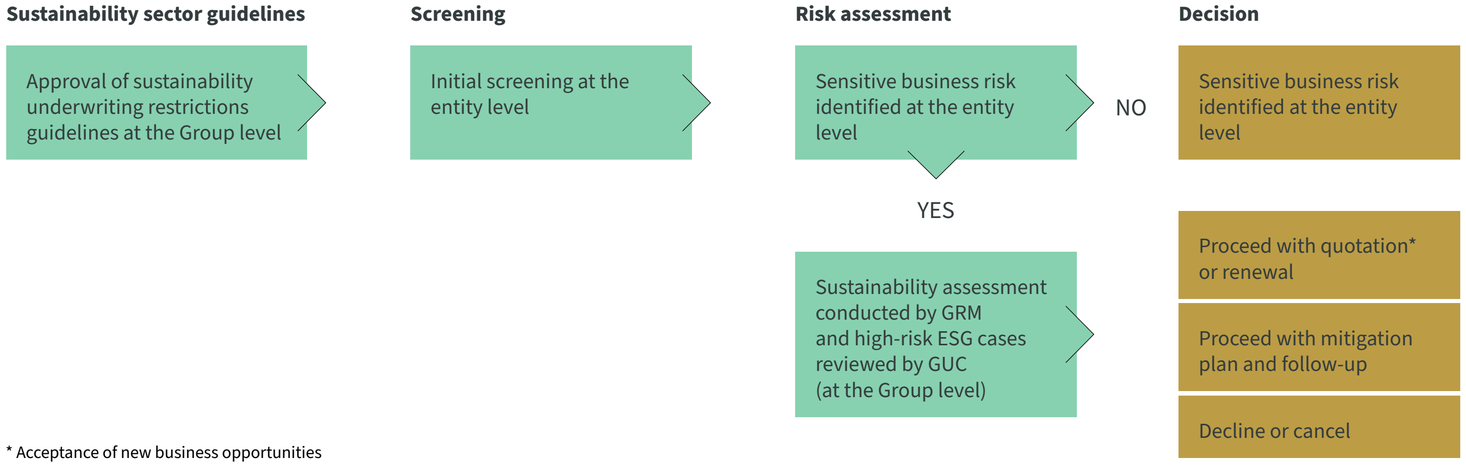
B. Underwriting referrals process

A business referral process is in place to monitor and control the implementation of AXA Group's sector guidelines focusing on the restrictions for AXA Group's insurance activities. This involves any sensitive business risks identified being escalated to Group Underwriting Office (GUO). Such sensitive business risks are assessed by sustainability underwriting experts. High-risk ESG cases are escalated to the Group Underwriting Committee (GUC). In 2023, approximately 100 business cases were escalated to the GUO, 13 cases were rejected and among the 87 cases that proceeded with a quotation or renewal with subjectivities and/or client engagement, 14 were approved by the GUC with subjectivities and key targets defined, and 73 were accepted according to our guidelines after further assessment. Each case that is referred requires a prior engagement with the broker and the client to gather all information necessary to prove that the case will meet AXA Group underwriting sustainability guidelines. For each case approved by the GUC, annual monitoring and client engagement is compulsory. These 100 cases correspond to 4% of AXA XL's largest commercial clients.

Specific engagement meetings are organized together with the local entity involved, the Group Underwriting Office at Group level, the client and the broker.

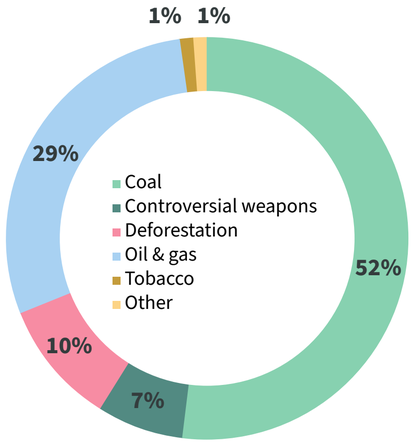
1. World Heritage Centre - Natural World Heritage (unesco.org).

Sustainability referrals process

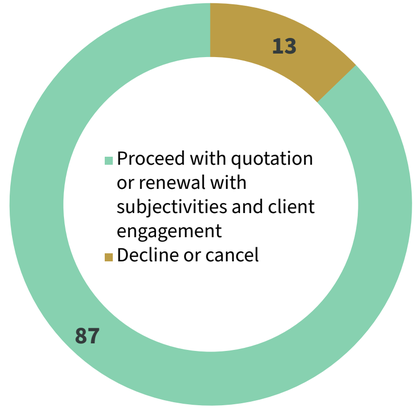


* Acceptance of new business opportunities

Sensitive business risk referrals in 2023 by sector



Sensitive business risk referrals and decision taken in 2023



2. Supporting the transition

A. Engagement

The Group as an insurance underwriter is committed to playing a role in accelerating the transition to a resilient, Net-Zero emissions economy, and engagement with insureds is one of the efforts deployed. Please refer to section "Engagement strategy along the value chain as an insurer" below for details.

B. Sustainable claims

Another initiative within AXA's supporting the transition pillar aims to expand sustainable claims options for both retail and commercial insureds, as well as to increase the choices for sustainable claim reparations. Please refer to section "Mitigation of AXA Group's activities on climate change" above for details of the current objective.

Examples of sustainable claims initiatives deployed include:

- **Motor:** In France and several European countries, AXA promotes (i) the repair of damaged motor parts rather than their replacement, and (ii) if replacement is necessary, the use of reused parts. Additionally, AXA Switzerland works with selected partners who offer and facilitate high-quality repairs.
- **Telephony:** Within the framework of Damage/Theft/Breakdown insurance for smartphones sold through partnerships with Free or Fnac/Darty, for example, AXA France favors replacement with refurbished devices. To showcase this initiative, AXA France has published a white paper on sustainable telephony[1] which includes a comprehensive study assessing the CO_2 emissions savings resulting from the diverse services offered within its mobile phone insurance programs.

C. Transition insurance

In support of the transition to a more sustainable and less carbon-intensive economy, the Group is proactively encouraging the development of new products and services.

In 2021, AXA Group developed a Green Business Program[2] to deploy non-Life/non-Health products (insurance coverage or services) that contribute to:

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

In 2023, the Group had surpassed this target with a FY 2023 result of €2 billion in written premiums for Green Business Offering. Please refer to the Green Business Report for more details and examples.[3]

The newly announced transition insurance objectives continue and expand this Green Business effort, with the climate change adaptation category now comprising its own objective within the strategic plan as mentioned above.

Examples of insurance efforts and initiatives for transition insurance, using the category definitions, include:

- **Climate change mitigation**
  - **Green guarantee:** If property is destroyed by a fire, a storm, etc. the green guarantee aims for replacement with more energy-friendly equipment. Examples include photovoltaic solar panels, energy-efficient heat pumps or weatherizing process. AXA France helps to opt for green materials by financing up to 50% of the climate-resilient materials' extra cost. The guarantee applies to all new AXA France property policies. By improving the carbon footprint of renovated goods following a damage report and adapting infrastructures against the effects of climate change and thus transitioning to a greener economy.
  - **Pay-As-You-Drive:** Clients pay insurance as a function of how much they use a vehicle, with information provision through the declaration by the policyholder of the number of kilometers to be driven and the odometer reading of the vehicle at the underwriting of the contract. The transparency and attention to distances driven encourages clients to use alternative transportation means, and so contributes to GHG emissions reduction and thus mitigates climate change.

1. Can be found here: AXA – Vers une téléphonie mobile plus vertueuse – FR
2. Derived from the 6 environmental objectives of the EU Taxonomy Regulation: 1/climate change mitigation, 2/climate change adaptation, 3/sustainable use and protection of water and marine resources, 4/transition to a circular economy, 5/pollution prevention and control, 6/protection and restoration of biodiversity and ecosystems.
3. www.axa.com/en/press/publications/AXA-Green-Business-Report-2022.

- **Transition to a circular economy**
  - **Recycling:** In 2023, in partnership with IKEA and Swiss Re, AXA Group published "What Goes Around Comes Around[1]," a white paper exploring the challenges and drivers of insurability in the growing recycling industry.
  - **Buildings:** Through its membership, particularly in the Circul'R Club, AXA Group contributes to discussions on the insurability of buildings integrating reused materials. In this regard, AXA France already includes in its contracts a guarantee covering the use of reused materials for all its professional insureds and building companies.
- **Limitation of biodiversity loss and pollution**
  - AXA XL developed an "Environmental Sensitivity Tool"[2] enabling companies to identify and mitigate pollution and environmental risks in Europe and in the UK. The tool uses comprehensive datasets and applies machine-learning algorithms to assess the environmental liability risks of individual sites and facilities. The outputs include environmental sensitivities scores and high-resolution maps for each location. When combined with customer-specific information like site location, industry type, and occupancy, companies can use this tool to assess their environmental risks exposures at individual facilities or across an entire portfolio of sites. The overall goal is to prevent and mitigate environmental risks including impacts on biodiversity. Currently the tool is being used by clients and underwriters in Europe and the UK, with planned expansion to more markets in 2024-2025.

For more information on other key initiatives launched by AXA XL and AXA France to limit biodiversity loss and pollution, notably the Coastal Risk Index (CRI) with the Ocean Risk Resilience Action Alliance (ORRAA), please refer to AXA's 2023 Universal Registration Document at chapter 4.3 "Climate change and biodiversity loss."

1. For more information, please refer to: What goes around comes around: Insuring the circular economy | Swiss Re.
2. New tools for assessing and prioritizing environmental liability risks (axaxl.com).
3. Climate and weather-related disasters surge five-fold over 50 years, but early warnings save lives - WMO report | UN News.

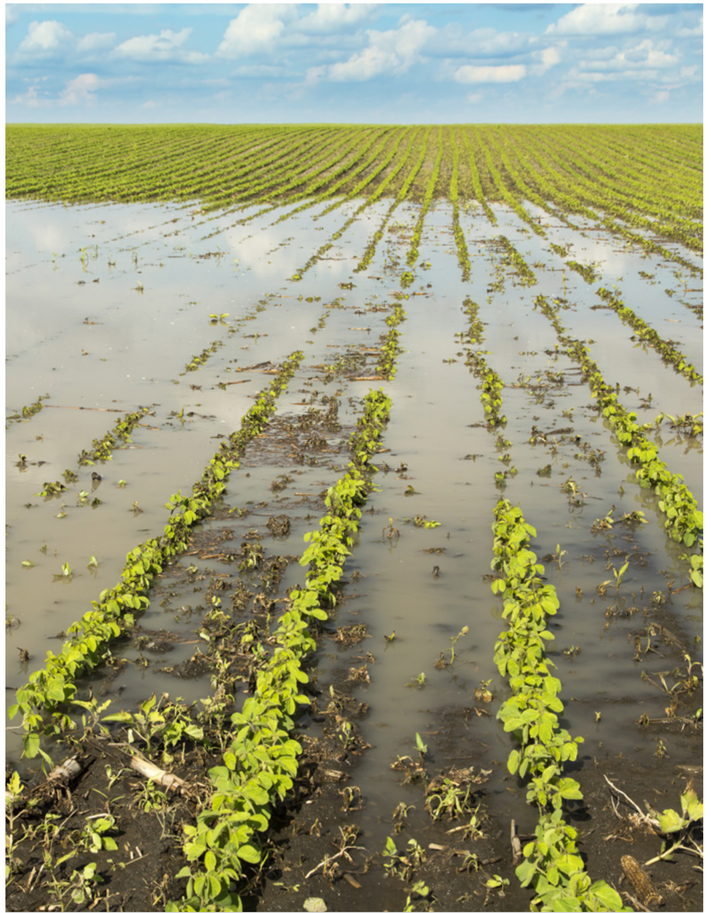
Commercial client experience for Biodiversity and Nature protection

Training & Education	Risk Assessment/Gap Analysis	Prevention/Adaptation Solution	Insurance/Risk Transfer	Crisis Management/ Claims Handling
AXA Climate Training on biodiversity & nature-based solutions	Environmental Sensitivity Services	AXA Climate (Altitude) or Risk Consultants to support client action on opportunities	Dedicated Environmental Insurance Policies	24/7 Pollution Response Service

3. Climate change adaptation

While AXA Group is strongly committed to climate change mitigation and biodiversity protection, the impacts from a changing climate have been relentless. Nearly 16,000 natural event catastrophes have occurred in the last 100 years and 70% have occurred in the last 30 years[3].

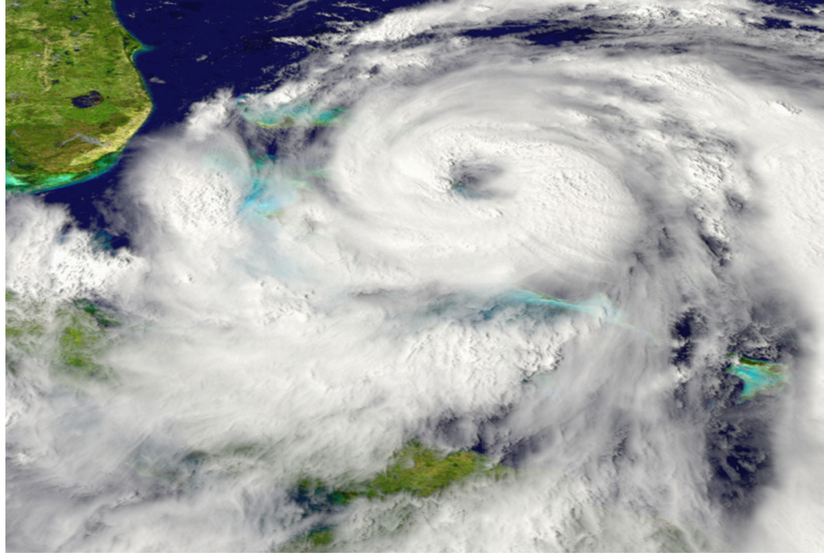
While the world continues to try and solve the climate crisis, there is also a need to protect and increase the resiliency of people and communities in parallel. The climate change commercial adaptation target of 9,000+ services delivered will aim to drive innovation in additional measures and services that AXA can provide in the key role as risk expert and advisor.



EXAMPLES OF PRODUCTS, SERVICES, AND INITIATIVES THAT SUPPORT INSURED CLIMATE CHANGE ADAPTATION:

1. **Risk Consulting Engagements** – AXA XL's approximately 400 risks professionals help clients to understand their portfolio, manage their risk and prioritize risk improvement activities. These risks include pre-emergency planning and preparation, as well as developing recommendations on how to further improve site protection. Specific areas of focus in wind-prone areas include detailed wind inspections to help our customers ensure they have the necessary protection in place to withstand hurricane-force winds. In 2023, the team performed nearly 500 wind loss estimates (up 34% from 2022) leading to 65 specific recommendations (up 35% from 2022). Another key activity focuses on categorizing the flood hazard for every location they visit. For those locations in flood-prone areas, they conduct detailed Flood Loss Estimates as well as surveying the current protection in place and recommending enhancements. AXA XL has invested in a state-of-the-art Global Risk Maps tool, which gives consultants access to multiple flood assessment sources of information. AXA XL Risk Consulting also has an active partnership with the University of Naples Federico II for flood and earthquake research. In 2023 the team performed over 2,300 flood loss estimates (up 26% from 2022) leading to nearly 100 specific recommendations (up 58% from 2022).
2. **Remote Natural Catastrophe (NatCat) surveys** – Another tool of the AXA XL Risk Consulting team allows remote assessment of the NatCat loss expectancy (for floods, quakes, winds, etc.) of commercial clients. The remote feature enables services to more locations and clients, while still benefiting from the modeling tools and expertise of the Risk Consulting team.
3. **Climate Adaptation Field surveys** – A partnership between AXA Climate and AXA XL Risk Consulting, these surveys utilize advanced climate indicators to assist clients in adapting to future climate impacts to ensure they are well-prepared for the challenges ahead. The surveys assess the resilience of critical infrastructure and operations, focusing on the vulnerability of essential equipment and processes as well as its workforce; evaluating how well-prepared a site is to manage physical climate risks. Currently, several industrial commercial clients have requested dozens of Climate Adaptation Field surveys beginning 2023 through 2026.
4. **Dialogue with local governments, authorities, and standards makers to tackle climate change adaptation at the community level** – AXA UK for example was instrumental in the development of a sustainable drainage policy[1] for all new UK housing developments. This multi-stakeholder initiative spanning several years resulted in measures that will not only lessen the likelihood of flood related losses at these new developments but will ensure the drainage measures do not create biodiversity or environmental impacts.

1. For more information please refer to: Mandatory drainage system for new homes | AXA UK.



b. AXA's implementation plan as an investor

As an investor, AXA Group is committed to align its investments portfolio to Net-Zero GHG emissions by 2050, consistent with a maximum temperature rise of 1.5°C above preindustrial levels by 2100 and considering the Intergovernmental Panel on Climate Change (IPCC) transition pathways. Thus, through its investment strategy, the Group undertakes to support its sustainability agenda of Paris Alignment, financing the transition, protecting people over the long-term and creating stronger and more sustainable societies. AXA Group finally strives to considering biodiversity conservation and to integrating environmental, social, and governance (ESG) criteria into its investment philosophy and responsible investment policies.

1. Consideration of climate change in investment portfolio

A. Measuring and decarbonizing our investment portfolio

In 2019, upon becoming a member of the Net-Zero Asset Owner Alliance (NZAOA), AXA Group engaged in transitioning its investment portfolio to Net-Zero GHG emissions by 2050 and establishing an investment-related intermediate target every five years. Alongside other members of NZAOA, AXA supports the Alliance's Target Setting Protocol which lays out the minimum requirements for intermediate targets in terms of ambition and asset classes.

Following a first intermediate decarbonization target by 2025, AXA Group announced in June 2023 **a second intermediate carbon intensity reduction objective in respect of AXA's General Account** (listed corporate debt and equity, and real estate equity where it is possible) of **50% by 2030**, compared with a 2019 baseline. The carbon emissions covered in this objective are the Greenhouse Gases (GHG) emissions Scopes 1 and 2 according to the GHG Protocol. This target is in line with NZAOA recommendation and interpretation from the IPCC Sixth Assessment Report (AR6) compatible with +1.5°C pathways. This target forms part of the "AXA for Progress Index."

Monitoring carbon intensity of investment portfolio

In line with NZAOA's recommended approach, AXA Group chose to adopt the Enterprise Value Including Cash (EVIC) as the common denominator, for calculating its investment carbon intensity. This metric allows us to have a better comparison among all asset classes for our portfolio and facilitates comparability with peers, as EVIC remains one of the most widely used denominators on the market.

Specifically, AXA Group uses the carbon intensity normalized by EVIC as the measure for its decarbonization targets for 2025 and 2030. It is applied to GHG emissions of Scope 1 and 2, according to the GHG Protocol, and is expressed in tons of CO_2-equivalent per € million invested (tCO_2e/€m). The targets and metrics apply to AXA Group's General Account assets in listed corporate debt and equities, complemented by real estate equity assets, which represent a total amount under management of €163 billion at the end of 2023, constituting 36% of AXA Group's General Account.

The carbon intensity metric defined above does not cover Scope 3 GHG emissions considering the volatility and lack of availability pertaining to these emissions. These problems are arising for example when looking at financed emissions which are reported by financial institutions, which highly depends on the scope of assets and activities covered by the emissions. For example, a corporate reporting its financed emissions on all its assets may naturally end up with a higher carbon intensity than its peers, should the latter communicate on a lower part of their activities. That bias, sometimes regional, is to be avoided.

AXA Group currently monitors the carbon intensity of these assets based on Scope 3 upstream emissions from corporates, even if the values reported by our data provider are purely estimated and subject to unexpected volatility through reporting years or when comparing the data provider estimations with emissions reported by corporates. AXA Group continues to engage with its data provider to obtain the Scope 3 emissions (upstream and downstream) in all regions, with a high corporate coverage, and with a high-quality confidence level. It is important to note that AXA Group's monitoring of carbon intensity and decarbonization plan only relies on global GHG emissions from the corporates and does not include any avoided emissions.

Results of AXA Group's General Account carbon intensity applying EVIC

Between 2019 and 2023, AXA Group's General Account[1] carbon intensity per EVIC ($tCO_2e/€m$ EVIC) **decreased by 48%, from 65.3 $tCO_2e/€m$ to 34.2 $tCO_2e/€m$ ⊘, and by 18% in 2023 alone**, particularly attributed to the active management of the portfolio with notably a high-quality selection of our investments. The carbon intensity coverage rate stands at the end of 2023 at 81.3% of the in-scope assets. It is to be noted that following methodological enhancements[2] performed in 2023, all historical figures until 2019 have been restated for the consistency of the target assessment.

These historical figures, as well as detailed evolutions by asset class, are reflected in the table below, and more details by sector and geographical allocation are available in "Appendix" to this Report.

Meeting our goal will not only require new lower-carbon investments but also advancements from the companies already in AXA Group's investment portfolio, which it plans to encourage[3] by providing them with continued support for shifting their business model to low-carbon energy sources.

CO_2 intensity of AXA Group's investments

	DECEMBER 2019	DECEMBER 2022	DECEMBER 2023
Total CO_2 intensity (in tons of CO_2 equivalent/€ million EVIC)	65.3	41.5	34.2 ⊘
CO_2 INTENSITY OF AXA'S INVESTMENTS PER ASSET CLASS			
Listed corporate debt	73.5	47.7	39.4
Listed equities	57.6	43.4	31.4
Real estate equity	7.3	6.5	7.9

Sources: Trucost S&P, AXA

Monitoring financed GHG emissions of assets under management

In addition to monitoring carbon intensity, AXA Group also monitors the GHG emissions financed by our assets. It is defined as the carbon intensity by EVIC multiplied by the assets under management covered by the carbon intensity. At end of 2023, the financed emissions of AXA Group's General Account reached 4.5 $MtCO_2e$ ⊘, covering the listed corporate debt and equities, and real estate equity portfolios. It has decreased since December 2022 by 18%, well in line with the reduction achieved on the carbon intensity metric previously detailed. At end of 2019, the financed emissions on this scope of assets amounted to 11.7 $MtCO_2e$[4].

To access additional information categorized by sector and geographical allocation, please refer to the "Appendix" to this Report.

Financed emissions of AXA Group's investments

	DECEMBER 2019	DECEMBER 2022	DECEMBER 2023
Total financed emissions (in kilotons of CO_2e)	11,663	5,494	4,532 ⊘
FINANCED EMISSIONS OF AXA'S INVESTMENTS PER ASSET CLASS			
Listed corporate debt	10,384	4,851	4,076
Listed equities	1,150	522	302
Real estate equity	129	121	153

Sources: Trucost S&P, AXA

1. Covering listed corporate debt and equity, complemented with real estate equity assets.
2. These methodological enhancements include the use of EVIC for the denominator of the carbon intensity (Enterprise Value (EV) was previously used), as well as enhancements in the quality and scope of GHG emissions for real estate assets.
3. For more information, please refer to chapter 3 "AXA's engagement strategy".
4. Following methodological enhancements in 2023, all historical figures including baseline have been restated.

⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

Monitoring carbon intensity per revenue

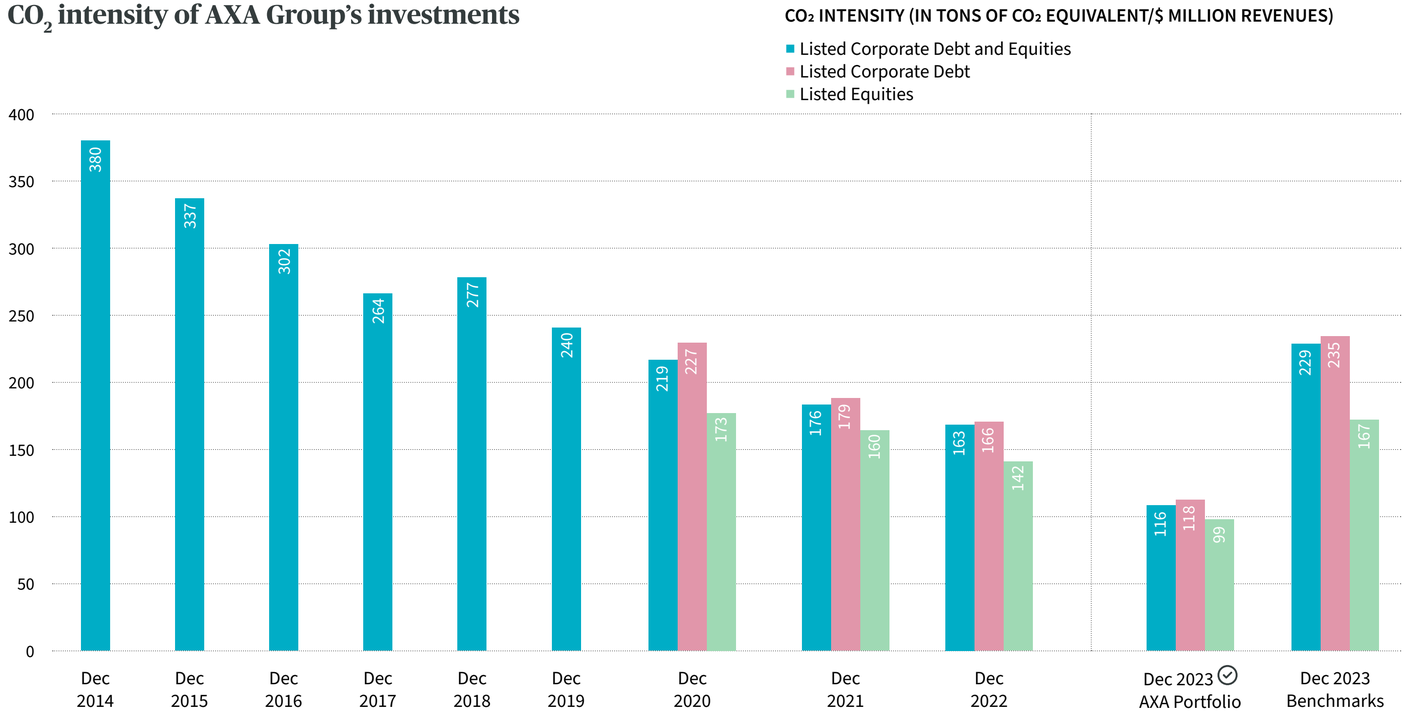
The Group also monitors its carbon intensity per revenue, which is a GHG emissions measurement relative to the output of the companies. The denominator is not the financial value of the company but the level of its business output. The sales revenues are used as the activity indicator.

The carbon emissions accounted for corporates are the GHG direct and 1st-tier indirect emissions. This metric is calculated on the listed corporate debt and equities assets from the General Account and is expressed in tons of CO_2-equivalent per US$ million of revenues ($tCO_2e/\$m$).

Since 2014, the carbon intensity has fallen sharply by 69%, from 380 $tCO_2e/\$m$ to 116 $tCO_2e/\$m$ ⊘ of revenue.
The evolution versus 2019 remains in line with our EVIC-based carbon intensity evolution. We have seen an acceleration in the reduction of this revenue-based carbon intensity in 2023 which is mainly explained by the inflationist conditions in 2022 in the energy and utilities sectors.

To access additional information categorized by sector and geographical allocation, please refer to the "Appendix" to this Report.

CO_2 intensity of AXA Group's investments



Sources: Trucost S&P, Beyond Ratings, AXA
Benchmarks: Corporate debt: Ice BofAML Global Broad Market Corporate / Equity: MSCI World AC / Sovereign debt: JPM GBI Global

Sovereign debt

AXA Group is also continuously seeking to expand the portfolio coverage of its carbon footprinting. In 2023, AXA Group reshaped its methodology to compute the carbon intensity of its sovereign debt[1] portfolio in accordance with the accounting methodology recommended by NZAOA, which is based on the current version of the PCAF's Global GHG Accounting and Reporting Standard.[2] Covering such asset class for AXA Group is key since it represents an important part of AXA Group's General Account assets, with €135 billion at the end of 2023, constituting 30% of AXA Group's General Account.

Using this methodology, AXA Group was able to measure the carbon intensity for its sovereign assets for the first time at the end of 2023, which represented:

- **166 $tCO_2e/€m$** ⊘, covering **99.98%** of AXA's sovereign debt issuers; and
- The GHG emissions financed by our sovereign debt assets reached **22.4 $MtCO_2e$** at the end of 2023.

Infrastructure assets[3]

AXA Group, with the help of its asset manager AXA IM, has also developed a methodology for computing the carbon intensity and footprint of its equity and debt investments in Infrastructure assets portfolios managed by AXA IM. This perimeter represents €10 billion of the General Account (data from FY 2022).

1. Sovereign debt is typically issued by the central government or Treasury Department. Sub-sovereigns, supra-nationals, and municipals are explicitly not part of this outline and will be considered in a separate workstream.
2. It is based on the current version of the PCAF's Global GHG Accounting and Reporting Standard and using the Scope 1 GHG emissions i.e. domestic production emissions as defined by UNFCCC. The GHG emissions and GDP data sources used by AXA are public (World Bank, PRIMAP). Based on this approach, the carbon intensity of AXA Group's proprietary sovereign assets is the production emissions (tCO_2e) per Purchase Power Parity (PPP) - adjusted GDP. The carbon intensity of a sovereign issuer cannot be directly compared with the carbon intensity of other asset classes due to differences in the calculation approach (EVIC vs. GDP-PPP).
3. Infrastructure equity and debt portfolio managed by AXA IM.
⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

The carbon intensity considers Scopes 1 and 2 GHG emissions from the assets. GHG emissions are directly obtained from the borrower through requests and ESG reports, whenever available. In cases where the data cannot be collected, third-party proxy data based on revenues and sectors is used.

At the end of 2022, the carbon intensity of AXA Group's General Account infrastructure assets[1] reached 73 $tCO_2e/€m$. This figure is explained by some high-emitting legacy utilities assets, counterbalanced by a high share of low-emitting assets, such as renewable infrastructure projects.

CO_2 intensity of AXA Group's General Account infrastructure* assets

	DECEMBER 2022**
CO_2 intensity (in tons of CO_2 equivalent/€ million EVIC)	73
Financed emissions ($ktCO_2$)	681
% of AUM covered by the carbon intensity	93%

Source: AXA IM
*Infrastructure equity and debt portfolio managed by AXA IM
**FY 2023 is not yet available, 2023 GHG emissions are under collect on our asset manager side

During 2024, AXA Group has improved the coverage of assets on which it computes and communicates carbon footprint. The perimeter of this analysis is now representing €308 billion, which represents 68% of its General Account.

AXA's investment carbon intensity by asset class (December 2023)

	CO_2 INTENSITY (IN TONS OF CO_2 EQUIVALENT/€ MILLION EVIC)	FINANCED EMISSIONS (IN KILOTONS OF CO_2)	AUM (€ MILLION)	% OF AUM COVERED BY THE CARBON INTENSITY
Listed corporate debt	39.4 ⊘	4,076	110,926	93%
Listed equity	31.4 ⊘	302	10,529	91%
Real estate equity	7.9	153	41,555	47%
Sovereign debt*	166.4 ⊘	22,415	134,699	100%
Infrastructure assets**	73.0	681	10,020	93%

Sources: Trucost S&P, Beyond Ratings, AXA IM, AXA
* For sovereign assets: CO_2 intensity are expressed in tons of CO_2 equivalent/€ million GDP-PPP.
** Infrastructure equity and debt portfolio managed by AXA IM. FY 2022 is displayed as FY 2023 is not yet available, 2023 GHG emissions are being collected by our asset manager.

B. From fossil fuel to financing the transition

AXA believes it is critical to accelerate the transition of the energy sector towards a more sustainable model, consistent with Net-Zero trajectories. This transition can only happen by encouraging companies to implement ambitious climate transition plans.

THERMAL COAL

Thermal coal is one of the most carbon-intensive sources of energy, and it remains one of the largest sources of anthropogenic GHG emissions. Since 2015, the Group has restricted investments in thermal coal extraction and energy generation. In 2019, AXA Group announced a long-term exit from thermal coal industry, with the objective of reducing exposure to the thermal coal industry to zero by 2030 in the European Union and OECD countries, and by 2040 in the rest of the world, as suggested by the main climate scenarios (such as the IEA "Beyond 2°C" scenario)[2].

To fulfill this full coal exit strategy, AXA Group has updated in July 2023 its coal policy, now part of a global AXA Group Energy Policy[3] described in detail on AXA Group's website.

In addition to this policy, AXA Group is also continuously monitoring its exposure to coal assets, which is calculated by using exclusively the companies listed in the Global Coal Exit List provided by Urgewald. The exposure to these corporates is accounted at 100%, i.e., a pro-rata based on the percentage of coal-related activities for these corporates is not applied.

At end of 2023, AXA Group's General Account exposure to coal assets amounted to €1.9 billion ⊘, representing 0.4% ⊘ of the General Account. On a comparable basis[4], the exposure to coal decreased in 2023 by 14%, and by 60% compared with end of 2019. In line with our coal policy, the remaining exposure is mostly concentrated on corporates with low share of coal in their activities, i.e., below our current 15% exclusion thresholds.

1. Infrastructure equity and debt portfolio managed by AXA IM.
2. To support the assessment, AXA currently uses the Global Coal Exit List (GCEL) from Urgewald (https://www.coalexit.org/), which is a publicly available database. However, AXA Group reserves the right to diverge from the GCEL on a case-by-case basis when more up-to-date data is identified.
3. AXA Group's Energy Policy of July 2023.
4. By restating historical portfolios with the latest 2023 Global Coal Exit List (GCEL) from Urgewald.
⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

OIL & GAS

Massive investments will be required to decarbonize an energy system that is still dependent on fossil fuels. To address the energy transition, scale, industrial and financial strength, as well as production capacity are needed at a global level. Companies that recognize early the changing operating environment and adjust their business models, redeploying capital into renewables and new energy solutions will be better placed to meet this long-term challenge.

AXA Group began implementing Oil and Gas investments restrictions firstly on oil sands-related corporates back in 2017 and has published since then several updates of its Oil and Gas policy. The latest version of investments restrictions was made public in July 2023, part of a global AXA Group Energy Policy[1], described in detail in AXA's 2023 Universal Registration Document at section 4.3 "Climate Change and ok Biodiversity Loss."

Similar to coal, AXA Group continuously monitors its exposure to oil and gas assets, and also focuses on unconventional activities. The global exposure to these industries covers both listed and private assets from the General Account. On listed assets, AXA Group monitors all investments in corporates with oil and gas related industry of the energy sector based on the BICS classification[2].

As of end of 2023, the global exposure of AXA Group's General Account to the oil and gas industries stands at €4.5 billion ⊘, representing 1.0% ⊘ of AXA Group's General Account. This exposure is split among €3.2 billion invested on listed assets and the remaining €1.3 billion invested on private assets. This overall exposure to oil and gas has reduced by 48% since end of 2019. Based on the perimeter of listed assets defined above, AXA Group is also determining the share of its investments on unconventional activities, by using the share of unconventional production which is provided by Urgewald's Global Oil & Gas Exit List[3] (GOGEL), if available. At the end of 2023, the exposure to unconventional assets stands at €0.6 billion ⊘, representing 0.1% ⊘ of AXA Group's General Account.

In addition to the reduction of the overall exposure to the oil and gas industries, AXA Group is also increasingly investing in renewable energy-production infrastructure assets. At the end of 2023, this exposure on AXA Group's General Account stands at €4.1 billion and has been multiplied by 2.7 times since end of 2019. This exposure is mainly focused on wind and solar assets.

FINANCING THE TRANSITION

AXA Group announced that it aimed to reach €26 billion in green assets in its General Account by 2023.

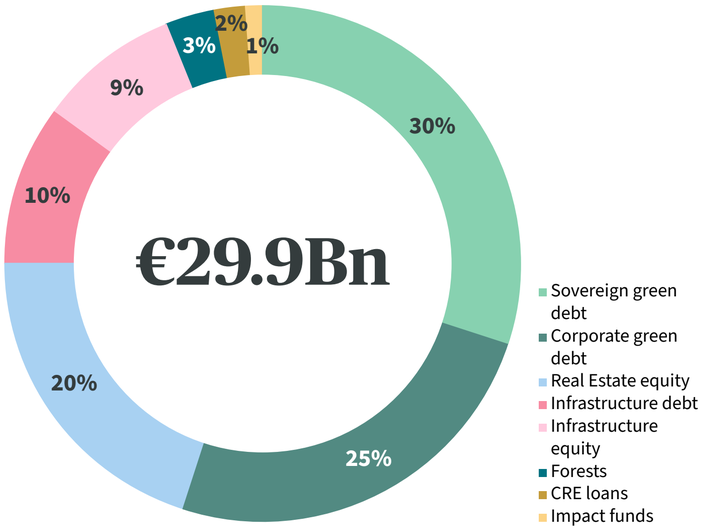
To implement and monitor its green investment target, the Group has developed an internal framework to define green investments based on external labels, certifications and environmental standards generally accepted and regarded on the market. For more information on this framework, please refer to the "Methodological Notes" to this Report.

As of December 2023, the Group's green investments totaled **€29.9 billion**, up from **€25.1 billion** at end-2022, successfully achieving the €26 billion target for 2023. This increase is mainly driven by new investments in green bonds, which amounted to €16.2 billion ⊘ at end of 2023. AXA also continued to invest in green infrastructure projects, notably the renewable electricity operator Finerge. It is the largest independent power producer in Portugal and a significant renewable energy platform in the Iberian region, with nearly 2GW of installed renewable energy capacity encompassing 94 wind and solar farms in Portugal and Spain. It actively contributes to Portugal's goal of achieving a 2050 Net-Zero economy.

1. AXA Group's Energy Policy of July 2023.
2. Covering Oil & Gas, Oil & Gas services and Pipelines.
3. https://gogel.org/about.

⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

Green investments per Asset under Management



New financing transition objective

Capitalizing on the success of its first green assets target which was achieved end of 2023, AXA Group unveiled a new "Financing Transition" objective of €5 billion per year through 2030. This new objective is part of a new version of the "AXA for Progress Index." This objective, in line with an internal framework, covers all assets from the AXA Group's General Account and various investments such as:

- Fixed income through the purchases of green and transition bonds, notably based on use of proceeds;
- Real estate with for example the accounting of capital-expenditure aiming to finance refurbishment of a building, allowing it to have better energy efficiency (through recognized external labels and certifications) and environmental characteristics; and
- Commitments on private assets financing the transition.

C. Models and methodology applied

"Implied Temperature Rise" model applied to listed corporate debt and equity

AXA Group uses MSCI "Implied Temperature Rise" (ITR)[1] model to assess how its investment portfolios on listed corporate bonds and equities align with global temperature targets. This model estimates the global temperature increase by 2050 if the entire economy were to exceed or fall short of its carbon budget in the same way as a specific company or portfolio. The metric, expressed in °C, is therefore a forward-looking and extrapolation-based one. For more information on this methodology, please refer to the "Methodological Notes" in this Report.

Implied Temperature Rise: 2023 AXA listed corporate debt and equity results

ASSET CLASS	2022	2023
Listed Corporate Debt		
AXA Group	+2.4°C	+2.2°C ⊘
Benchmark*	+2.6°C	+2.2°C
Listed Equity		
AXA Group	+2.8°C	+2.6°C ⊘
Benchmark*	+3.0°C	+2.6°C
Listed Corporate Debt & Equity		
AXA Group	+2.5°C	+2.2°C ⊘
Benchmark*	+2.7°C	+2.2°C

Source: MSCI/AXA
*Equity: MSCI World AC
*Corporate debt: Ice BofAML Global Broad Market Corporate

At the end of 2023, the ITR of AXA Group's listed corporate debt and equity investments reached +2.2°C ⊘, down from +2.5°C at end of 2022, while a broad benchmark[2] on the same universe amounted to +2.2°C at end of 2023, also reducing from end of 2022. The decline in the Group's ITR over the years is primarily attributed to changes in the underlying data, including methodological updates from the data provider MSCI. These changes include higher company carbon budgets in high-emitting sectors and lower budgets in low-emitting sectors, as well as adjustments in data points, particularly in the energy and utilities sectors due to the 2023 energy crisis, which has had an inflationary effect. To a lesser extent, this decrease is attributed to portfolio allocation, especially in the utilities sector.

This decrease in ITR does not allow for short-term conclusions due to the methodological limitations of this metric, as the data is projected and not observable. Also, recurrent updates and proprietary methodologies of the provider make analyses from one year to another complex, which explains why this KPI cannot currently be used as a target for our investments, but rather serves a more educational purpose.

Warming Potential methodology applied to sovereign debt

AXA Group uses Beyond Ratings model to assess the warming potential of its investment portfolios in sovereign assets. "Warming Potential" (WP) model uses a similar approach to "Implied Temperature Rise" (ITR). WP calculates the global temperature rise that would be observed if all countries adopted the same level of commitment to reducing GHG emissions. It is worth noting that the WP does not correspond to the physical temperature rise within the geographical boundaries of the country, but the country's impact on global-level increases in temperature by the end of the century. For more information on this methodology, please refer to the "Methodological Notes" to this Report.

Based on this model, the warming potential of most countries remained relatively stable in 2023, with no significant changes in the Nationally Determined Contributions (NDCs) that drive a country's warming potential. In line with previous years, AXA Group's sovereign portfolio at the end of 2023 outperformed the benchmark, with a warming potential of +2.1°C ⊘ compared to the benchmark's +2.5°C. This outperformance was mainly attributed to a different asset allocation across countries. Specifically, the Group had a higher relative exposure to French Government debt, which has a lower warming potential of +1.8°C. Additionally, compared to the benchmark, AXA Group portfolios had a relatively lower exposure to countries with high warming potential, such as the United States and Japan.

Warming Potential: 2023 AXA sovereign debt results

ASSET CLASS	2021	2022	2023
Sovereign debt			
AXA Group	+2.0°C	+2.0°C	+2.1°C ⊘
Benchmark*	+2.4°C	+2.5°C	+2.5°C

Source: Beyond Ratings/AXA
*Sovereign debt: JPM GBI Global

This analysis reveals that a country's energy mix and high reliance on fossil fuels (such as in Australia, the U.S. and Canada) has been a key driver of future financed emissions for sovereign debt investors. For example, Japan has been phasing out its nuclear energy since 2012 and has gradually substituted this with a combination of coal and natural gas, leading to an increase in its warming potential.

1. https://www.msci.com/our-solutions/climate-investing/implied-temperature-rise.
2. The split between equity and debt used in the aggregated Benchmark is the one of the AXA Group consolidated portfolio.
⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

Climate Value-at-Risk

Climate Value-at-Risk (VaR) differs from the traditional concept of Value-at-Risk used in risk management. Unlike the conventional approach, Climate VaR does not consider the distribution of returns and calculate a low percentile based on that. Instead, Climate VaR values are derived from climate scenarios. Climate VaR tries to forecast for a company the present value of future costs associated with a specific climate scenario.

Specifically, Climate VaR is the ratio between the net present value of future cash flows and the current company valuation. It is expressed as a negative number, representing the potential maximum loss for a company under a specific climate scenario.

AXA Group has been working with the MSCI Climate VaR model for several years now, establishing a relationship based on exchanges on updates and challenges related to this metric. However, Climate VaR is still subject to changes both in the underlying data derived from the NGFS climate scenarios and the calculation methods of MSCI. The scenarios developed in the methodology are not sufficiently explicit and need to be further analyzed to better understand the impacts in the investment portfolios. And even if progress has been made on both the quality of estimation through methodology enhancement and the underlying data quality, there is still more to be done. That is why AXA Group is pursuing engagement with the data provider MSCI on the Climate VaR to support the identification and analysis of the financial risks associated with climate change.

Based on MSCI's model, AXA is using several NGFS scenarios described in the table below:

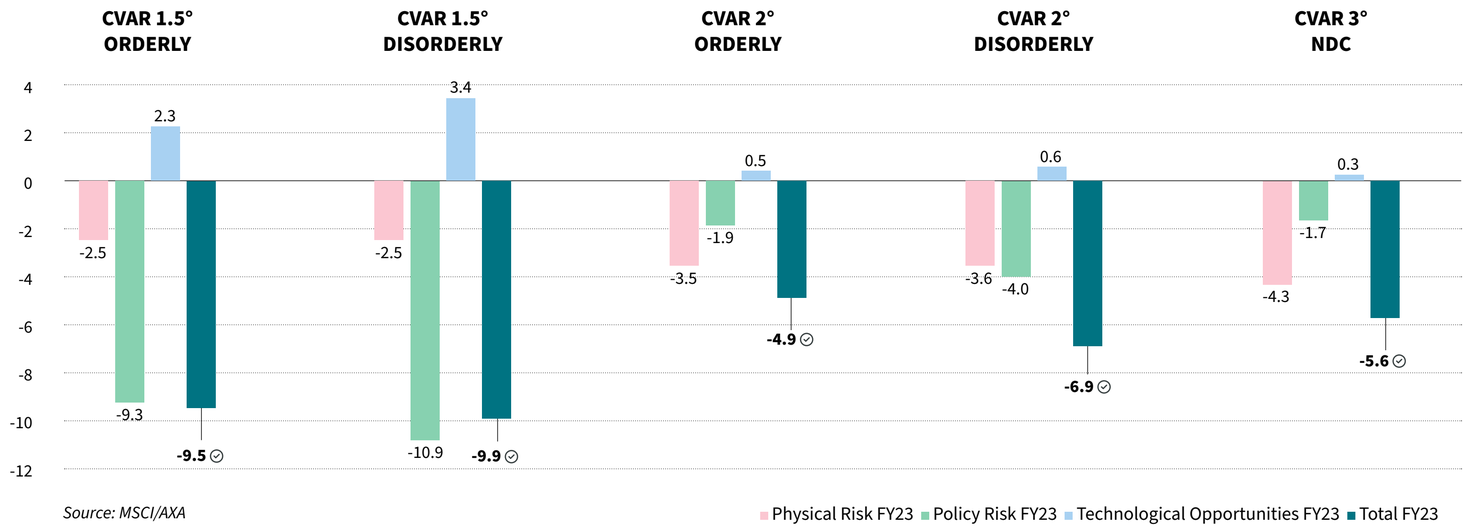
For more information on this methodology, please refer to the "Methodological Notes" in this Report.

Climate Value-at-Risk scenarios

SCENARIO NAME	MSCI NAME	COMMENTS
Net-Zero by 2050	1.5°C REMIND NGFS Orderly	The two REMIND NGFS 1.5°C scenarios are very similar in terms of emissions pathways and temperature warming. Where they differ is in the use of low-carbon technologies, with the disorderly scenario using more low-carbon sources of technology in various sectors and the orderly scenario using slightly more carbon sequestration.
Divergent Net-Zero	1.5°C REMIND NGFS Disorderly	
Below 2°C	2°C REMIND NGFS Orderly	The REMIND NGFS 2°C scenarios are similar to the 1.5°C scenarios in terms of electricity generation fuel mix in 2050 and, for the Orderly 2°C scenario, in terms of carbon sequestration use. Where they differ is how fast the transition happens, the year emissions reach Net-Zero emissions and the projected carbon prices needed to reach the temperature target.
Delayed Transition	2°C REMIND NGFS Disorderly	
NDC	3°C REMIND NGFS	The 3°C scenario assumes a slower pace of decarbonization than more ambitious scenarios and is based solely on current nationally determined contributions (NDC) of each country.

Sources: MSCI, AXA

Climate Value-at-Risk for different scenarios (Listed Corporate Debt & Equity - FY 2023)



Source: MSCI/AXA

AXA Group analyzed the Aggregated Climate VaR of its General Account investments in listed corporate debt and equities from FY 2021 to FY 2023 to understand how its management actions and mark-to-market evolutions were impacting the Aggregated Climate VaR's changes. In the ideal +1.5°C Orderly NGFS scenario, the Aggregated Climate VaR decreased to -9.5% ⊘ at the end of 2023, down from -10.5% at the end of 2021. This reduction is mainly attributed to AXA Group's relative decrease of its exposure to the energy sector over the past two years, which is a key driver of the Aggregated Climate VaR. The utilities sector also significantly contributes to the Aggregated Climate VaR, and management actions have led to a decrease in the average Climate VaR in this sector.

For more details on these results, please refer to the "Appendix" to this Report.

When using the Aggregated Climate VaR metric, it is crucial to be cautious in drawing conclusions. For example, the metric may suggest that a +3°C scenario has a less significant impact on AXA Group's portfolio compared to a +1.5°C scenario. This is driven mainly by the way physical risk is modelled since it only accounts for business interruption and asset damage at the company level from a set of non-exhaustive extreme weather events. Additionally, the metric does not consider the potential impact of severe climate scenarios at the macro level, such as damage to infrastructure and essential components that enable corporate to operate and generate revenues. Lastly, a +3°C scenario is generally associated with longer-term effects on asset valuations, which are linked to higher discounting costs.

2. Consideration of biodiversity in investment portfolio

Biodiversity plays a fundamental role for human well-being and economic activities through the provision of a range of ecosystem services, including food and water production. Many policy makers, central banks, financial supervisors are starting to recognize the risks biodiversity loss poses to economic activities and financial systems.

The United Nations Convention on Biological Diversity (1992) (CBD) is an international treaty which entered into force on December 29, 1993 with three main objectives[1]:

- The conservation of biological diversity (i.e., the variety of living things found on Earth);
- The sustainable use of the components of biological diversity; and
- The fair and equitable sharing of the benefits arising out of the use of genetic resources.

In December 2022 at the Conference of the Parties (COP15) in Montreal, parties[2] to the CBD adopted the Kunming-Montreal Global Biodiversity Framework ("Framework"). The Framework includes 23 new targets (the "Targets"). Not all the Targets are quantitative, and ongoing work is necessary to translate them into quantifiable and standardized objects for implementation by governments and eventually voluntary adoption by non-state actors (including the private sector).

1. https://www.cbd.int/intro/.
2. Parties to a treaty are the States or international organizations that have consented to be bound by the treaty and for which the treaty is in force (See Article 2 of the Vienna Convention on the law of treaties).
⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

AXA Group has started taken concrete actions to meeting these Targets, with a focus on:

- Contributing to Target 1: Loss of highly important biodiverse areas close to zero by 2030;
- Contributing to Target 10: Sustainable management of agriculture; and
- Contributing to Target 11: Restore and enhance ecosystems through nature-based solutions.

These concrete actions are reflected in the following key projects which the Group has invested in:

Regenerative agriculture

AXA, Unilever and Tikehau Capital have created an impact investment fund at the end of 2022, dedicated to accelerating the transition to regenerative agriculture by focusing on three main areas:

- Protecting soil health to enhance biodiversity, preserve water resources and participate in the fight against climate change;
- Contributing to the future supply of regenerative ingredients to meet the needs of the growing world population on the one hand and consumer demand for increasingly sustainable products on the other; and
- Contributing to the progress of technological solutions that aim to accelerate the transition to regenerative agriculture.

The fund aims to act on a global scale, drawing on the international networks of AXA Group, Unilever and Tikehau Capital. These objectives and impact measurement are at the heart of its operational approach and fully integrated into its investment strategy.

Natural Capital Fund

Launched at the end of 2022, AXA IM Alts' Natural Capital & Impact Fund, with a size of $400 million, will principally finance projects that aim to protect and restore natural capital, for example in forests, mangroves and peatlands. In addition, the fund will invest in project developers to enhance their capacity to develop and deliver natural capital projects, solutions that enable faster and more accurate measurement of nature-based projects and marketplace solutions for carbon.

CASE STUDY: MOMBAK

Mombak is a nature-based carbon removals company focused on restoring native forests in the Brazilian Amazon. Their model is buying or leasing degraded pastureland and then undertaking a combination of full plantation, assisted natural regeneration and natural regeneration to establish conservation forests which are managed for 50 years before being legally converted to protection forests. Mombak's first project, Turmalina, was launched in April 2023 and consists in the reforestation of a 2,879-hectare farm that is forecast to remove up to 1.5 million tons of carbon dioxide from the atmosphere. The impact is much broader since the reforestation is contributing to the protection of endangered species and generates jobs for the local population.

AXA Group's forest investments

1 / Finland
€0.2Bn
c. 37,000 ha

3 / France
€0.2Bn
c. 12,000 ha

2 / Ireland
€0.1Bn
c. 4,000 ha

4/ Australia
€0.5Bn *
c. 24,000 ha

* AUD / EUR: 0.615

Sustainable forestry investments

Sustainable forestry investments include forests managed by AXA IM Alts on behalf of AXA Group and third-party clients that are certified by PEFC (Programme for the Endorsement of Forest Certification) or FSC (Forest Stewardship Council) at the time of acquisition or once under management. PEFC and FSC are independent certifications of responsible forest management.

At end of 2023, AXA IM Alts manages approximately 77,000 hectares on behalf of AXA Group, representing roughly €1 billion of assets.

Measuring biodiversity loss on our investments

One of the most common indicators to measure the biodiversity impact of investors on nature is the Mean Species Abundance (MSA). MSA measures the average percentage abundance of native species in a delimited area under the influence of biodiversity loss pressures in comparison to undisturbed ecosystems. MSA is computed at the company level and is then aggregated at the portfolio level.

AXA Group uses the Corporate Biodiversity Footprint (CBF) metric developed by Iceberg Data Lab (IDL) on a pedagogical basis to explore the extent to which such tools allow an investor to analyze, at a portfolio level, the biodiversity-related impact of investment activities following a similar logic to the calculation of an investment portfolio's carbon footprint.
The CBF is expressed in km^2 of MSA (km^2.MSA). For example, a footprint of -100 km^2 MSA means that all the original biodiversity is lost over an area of 100 km^2 for one year. Put another way, this means that 100 km^2 of pristine nature has been artificialized[1] in a year by the company.

This footprint can be broken down by type of pressure: land use, climate change, air pollution and water pollution.

For more information on this methodology, please refer to the "Methodological Notes" to this Report.

Results on AXA's investment portfolio

While application of the CBF methodology is a good starting point, AXA Group is willing to go deeper in its understanding of biodiversity loss – its impacts, risks and opportunities. For illustrative purposes, please see below our results on a single portfolio dedicated to life insurance products (individual savings of AXA France), comprising listed corporate debt and equity assets.

Corporate biodiversity intensity per asset class

ASSET CLASS	BIODIVERSITY INTENSITY (KM^2 MSA / €M)	LAND USE (KM^2 MSA / €M)	CLIMATE (KM^2 MSA / €M)	WATER POLLUTION (KM^2 MSA / €M)	AIR POLLUTION (KM^2 MSA / €M)	% OF AUM COVERED BY THE BIODIVERSITY INTENSITY
Listed corporate debt	-0.043	-0.029	-0.003	-0.009	-0.001	78%
Listed equity	-0.022	-0.016	-0.003	-0.003	-0.002	73%
Grand total	-0.042 ⊘	-0.029	-0.003	-0.009	-0.001	78%

Sources: Iceberg - Data Lab, AXA
1. Artificialization of an environment, of a natural or semi-natural habitat is the loss of its qualities. The term refers to the loss of biodiversity and ecosystems destruction. Artificialization corresponds to the transformation of an environment due to the human presence.
⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

The biodiversity intensity for end-2023 is **-0.042 km² ⊙ of MSA per million euros**. In other words, 1 billion euro invested in the chosen portfolio is equivalent to artificializing[1] 42 km² of pristine nature, representing almost half of Paris inner city. Consumer goods, basic materials and energy sectors have a particularly high Scope 3 impact due to their activities. On the other hand, the financial sector has a relatively small biodiversity intensity associated with a large share in AXA's investment.

On the pressure side, land-use is the main environmental pressure, contributing to almost 70% of the total biodiversity intensity. This could be explained by the large ground footprint of corporates operating in the consumer sector, such as wholesale or food and beverages companies.

The measurement of biodiversity intensity of our portfolio presents several limitations, linked with the underlying CBF data. These limitations are described and available in the "Methodological Notes" to this Report.

3. Consideration of other ESG aspects in investment portfolio

ESG rating framework integration

AXA Group's investment philosophy is based on the conviction that issues relating to environmental, social and governance criteria will remain a major concern in the coming years. These non-financial factors are considered in both quantitative and qualitative ESG research: AXA Group tracks the ESG performance of its investments using an internal proprietary ESG scoring methodology, developed by our asset manager AXA IM. This methodology for traditional asset classes (i.e., listed equity, corporate and sovereign bonds) uses MSCI ESG scores as primary inputs.

Below are the ESG scores as of the end of 2023 for AXA Group's investments. This includes listed corporate debt and equity, as well as government bonds, representing 63% of the FY 2023 General Account.

Applying the AXA IM ESG scoring, AXA Group's portfolio exceeded the benchmark's performance driven by a higher exposure on European stocks compared to major US technology companies in the benchmark. For the sovereign part, AXA Group's portfolio score is better than the index one, as the benchmark has a higher allocation to US government bonds compared to European government bonds which have generally higher ESG scores.

Responsible investments policies

AXA Group also recognizes that some social, societal, environmental, or more general ethical issues are particularly sensitive and require a cautious approach. Complementary to the aforementioned metrics and initiatives, and in order to fulfill its overall RI strategy, AXA Group has developed over time specific sector guidelines and business restrictions that seek to address those issues:

- Coal and Oil and Gas, now merged in a unique Energy policy;[2]
- Ecosystem conversion and Deforestation policy;[3]
- Derivative investments in food ("soft") commodities;[4]
- Tobacco;[5]
- Human Rights;[6]
- Controversial Weapons.[7]

For more details on AXA Group responsible investments policies please refer to the "Appendix" to this Report.

ESG scores for AXA Group's investments - FY 2023

ASSET CLASS		ESG	E	S	G	% OF AUM COVERED BY THE ESG SCORE
Corporate debt	AXA Group	7.1	7.3	5.1	5.7	95%
	Benchmark[8]	6.8	7.2	5.0	5.7	96%
Equities	AXA Group	7.2	6.5	5.3	5.8	91%
	Benchmark[9]	6.8	6.6	5.1	5.6	100%
Government debt	AXA Group	6.2	4.6	7.2	6.8	99%
	Benchmark[10]	6.0	4.8	7.3	6.4	100%
Corporate debt + equities	AXA Group	7.1	7.2	5.1	5.7	94%
Corporate debt + equities + government debt	AXA Group	6.6	5.7	6.4	6.4	97%

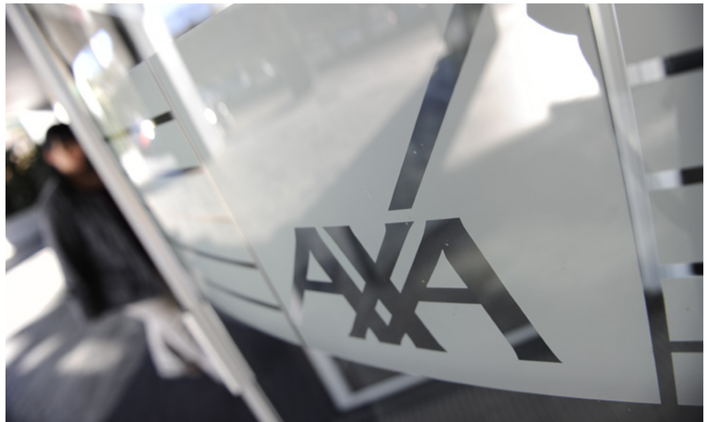
1. Artificialization of an environment, of a natural or semi-natural habitat is the loss of its qualities. The term refers to the loss of biodiversity and ecosystems destruction. Artificialization corresponds to the transformation of an environment due to the human presence.
2. AXA Group Energy policy, July 2023.
3. AXA Group Ecosystem conversion & Deforestation policy Natural World Heritage Sites policy, October 2021.
4. AXA Group policy on derivative investments in food ("soft") commodities.
5. AXA Group policy on the tobacco industry.
6. AXA Group AXA Group policy on human rights.
7. AXA Group Policy on Controversial Weapons.
8. Corporate debt: Ice BofAML Global Broad Market Corporate.
9. Equity: MSCI World AC.
10. Sovereign debt: JPM GBI Global.

⊙ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

Consideration of ESG criteria in the allocation of new management mandates

AXA Group's assets are principally carried out by AXA IM on behalf of the Group. For General Account mandates, AXA IM (and selected third party asset managers) are all required to notably comply with Group's RI policy including the application of sector-based restrictions to sectors or companies that face acute social, human rights, ethical or environmental challenges. Additionally, the Group encourages delegated third party asset managers to integrate further ESG considerations into their investment decision-making as well as to be signatories of the UN Principles for Responsible Investment.

c. AXA's implementation plan for its own operations



1. Our own operations impacts on climate change

AXA Group is determined to address climate change through its core operations. AXA Group has identified that its own operations may have a negative impact on climate through its GHG emissions from heating and cooling, IT equipment and data centers, car fleet, and business travel. To reduce its impact and make sure it actively reduces its GHG emissions, AXA Group has set up an environmental management system for the entire Group. The annual environmental reporting enables AXA Group to track the progress made against a set of targets that are regularly updated to reflect the Group's ambition. Entities are coordinated and have assigned targets but also benefit from regular training, best-practice sharing, and guidelines.

The results of this policy are displayed in detail in the table with the GHG emissions from energy, car fleet, business travel and IT.

As part of its new AXA for Progress Index, AXA Group has set for its own operations as an exemplary company the target to contribute to Net-Zero by 2030, i.e. reducing by 50% its GHG emissions related to energy Scope 1 and 2, car fleet and business travel compared to 2019, and offsetting the remaining emissions with high quality carbon credits.

GHG emissions indicators of AXA Group

(GHG EMISSIONS EXPRESSED IN TCO_2EQ)	BASE YEAR 2019	2022	2023	TARGET 2025	% 2023/BASE YEAR
SCOPE 1 GHG EMISSIONS					
Gross Scope 1 GHG emissions	33,617	21,382	21,598	-25%	-36%
SCOPE 2 GHG EMISSIONS					
Gross market-based* Scope 2 GHG emissions	59,232	37,172	30,712	-35%	-48%
SIGNIFICANT SCOPE 3 GHG EMISSIONS					
Total gross indirect (Scope 3) GHG emissions market-based	258,541	185,354	169,296		-35%
Total GHG emissions of energy, car fleet, business travel and purchase services and capital goods related to IT (excluding commuting) (used in "AXA for Progress Index" (2021-2023))	228,295	126,436	150,458 ⊘	-20%	-34%

*Market-based: reflects emissions from electricity that companies have purposefully chosen, notably the choice of renewable electricity.

GHG emissions related to energy consumption, car fleet, business travel and IT decreased by 34% between 2019 and 2023. AXA Group offset residual emissions of its own operations for 2023 (150,458 tCO_2 eq ⊘) through five projects selected by the Group and focusing on: rural biogas development in China, a solar power project in Morocco, the restoration of the Mayan jungle of Calakmul, Mexico, as part of two community-based projects, and the improvement of forest management practices in San José del Rincon, Mexico.

⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

2. Embracing Artificial Intelligence with responsibility

Artificial Intelligence (AI) holds potential to unlock value for our customers and improve efficiency in our operations. However, the use of AI and particularly large language models entails substantial energy consumption. According to the International Energy Agency, the surge in AI is one of the trends that could lead to data centers consuming more than double the energy between 2022 and 2026[1].

Training an AI model is a computationally intensive process, and the latest models emitted significant amounts of CO_2e during their development. For example, the training of GPT-3, the model ChatGPT uses, is said to have caused the emission of 552 tCO_2e[2]. Using AI models in production is also very energy demanding. Each request from users triggers a complex operation. While a conventional API request only initiates a simple database lookup, a query to an AI model result in a computationally intensive operation where billions of parameters are activated to produce the output.

As few cloud providers provide data regarding CO_2 emissions for AI-related services today, AXA data science teams have started working on their own projections based on expert estimates. Our latest scenarios indicate an energy consumption of 8–51 Wh per request. Depending on whether we assume the servers are in France or in Western USA, this corresponds to emissions of 3-8 g CO_2e per request[3].

In comparison, a Google search query is reported to cause 0.2 g CO_2[4].

These findings are still rough estimates, and we expect cloud providers to become transparent on their footprint to improve our calculations. But we presume at this stage that we need to proactively anticipate potential future impacts and guide today's decisions that will fuel our GHG Information and Communication Technology (ICT) footprint in the future.

As part of its effort to contribute to reducing pressures on climate and nature, AXA Group engages with a variety of stakeholders, both present in its value chain or external.

1. Data centers are significant drivers of growth in electricity demand in many regions. After globally consuming an estimated 460 terawatt-hours (TWh) in 2022, data centers' total electricity consumption could reach more than 1,000 TWh in 2026.This would be equivalent to the energy consumption levels of Japan.
2. Carbon Emissions and Large Neural Network Training Paper.
3. Carbon footprint modeling tool benchmark.
4. Powering a Google search.

3. AXA's engagement strategy

a. AXA's engagement strategy along the value chain

1. Engagement strategy along the value chain as an investor

As an investor, AXA Group targets to conduct yearly outreach with the top management of issuers in its investment portfolio (listed corporate debt & equity). These meetings give the Group an opportunity to review and discuss long-term strategies, risk appetite and ESG commitments with each investee company. As part of its Net-Zero Asset Owner Alliance (NZAOA) commitment to transitioning its investment portfolio to Net-Zero GHG emissions by 2050, AXA Group has specifically initiated engagement with the largest contributors to its investment portfolio carbon footprint since 2023. The Net-Zero engagement objectives include assessing issuers' commitments, strategy, and performance in achieving their 2030 and 2050 Net-Zero targets, as well as aligning AXA Group's investments with its intermediate and 2050 Net-Zero commitments. The engagement outcomes are presented on a yearly basis to the Responsible Investment Committee (RIC) chaired by the Chief Investment Officer (CIO). Basedon these recommendations, AXA Group can decide to restrict the investments on issuers. The decisions can range from applying investment constraints to divestment on corporates deemed unlikely to be aligned with AXA Group's ambitions.

In the context of its Net-Zero engagement, AXA Group selected 22 issuers in 2023, representing a third of its portfolio's carbon footprint. In 2024, AXA Group targets to engage with companies representing approximately 50% of its portfolio's carbon footprint. This year, the most represented industries were utilities, energy and materials.

AXA Group considers the utilities sector to be at the forefront of the energy transition, with leading companies embracing new business models. Key strategic drivers include coal exit, massive investments in low carbon technologies and transmission grid upgrade to manage renewable power integration. For instance, one issuer we engage with yearly has reduced its 2023 Scope 1 GHG emission intensity per kWh related to power generation by more than 50% since 2017 thanks notably to a change of its power generation capacity mix. The issuer allocates 80% of its capex to low carbon technologies and grids and is committed to exit coal by 2027. The 2030 and 2040 Net-Zero targets are validated by SBTi.

With regards to Energy industry players, AXA acknowledges that they face significant challenges in aligning their business models with a Net-Zero trajectory. As a result, AXA Group restricts its investments to a few energy groups which it identifies as the most proactive in addressing the energy transition see AXA Energy policy for further information.

Finally, the materials sector is a more diverse one, comprising issuers with different business models. While some are making progress towards achieving their Net-Zero targets, others are engaged in hard-to-abate activities and face significant challenges in reducing their greenhouse gas emissions due to the nature of their operations and the limited availability of economically viable low-carbon technologies for the time being.

For more information on AXA Group's engagement strategy with investee companies, please refer to AXA's 2023 Universal Registration Document at section 4.3 "Climate and Biodiversity."

Separately, AXA IM, as AXA's manager, engages directly with investee companies, and as part of a coalition of investors, with companies in key sectors. AXA IM has a thematic approach to engagement on which it applies two different strategies: "engagement with objectives," and "sustainability dialogue."

For more information on AXA IM, AXA's asset manager's voting/ engagement strategy with investee companies, please refer to AXA IM's Article 29 LEC Report.

2. Engagement strategy along the value chain as an insurer

In addition to engagement activities undertaken as an investor, AXA Underwriting entities also engage with insurance clients, brokers, and agents on ESG matters.

In 2022, in connection with the AXA Group Energy policy, a specific engagement initiative was performed with select oil and gas companies directly, or through their brokers, to assess their plans for the energy transition. AXA Group engaged with companies on the following factors and key performance indicators, including past, present, and future aspirations:

Energy transition strategy, based on:

- Low-carbon asset strategy (including % of dedicated CAPEX);
- Climate governance and policy;
- Net-Zero commitments; and;
- Carbon Disclosure Project (CDP) score.

Emissions management based on:

- GHG intensity;
- Scope 1 and 2 absolute emissions;
- Scope 3 emissions;
- Methane emissions;
- Gas flaring; and;
- Emissions reduction targets.

AXA also looks at additional factors in the oil and gas industry, besides climate strategy and consecutive transition plans: pollution prevention plans and oil spill response certification.

As part of the 2023 announcement of new insurance objectives, AXA Group set an engagement target with top 200 largest commercial clients globally to increase their knowledge about climate impacts, transition efforts and associated risks as well as sources of emissions, solutions, and the benefits of disclosure. We are conscious that commercial clients are not all facing the same challenges with global climate transition efforts, and one role of the Group is to help by engaging to understand their unique risks and needs with regards to the climate transition.

In 2022, a specific broker engagement initiative was launched by AXA XL's Environmental team in France, working with insurance broker Marsh to assess and mitigate biodiversity related risks. AXA XL France's clients were asked to complete environmental risk prevention audits with measurable criteria. Clients with industrial sites were encouraged to carry out initial biodiversity diagnostics and incorporate the results into their risk management plans. To support clients' efforts to be responsible, AXA XL France offers lower client deductibles for environmental risk policies.

3. Engagement strategy along the value chain as a company

Engagement of AXA supply chain

As a Group, we are cognizant of our role in society and engaged in our corporate responsibility and sustainable development agenda. Aware of the societal impact of our business, we continually strive to engage with our vendors and suppliers regularly on ESG topics:

- We conduct pre- and post-contractual checks on our vendors (general expenses & IT) on ESG topics, with a particular focus on GHG emissions;
- Our supplier selection process for key contracts RFPs integrates ESG criteria, with an emphasis on suppliers' commitment to reducing their carbon footprint with credible transition plans[1], as well as their carbon emissions and third-party ESG ratings;
- Post-contract, we encourage our existing suppliers in high ESG risk procurement categories and with a significant yearly spend as determined on the basis of our internal sustainability risk matrix, to share an ESG assessment performed by a third party ESG evaluator. This helps us to monitor our vendors' social, ethical, and environmental practices, thus guaranteeing expertise, transparency and independence of the assessments. If an existing supplier has a low ESG rating or is involved in a severe ESG controversy, we will request our supplier to provide us with a remediation plan to improve;
- We annually review the ESG performance of our key vendors[2] during executive reviews with them and agree on an action plan to enhance their contribution to our sustainable strategy.

In preparation for the CSRD in 2024, AXA's focus will be on:

- Collecting suppliers' GHG emissions data and enhancing their transparency;
- Encouraging our suppliers to set and achieve credible climate transition plans, with a view to reducing our Scope 3 emissions in respect of purchased goods and services;
- Supporting our suppliers in this journey through the Group's pilot initiative with 39 suppliers, who are amongst our highest emitters of GHG without SBTi commitments, to better understand their challenges in order to provide tailored support.

Finally, since May 2024, the Group has been conducting carbon training sessions for AXA Group procurement associates to raise awareness and promote action within the supply chain.

1. Suppliers that have science-based targets with the most far-reaching and credible transition plans.
2. Key vendors are multi-country, strategic players for AXA or smaller innovators that will contribute to our business tomorrow. The objective of this program is to define and implement a renewed approach to manage key vendors with one AXA voice, structure governance, deliver key deals and proactively manage vendor performance. on a case-by case review that aligns with the latest and most ambitious climate science recommendations.

b. AXA's engagement with peers and external stakeholders

AXA Group's sustainability engagement strategy is structured around two distinct dimensions: its internal engagement, with corporate and scientific philanthropic activities supported by the Group, and engagement actions initiated within the various entities of the Group; and its involvement in external initiatives.

AXA Group's corporate philanthropy and volunteering engagement

AXA Group strives to play a positive role in society, building a culture that promotes employee volunteering and financial donations to support the communities in which it operates. Corporate philanthropy and volunteering engagement support AXA Group's sustainability strategy especially in the area of climate change and biodiversity.

The Group supports several climate, biodiversity and ESG initiatives, which are detailed in section 4.4 "Inclusive Insurer - Corporate philantropy and engagement."

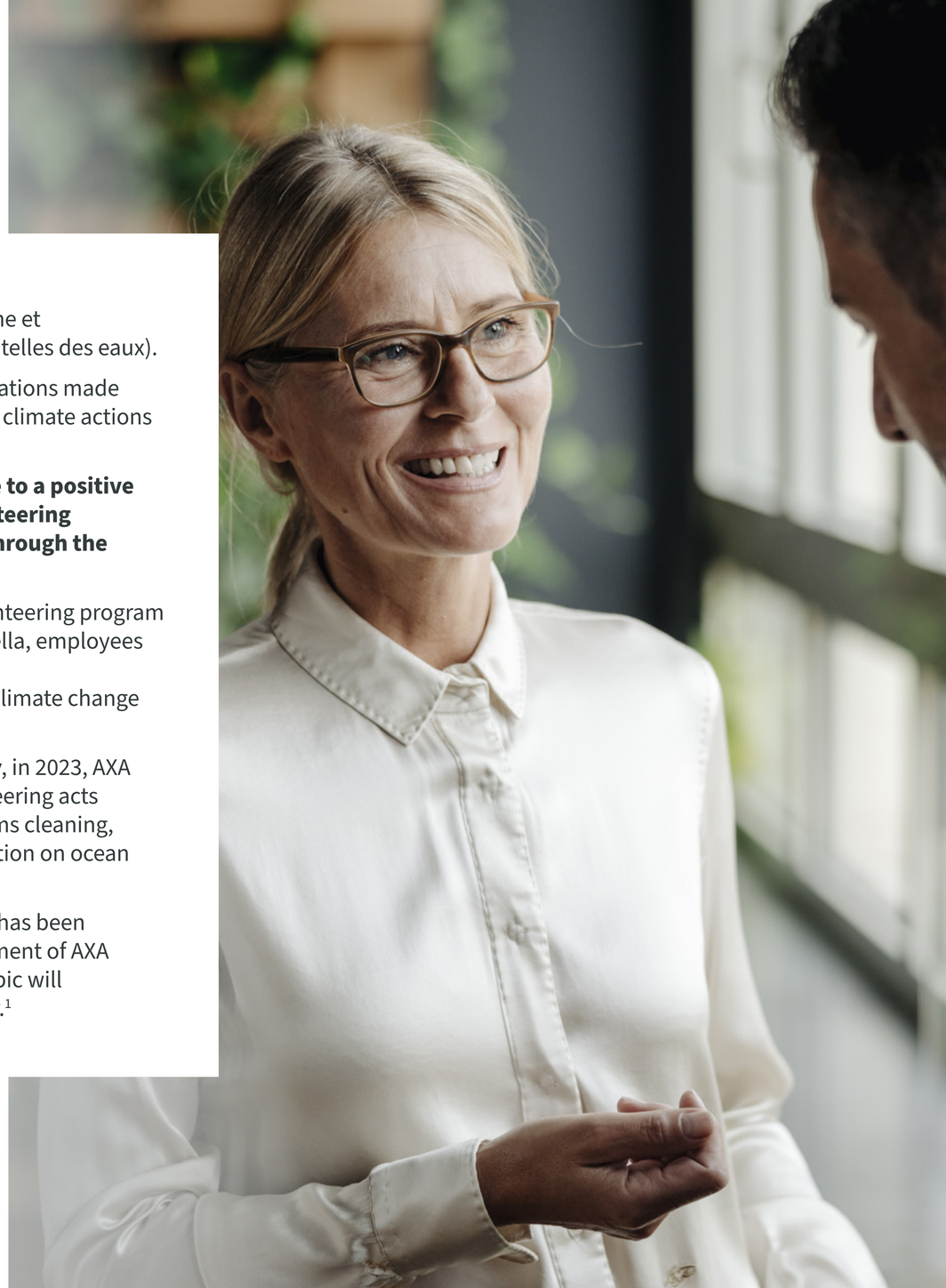
These include the following initiatives:

- The scientific expedition TARA Europa carried out by TARA Ocean Foundation;
- AXA Forests for Good;
- Cedre (Centre de documentation, de recherche et d'expérimentations sur les pollutions accidentelles des eaux).

In 2023, the total amount of philanthropic donations made by AXA SA and the entities to NGOs supporting climate actions is approximately €8.5 million.

At the local level, AXA employees contribute to a positive impact on the society and the planet, volunteering during working hours or in their free time through the following initiatives:

- AXA Hearts in Action is the international volunteering program for AXA Group's employees. Under this umbrella, employees carry out activities on themes aligned with the two pillars of our sustainability strategy: climate change and inclusive protection;
- In the area of climate change and biodiversity, in 2023, AXA employees performed close to 37,650 volunteering acts in favor of the environment such as ecosystems cleaning, trees and mangrove planting, children education on ocean and biodiversity protection; and
- For the past 13 years, the AXA Week for Good has been organized to highlight the community investment of AXA employees. For the 2024 edition, the main topic will be environment with a special focus on water.[1]



1. Employees from all entities are encouraged to perform on-field activities like beach, river, lake, forest cleaning, mangrove planting, initiatives aiming at providing access to clean water to populations in needs, activities aiming at saving water or raising awareness around the importance of water, oceans and rivers, etc., to give a few examples.

AXA Group's global scientific philanthropy, AXA Research Fund

The AXA Research Fund, launched in 2008, is AXA Group's global scientific philanthropy initiative, to address the most important issues facing our planet. It supports human progress by funding research in key areas related to risk, notably climate-related risks and helping inform public and private decision-making based on science. As an example, throughout a partnership, the AXA Research Fund engaged with Swiss Re Foundation, WWF as enabling partners and EY as a service contributor to Swiss Re to take part into the Biodiversity and Ecosystem Services Scenario Modeling Initiative. Five research projects in academic institutions have been awarded to better understand the impacts of biodiversity loss and ecosystem degradation. Each of them received $100,000 to work for two years aiming to provide better understanding and quantification of the biodiversity loss at a global and regional scale.

In 2023, a commitment of €3.3 million allowed the funding of 16 philanthropic research projects and partnerships focusing on climate and environmental risks. For more information on the actions and achievements, please refer to AXA's 2023 Universal Registration Document at section "4.3 Climate Change and Biodiversity Loss – AXA Research Fund contribution on climate change and biodiversity loss research."

AXA Group's support towards climate, biodiversity and ESG initiatives

AXA Group is dedicated to environmental sustainability, climate resilience, and biodiversity conservation through its support for a diverse array of initiatives and partnerships.

These include the following initiatives:

- The Task Force on Climate Related Financial Disclosures (TCFD);
- The Task Force on Nature Related Financial Disclosures (TNFD);
- The Glasgow Financial Alliance for Net-Zero (GFANZ);
- The Net-Zero Asset Owner Alliance (NZAOA);
- The Ocean Risk and Resilience Action Alliance (ORRAA);
- The Sustainable Blue Economy Finance Initiative;
- The Poseidon Principles for Marine Insurance;
- The Climate Finance Leadership Initiative;
- The Alliance of CEO Climate Leaders;
- The Insurance Development Forum (IDF).

AXA Group's support of biodiversity is also evidenced by its participation in various pledges and initiatives, including Act4Nature, "Business for Nature," the "Finance for Biodiversity" initiative, and the Financial Sector Commitment on Eliminating Agricultural Commodity-Driven Deforestation at COP26 ("DEFRA Pledge") and the Joint Declaration on the creation of a global coalition for blue carbon at the One Ocean Summit, held in Brest (France) in February 2022.

These collective efforts underline AXA Group's proactive stance in advocating for biodiversity preservation and aligning its actions with global initiatives aimed at addressing critical environmental challenges.

For more information on these partnerships, please refer to the refer to AXA's 2023 Universal Registration Document at section 4.3 "Climate change, biodiversity loss and ESG-related outreach and engagement."

AXA Group's support of investor and insurance-led coalitions

Over the years, AXA Group has been an active supporter of major investor and insurance-led coalitions, including:

- The United Nations Principles for Responsible Investment (UN PRI), which was launched in 2005 and operates in partnership with the UNEP Finance Initiative and UN Global Compact;
- The United Nations Principles for Sustainable Insurance (UN PSI), established at the 2012 UN Conference on Sustainable Development, underscores its engagement with a global framework addressing ESG risks and opportunities within the insurance industry;
- The UN Global Compact;
- The Carbon Disclosure Project (CDP);
- Observatoire de la Responsabilité Sociétale des Entreprises (ORSE);
- Entreprises pour l'Environnement (EpE); and
- Finance for Tomorrow.

These coalitions illustrate the Group's proactive role in driving positive environmental and social impact across various industry-led sustainability initiatives.

4. Accountability

a. Roles and responsibilities within AXA

Internal means dedicated to the consideration of ESG criteria in the investment strategy

In line with its purpose, AXA Group remains firmly committed to help building a resilient society by putting at the core of its strategy financial inclusion and climate transition. Together with the strong engagement of its people and its partners, AXA Group is committed to bringing value to all its stakeholders over the long-term with its new strategic plan “Unlock the Future” by expanding AXA Group's role in society. All lines of business are concerned by this priority, and work relating to ESG matters is integrated on a day-to-day basis into many of the Group’s functions.

Governance bodies dedicated to the consideration of ESG criteria

AXA Group has established a dedicated governance framework described below in order to develop and implement its sustainability strategy. In this context, the Board of Directors of AXA and its Committees play a major role by reviewing sustainability matters, including the Group’s sustainability strategy and disclosures.

The Board of Directors is assisted by three Committees: the Compensation, Governance & Sustainability Committee, the Audit Committee and the Finance & Risk Committee.

Risk governance framework

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

At the executive level, the Group’s Management Committee has a role in overseeing material sustainability-related initiatives across the Group. The Group Management Committee is supported by the Role in Society Steering Committee (RISSC). This Committee is charged with developing and overseeing the operational implementation of the Group’s sustainability strategy and reviewing material sustainability-related issues faced by the Group as well as monitoring material sustainability-related initiatives across the Group. The RISSC meets monthly and is co-chaired by the Group Chief Underwriting Officer, Group Chief Investment Officer and Group Chief Communication, Brand and Sustainability Officer.

The RISSC reports back to the Group Management Committee on a regular basis concerning material sustainability-related decisions taken or to be taken and issues considered on which Management Committee’s guidance and/or decisions are needed.

Please refer to section 4.1 of AXA’s 2023 Universal Registration Document (“AXA Group’s Sustainability Strategy – Sustainability governance & Stakeholder dialogue”) for more details.

Investments

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

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

Insurance

For insurance specifically, the implementation of the underwriting portfolio decarbonization strategy was overseen by the Property & Casualty (P&C) Net-Zero Transition Working Group, a transversal working group which included representatives from local underwriting teams, Group Underwriting, and Group Sustainability.

The broader AXA Insurance Plan to Net-Zero Framework and accompanying strategy on climate change mitigation, supporting the climate transition, and climate change adaptation is supported in 2024 by the implementation of an expert network led by the Group Underwriting Office, newly created in this network, involving all the major European markets P&C operations as well as AXA XL and AXA Mexico, and key functions such as the Group Sustainability Team, Group Finance, Group Data & Technology, AXA Climate, and AXA Digital Commercial Platform.

Similar to our internal governance in respect of investments, sensitive and/or strategic climate-related decisions debated in the GUC are ultimately approved by the RISSC. In addition, a dedicated team within Group Risk Management analyzes emerging risks which often relate to long-term ESG issues, and monitors their potential impact. The Group Emerging Risk Steering Board issues recommendations to adapt its business offer and underwriting policies.

Integration of ESG criteria into Board governance

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

b. Culture, skills and training among AXA's teams

AXA Group strives to favor a corporate culture that supports its environmental strategy and ambitions. The Group has thus set up adequate compensation policies and put emphasis on skills development and training for all the Group's employees.

Compensation policies concerning the integration of sustainability risks

To engage employees in its purpose and maintain its prominent position in sustainability, AXA Group keeps building environmental, social, and governance (ESG) criteria into its Total Rewards compensation policy.

The Group has reinforced the importance of sustainability within its culture and values through short-term and long-term incentives:

- The Global Leadership Network (top 250 executives) are assessed on qualitative climate and diversity objectives, which are included in their annual target letters;
- A quantitative climate objective is included in the AXA Group performance grid (a reduction in the carbon footprint of the Group's General Account assets, weighting for 15%, impacting around 2,000 employees' variable remuneration);

- Long-term incentives (LTI) include ESG criteria covering a population of around 6,000 employees every year, (i) in performance shares plans, sustainability criteria weighting for 30%, including score AXA versus S&P Global Corporate Sustainability Assessment (DJSI), reduction in Group operations' carbon emissions and increasing the proportion of women in the Group's executive population; and (ii) in restricted shares plans, sustainability criteria linked to AXA Group ranking in the S&P Global CSA. This LTI approach positions AXA Group as one of the leaders on ESG integration in compensation.

For the performance shares granted in 2024, the Board of Directors decided to (i) replace the relative criterion linked to the DJSI index with the internal criterion of reducing the Group carbon intensity in General Account assets.

Please refer to sections 3.2 "Executive Compensation and Share Ownership" and 4.2 of AXA's 2023 Universal Registration Document "AXA Group's Sustainability Strategy – AXA: a purpose-driven and inclusive organization" for more details.

Actions being implemented to support the 2024-26 strategy

To support its sustainability strategy and ensure that sustainability issues are integrated across its value chain, AXA is committed to continually develop appropriate skills and knowledge among its organization. To this end, the 2024-2026 upskilling program of the Group aims at continuing to enhance cultural transformation among employees, by training them on climate change adaptation by 2026, this ambition being part of the AXA for Progress Index.

c. Risk management

AXA Group's approach to integrating environmental criteria into risk management

The Group's management of sustainability risks is part of a comprehensive system of internal controls and risk management applying to all Group entities, as described more extensively in AXA's Annual Report. The Group is engaged in the insurance, reinsurance, asset management and banking businesses on a global scale. As such, it is exposed to a wide variety of risks, including market, credit, insurance, operational and other material risks.

AXA Group's sustainability risk assessment

In 2023, the Group has conducted an internal risk assessment to identify its key sustainability (i.e. non-financial) risks and assess their materiality, in accordance with the requirements of Directive 2014/95/EU related to extra-financial reporting (NFRD).[1] This exercise will be updated in 2025 with the coming into force of the CSRD.

The sustainability risk assessment is updated every year and involves several Group functions in the following exercise:

- Firstly, risk factors for each area related to sustainability (governance, responsible employer, climate change and biodiversity loss, inclusive insurer and business behavior) are identified, based on sustainability risks studied in prior years and the AXA Future Risks Report, which outlines major trends on the risk landscape for society at large;
- Secondly, those risks are cross-referenced with the AXA Group Operational Risk Profile and compared against the S&P Global Corporate Sustainability Assessment (the "S&P CSA");
- Finally, following this comparison, these risks are assessed by an expert panel (first internal and then cross sectoral external), using the AXA Group Operational Risks guidelines, to analyze and rate the risks based on three criteria: severity, frequency and impact on interests and expectations of stakeholders. Each expert is asked to rate the risk(s) related to his or her expertise. The outcome is a rating representing, for each risk, the overall materiality (considering the ratings on severity and frequency) and the overall impact on interests and expectations of stakeholders.

The results of the sustainability risk mapping are approved by the Group Audit Risk & Compliance Committee (ARCC) each year.

For the purposes of this Report, the following risks in the area of climate change and biodiversity were identified as key for the Group:

- AXA Group's impact on biodiversity loss;
- AXA Group's impact on climate change as an investor / impact of climate change on AXA Group as an investor;
- AXA Group's impact on climate change as an insurer / impact of climate change on AXA Group as an insurer;
- AXA Group's own operations' impact on climate change / impact of climate change on AXA Group's own operations;

In respect of biodiversity loss, only AXA Group's impact on biodiversity loss (i.e., inside out perspective only) has to-date been identified as a sustainability risk.

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

The CSRD, which is applicable to financial years starting on or after January 1st, 2024, will introduce many improvements linked to sustainability reporting notably on biodiversity and on the concept of "double materiality" in the context of corporate sustainability reporting in the EU. This approach considers, for the company, (i) the risks and opportunities associated with sustainability matters (i.e., financial materiality), and (ii) the positive and negative impacts on sustainability matters (i.e., impact materiality).

Supervisory Stress Tests: Climate Scenario Analysis

Assessing climate change risks is a growing priority across the financial services industry. It is also an integral part of AXA Group's risk management framework.

AXA Group endeavors to continuously enhance its overall understanding and assessment of the potential climate change risks and impacts, and to further develop internal climate scenario analyzes and risk management frameworks to address climate change risk specificities.

Scenario analysis and climate stress tests based on different trajectories of future climatic, macroeconomic, and financial conditions are relevant tools to conduct forward-looking assessments of potential vulnerabilities related to climate change risks. These tools allow the Group to adapt risk management frameworks to the specificities of climate change risks, whose trajectories and impacts are particularly unpredictable.

The development of climate scenario analyses and stress testing has been accelerating, starting with the "pilot climate exercise" launched in June 2020 by the ACPR (Autorité de contrôle prudentiel et de résolution, the French banking, insurance and reinsurance regulator). Similarly, the Bank of England and the Prudential Regulation Authority (PRA) ran their "Climate Biennial Exploratory Scenario" (CBES) exploratory exercise in 2021 with the objective of testing the resilience of current business models of the largest banks and insurers to the financial risks associated with climate change. This was followed by a new voluntary ACPR climate stress test exercise in June 2023 dedicated to the insurance sector (the "2023 Stress Test Exercise").

AXA Group contributed to these exploratory exercises and sees the use of climate scenario analysis as an opportunity to map out potential long-term implications of climate change on its investment portfolios and insurance business. Through this type of active cooperation with supervisory authorities and industry peers, AXA Group aims to keep improving its framework, which is aimed at addressing medium (5 to 10 years) to long-term (30 years) climate change risks, although the exercise is highly uncertain, and many methodological challenges remain.

This latest climate stress test exercise proposed methodological developments compared against the pilot to explore coherent scenarios of physical and transition risks over both the short term (2027) and the long term (2050), measuring the potential impacts of the climate change risks on the balance sheets and profitability of the insurance companies. The stress test exercise aimed at studying the impacts of climate change on the short term focusing on insurer's solvency, and on the long-term, assessing the potential "uninsurability" of certain geographical areas in France. The long-term scenarios were based on the IPCC RCP 4.5 (orderly and delayed transition) whereas the short-term scenario was fully designed by the ACPR focusing on France and considering two years of droughts in 2023 and 2024, followed by heavy floods in 2025 leading to a dam failure in the south of France, seeking to evaluate the solvency impacts on insurance companies of such an event.

Available climate change scenarios also offer high-level narratives to illustrate the potential trajectories of the economy under different scenarios but are difficult to translate into near-term climate change implications and the transition for private and public decision makers. This inherent uncertainty increases with the length of the time horizon. The projections for the scenarios are based on historical data. The scenarios employed in the Group's Own Risk and Solvency Assessment ("ORSA") are as follow:

AXA Group's ORSA scenarios

CORRESPONDING TEMPERATURE RISE	ASPECTS COVERED	SCENARIO	SOURCE	TIME FRAME	SCOPE
1.9 (2050 median)	Physical risks	SSP2-RCP4.5	IPCC	Medium term (2040-2060)	Residential, industrial and commercial LoBs
2.4 (2050 median)	Physical risks	SSP2-RCP8.5	IPCC	Medium term (2040-2060)	Residential, industrial and commercial LoBs
1.8 (2050 median)	Transition risks	Disorderly transition	NGFS	Short term (instantaneous shock)	General Account assets

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

In addition, the quantitative exercise carried out as part of the ACPR stress test highlighted AXA Group's responsible investment strategy and the impact of its historical divestment from carbon-intensive sectors.

The Group has identified that AXA can further decrease this exposure through active investment decisions concerning the reorientation of fixed income maturities to best in class by sector with:

- A preference for corporates with formal low-carbon commitments;
- A limitation on investment maturities; and
- Engagement actions encouraging corporates to implement a low-carbon economy strategy.

Impact on insurance activities:

Physical risks to AXA Group's property and casualty business

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

For the P&C business, the physical risks of climate change that would most affect this business by 2050, under a pessimistic scenario (RCP 8.5), are rising temperatures, rising sea levels, and extreme precipitation.

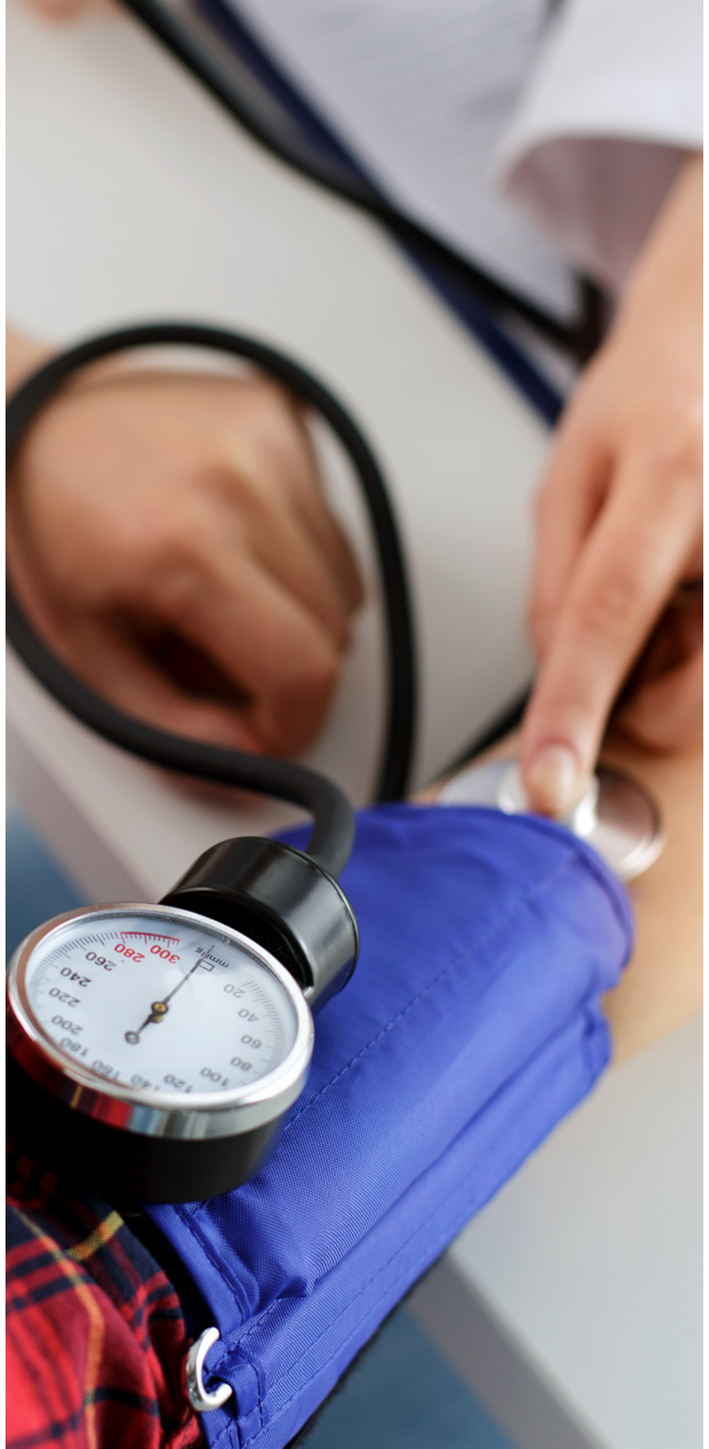
Flood: Risks linked to extreme rainfall are likely to become more severe and more common by 2050 in some regions, including North America, and Northern and Eastern Europe, where they could be multiplied by up to 2.5 compared with the current risks using a pessimistic projection scenario (RCP 8.5 and a portfolio exposure evolution of 1% per year accounting for a steady growth and inflation) according to some climate data.

Tropical cyclones: Precipitation rates are expected to increase and coastal flooding from storm surges due to rising sea levels will also become more frequent. It is likely that the frequency of the most intense tropical cyclones (Category 4 and 5 storms) will increase in the future. Tropical cyclones can also cause significant flooding, landslides and other secondary effects. Climate change is expected to exacerbate these impacts, as rising sea levels increase the vulnerability of coastal areas and heavy rainfall becomes more common in some regions.

Droughts: As the Earth warms, the spatial extent and length of droughts is expected to increase by 2050, notably in the Mediterranean, Southern Africa, Australia, and Central and South America.

Due to the Group's worldwide exposure, which affords a high level of intrinsic diversification, the possible evolution of future P&C Natural Catastrophe (NatCat) claims remains driven mainly by changes in future exposure (demographic changes and wealth growth), rather than an increase in the climate hazard itself. The Group's current studies show that, in France, the flood risk would increase by 1.5% per year up to 2050 (80% due to evolving exposure and 20% due to changing physical flood characteristics) under a pessimistic climate scenario in which GHG emissions continue to rise to the end of the century. Such a change could be managed in a timely manner with no significant impact on the Group by adapting AXA Group's underwriting, pricing, reserving or reinsurance strategy and fostering prevention initiatives.

The findings of the 2023 ACPR climate stress test align with previously identified trends: The overall impacts are limited and primarily result from the combined effects of inflation and changes in exposure, outweighing the isolated impact of climate change on natural disasters.



Physical risks to the Group's health and protection business

The Group used the ACPR stress test approach, focusing on two physical scenarios:

Scenario 1: vector-borne diseases (e.g. dengue and malaria)

This scenario considers an increase in the probability of pathogen transmission by vectors such as mosquitoes, ticks and fleas. This is due mainly to rising temperatures resulting in a shift in land that is hospitable to those vectors. This probability varies depending on the place of residence of the insured population and their vulnerability to vector-borne diseases. The timing of the impact depends on the pace of the temperature increase, which remains highly uncertain.

Scenario 2: pollution in urban areas

This scenario considers a deterioration in air quality resulting in a higher rate of respiratory related diseases and deaths. This would impact the following insurance covers: death, health (consultation and hospitalization) and disability (work stoppage).

In 2020, AXA Group estimated that AXA's health and protection business would be rather resilient to climate change impacts over a 30-year period. The main financial impact would come from the pollution scenario and, in particular, the consequences on life insurance. Nevertheless, this impact was expected to be limited because, even using a very conservative approach, the assessed impact would be absorbed through management actions such as realistic repricing.

In 2021, AXA Group also conducted a six-month study on the impact of climate change on its health and protection business by deriving AXA's own air pollution mortality shocks. Without applying any reactive management actions such as repricing, AXA Group's internal study confirmed the relative resilience of the AXA Health & Protection business to climate change in general and the air pollution scenario in particular. This had already been demonstrated during the climate pilot exercise.

In 2023, the conclusions of the latest ACPR climate stress test were derived from a less pessimistic scenario (RCP 4.5 instead of RCP 8.5), resulting in limited impacts.

Physical risks to the Group's real estate assets

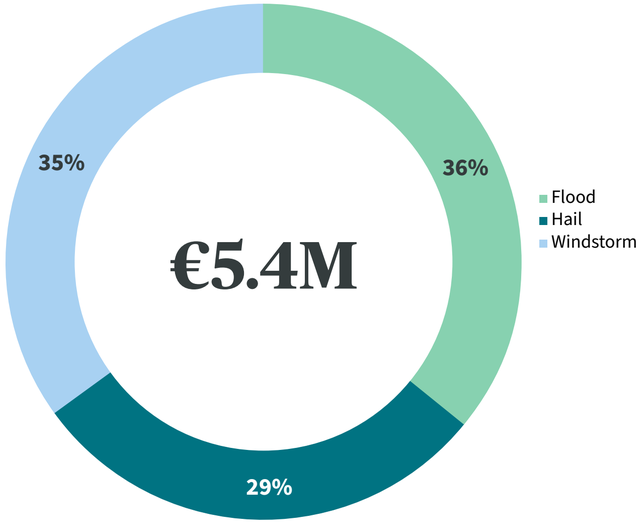
The Group's assets might be exposed to physical risks through direct property investments.

Extreme weather events may also impact real estate assets, which are subject to both physical and transition risks in TCFD terminology. AXA Group has a significant amount of claims-related data to conduct a physical risks analysis of its real estate portfolio. The underlying climate mechanisms overlap with property (re)insurance but the impacts differ significantly when looking at such assets from an investor's perspective.

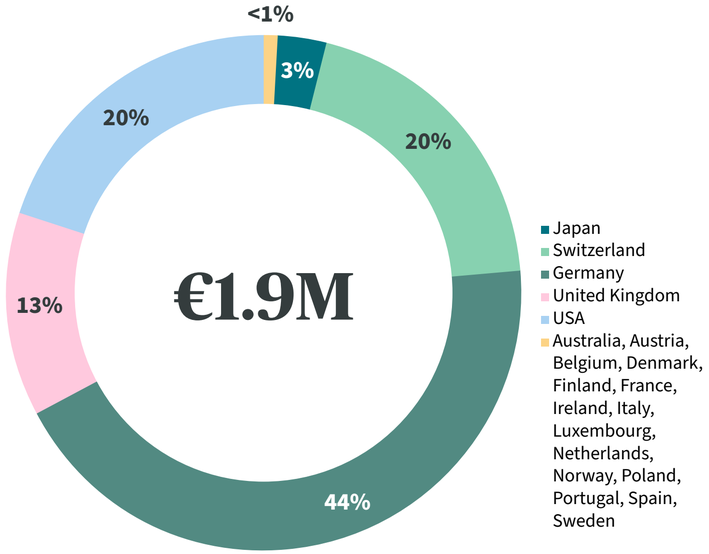
Since its first Climate Report in 2015, AXA Group has studied the effects of climate change on its real-estate holdings. This analysis covers a range of direct property investments totaling more than €45 billion in 2023. AXA Group's Responsible Investment and Risk Management teams analyzed the financial impact of floods, windstorms and hail on these properties in a selection of 20 nation states that make up close to 85% of its portfolio.

According to research using AXA Group's proprietary Clymene analytic platform, average annual losses (AAL) are still small in comparison to the value of all assets. The analysis currently uses asset-level data that depends on the geolocation of buildings, as well as their primary occupancy. The following key figures provide the results of the assessment based on the average annual loss for each country.

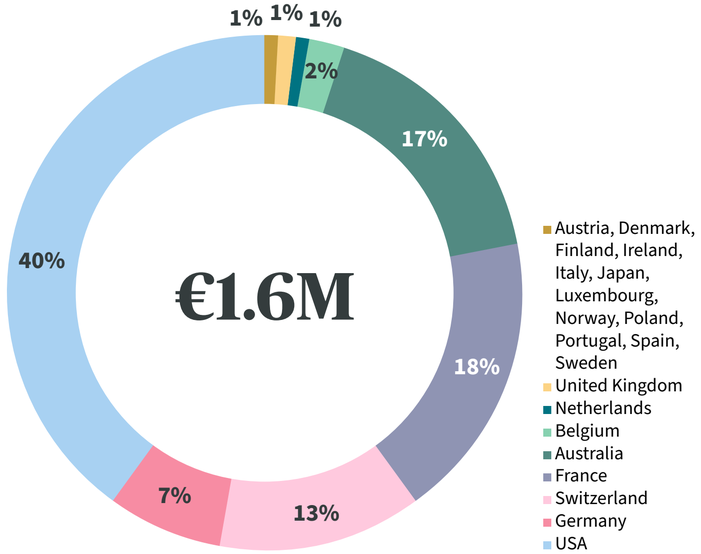
Average annual loss per peril



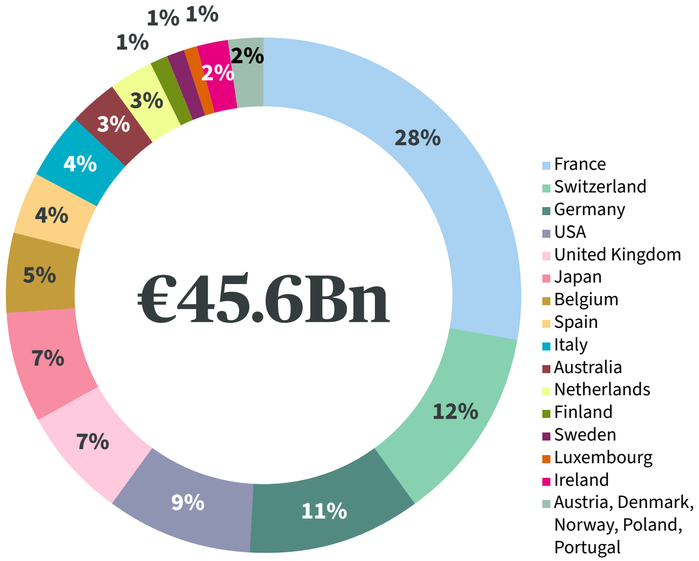
Average annual flood loss per country



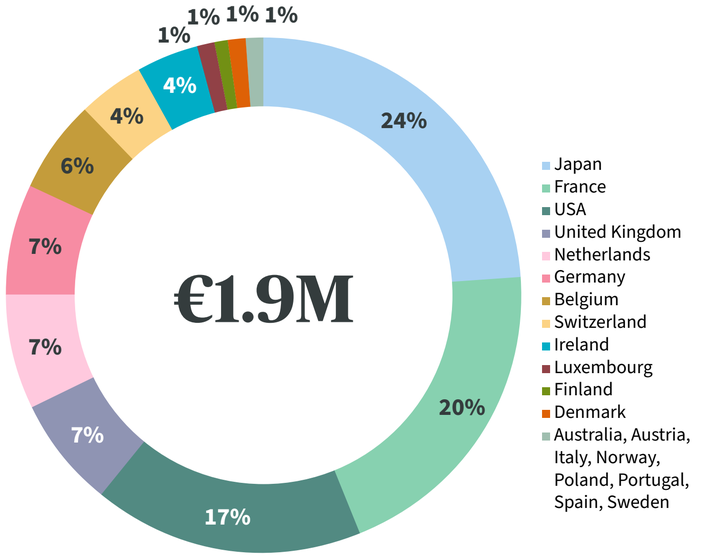
Average annual hail loss per country



Global assets allocation



Average annual windstorm loss per country



AXA Group's real-estate exposure is global, with the majority of its portfolio located in Europe (80%). The portfolio's highest risk exposure is to floodings (36% of the AAL), followed by windstorm (35%) and hail (29%). The total average annual loss for the 2023 real-estate portfolio amounted to an estimated €5.4 million. This figure was calculated in proportion with AXA Group's stake in each property. Furthermore, Germany leads the AAL in terms of the risk of flooding (44%), followed by the United States and Switzerland (20%). Japan, the United States and France account for 61% of the average annual loss due to windstorms. The United States, France and Australia make up 75% of the AAL for hail hazards.

Physical risks to AXA Group's own operations

Climate change may also impact AXA Group's own operations mostly via the physical risks incurred by its buildings and the disruption in activities they can cause. Climate hazards can also impact the health and safety of the Group's employees. This risk was identified in the ESG risk assessment conducted in 2023. Operational resilience seeks to ensure the continuity of services to AXA Group's customers, through the protection of its employees and operations in case of major events including climate hazards. AXA Group's operational resilience teams are working to reduce those risks and ensure the appropriate level of readiness to effectively respond. A dedicated governance oversees the management of incident and crisis events across the Group.

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

A comparable approach is employed within AXA Group's Vendor Risk Framework, where critical providers undergo assessment and monitoring across multiple dimensions, particularly focusing on business continuity. This includes a dedicated evaluation of the current and potential future physical risks to which those vendors are exposed.

Transition risks to AXA Group's investments

Climate-related risks could have adverse long-term macroeconomic effects that may affect all sectors, especially under a disorderly transition scenario. Nevertheless, based on the ACPR 2023 pilot climate stress test exercise and AXA's 2023 ORSA stress tests, the impact of financial market scenarios on AXA Group's investments is estimated to be rather limited. This is due notably to AXA Group's low exposure to the carbon-intensive sectors likely to be most affected by the climate transition. Indeed, the quantitative exercise carried out as part of the ACPR stress test highlighted AXA Group's responsible investment strategy and its significant divestment from carbon-intensive sectors.

The CPRS method is used at the Group level to quantify potential exposure to transition risks: Climate Policy Relevant Sectors (CPRS) is a classification of economic activities defined by Professor Stefano Battiston[1] providing a standardized and actionable classification of activities where revenues could be affected (positively or negatively) in a disorderly transition to a low-carbon economy, based on energy technology (i.e., fossil fuels or renewable energy).

CPRS are identified considering: (i) their direct and indirect contribution to GHG emissions, (ii) their relevance to climate policy implementation (i.e., their cost sensitivity to climate policy change) and (iii) their role in the energy value chain (technology). For this reason, the CPRS classification is regarded as a reference for climate-related financial risk assessment and has been used by several international financial institutions to assess investors' potential exposure to climate transition risk.

CPRS includes six economic sectors (fossil fuels, utilities, energy intensive, transportation, buildings and agriculture with mapping to NACE classification) which are identified by considering their direct and indirect contribution to GHG emissions, their relevance to climate policy implementation and their role in the energy value chain.

Based on the CPRS classification, the Group's exposure to industries potentially affected by transition risk is contained, as they represent 23% of the overall considered exposure (General Account assets). Of note, 67% of the corporate bonds exposure belonging to a CPRS sector is expected to mature by 2030.

As part of its 2023 ORSA, AXA Group made an estimate of the transition risks of its investments by using the scenario proposed by EIOPA as part of the 2022 climate stress test required by the IORP II Directive on the activities and supervision of institutions for occupational retirement provision.[2] The 2022 EIOPA climate scenario reflects a sudden, disorderly transition to carbon neutrality due to delayed policy action. This scenario explores high transition risks compared to an orderly transition scenario.

For its ORSA, the Group simplified the EIOPA IORP scenario by focusing its analysis on corporate bonds and listed equities (General Account assets) to assess how portfolios could be exposed to and impacted by the most penalized sectors and stranded assets. For this purpose, we considered the credit spread shocks and equity price changes by sector, while ignoring the other shocks on interest rates and other asset classes.

The overall impact at the Group level of transition risks based on this EIOPA scenario (IORP) is equivalent to approximately -9% of the shocked assets' market value.

Liability risks to the Group's business

The insurance business could be impacted in several ways by the growth of climate change-directed litigation. AXA, as the Group's parent company, has identified potential areas of impact:

- **Underwriting:** Certain P&C coverage (e.g. general liability, professional indemnity and directors and officers liability insurance) could be particularly impacted by climate change litigation. The sectors that have been identified as most at risk include carbon intensive sectors, sectors exposed to the physical risks of climate change (including utilities and farming) and the financial sector;
- **Investments:** Strategic climate change litigation against corporates could jeopardize insurers' existing investments, impair businesses' corporate strategies, expose investee companies to financial risks (including defense costs and damages claims), impact insurers' investment portfolios and devalue carbon-intense assets;
- **Governance:** Insurers increasingly have regulatory and legal obligations with regards to climate risk governance, scenario analysis and stress testing, as well as climate related disclosure requirements. Businesses are under increasing stakeholder scrutiny to consider and disclose the impact of climate related risks on company investments and operations. If and when climate litigation risk is seen as a financial risk, institutions may be required by law to quantify and disclose the risks and the potential impact that climate change litigation can have on their income statements and balance sheets. To mitigate the risks presented by climate change litigation, AXA closely monitors the potential impacts on underwriting, investment and shareholder engagement, corporate governance and the company's reputation.

1. Battiston et al. (2017). "A climate stress-test of the financial system," Nature Climate Change 7, 283- 288.
2. Directive (EU) 2016/2341 of the European Parliament and of the Council of December 14, 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs).

Appendix

Summary tables of key metrics

CO_2 intensity by enterprise value including cash detailed by sector and geography

	DECEMBER 2019	DECEMBER 2022	DECEMBER 2023
Total CO_2 intensity (in tons of CO_2 equivalent/€ million EVIC)	**65.3**	**41.5**	**34.2** ⊘
CO_2 intensity of AXA's investments per asset class			
Listed corporate debt	73.5	47.7	39.4
Listed equities	57.6	43.4	31.4
Real estate equity	7.3	6.5	7.9
CO_2 intensity of AXA's investments per sector			
Basic materials	275.6	261.2	220.6
Communications	16.5	16.3	17.2
Consumer, cyclical	64.9	28.6	25.6
Consumer, non-cyclical	26.7	22.1	23.0
Energy	291.7	269.8	263.5
Financial	1.9	1.3	1.3
Industrial	127.8	101.5	83.3
Technology	5.1	6.6	4.5
Utilities	421.4	229.4	207.0
Others	160.4	112.3	126.9
Real estate	7.3	6.5	7.9
CO_2 intensity of AXA's investments per geography			
America	71.0	49.6	43.5
Asia	187.4	103.9	95.4
Europe	50.1	29.0	21.8

Sources: Trucost S&P, AXA

Financed emissions detailed by sector and geography

	DECEMBER 2019	DECEMBER 2022	DECEMBER 2023
Total financed emissions (in kilotons of CO2e)	**11,663**	**5,494**	**4,532** ⊘
Financed emissions of AXA's investments per asset class			
Listed corporate debt	10,384	4,851	4,076
Listed equities	1,150	522	302
Real estate equity	129	121	153
Financed emissions of AXA's investments per sector			
Basic materials	1,397	873	629
Communications	190	130	128
Consumer, cyclical	583	177	157
Consumer, non-cyclical	618	365	353
Energy	1,801	775	610
Financial	146	70	77
Industrial	1,823	921	642
Technology	25	31	21
Utilities	4,865	2,007	1,749
Others	87	23	13
Real estate	129	121	153
Financed emissions of AXA's investments per geography			
America	3,691	2,013	1,805
Asia	2,423	1,126	966
Europe	5,372	2,212	1,657

Sources: Trucost S&P, AXA

⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

CO_2 intensity by revenue detailed by sector and geography

	DEC-2022	DEC-2023
Total CO_2 intensity by revenue (in tons of CO_2 equivalent/$m)	163	116 ⊘
CO_2 intensity by revenue of AXA's investments per asset class		
Listed corporate debt	166	118
Listed equities	142	99
CO_2 intensity by revenue of AXA's investments per sector		
Basic materials	482	396
Communications	43	46
Consumer, cyclical	92	63
Consumer, non-cyclical	158	106
Energy	561	338
Financial	20	20
Industrial	287	210
Technology	46	45
Utilities	913	682
Others	37	98
CO_2 intensity by revenue of AXA's investments per geography		
America	180	141
Asia	279	290
Europe	114	71

Sources: Trucost S&P, Beyond Ratings, AXA

⊘ Climate and Biodiversity metrics covered by a limited assurance conclusion, please refer to section "Independent Limited Assurance Report" for details.

CVaR results

		AXA GROUP		
		FY 2021	FY 2022	FY 2023
Aggregated Climate Risks	1.5° Orderly	-10.5	-10.1	-9.5 ⊘
	3° NDC	-7.0	-6.9	-5.6 ⊘
Physical Risk	1.5° Orderly	-3.0	-3.0	-2.5
	2° Orderly	-4.0	-4.0	-3.5
	2° Disorderly	-4.3	-4.2	-3.6
	3° NDC	-5.9	-5.9	-4.3
Policy Risk	1.5° Orderly	-8.7	-8.2	-9.3
	1.5° Disorderly	-12.0	-11.6	-10.9
	2° Orderly	-2.1	-1.9	-1.9
	2° Disorderly	-6.0	-5.7	-4.0
	3° NDC	-1.3	-1.2	-1.7
Technological Opportunities	1.5° Orderly	1.2	1.1	2.3
	1.5° Disorderly	2.1	2.0	3.4
	2° Orderly	0.4	0.3	0.5
	2° Disorderly	0.6	0.6	0.6
	3° NDC	0.2	0.2	0.3
% of AUM covered by the CVaR		63%	61%	66%

Sources: MSCI, AXA

Responsible investment policies

Coal and Oil and Gas, now merged in a unique Energy policy

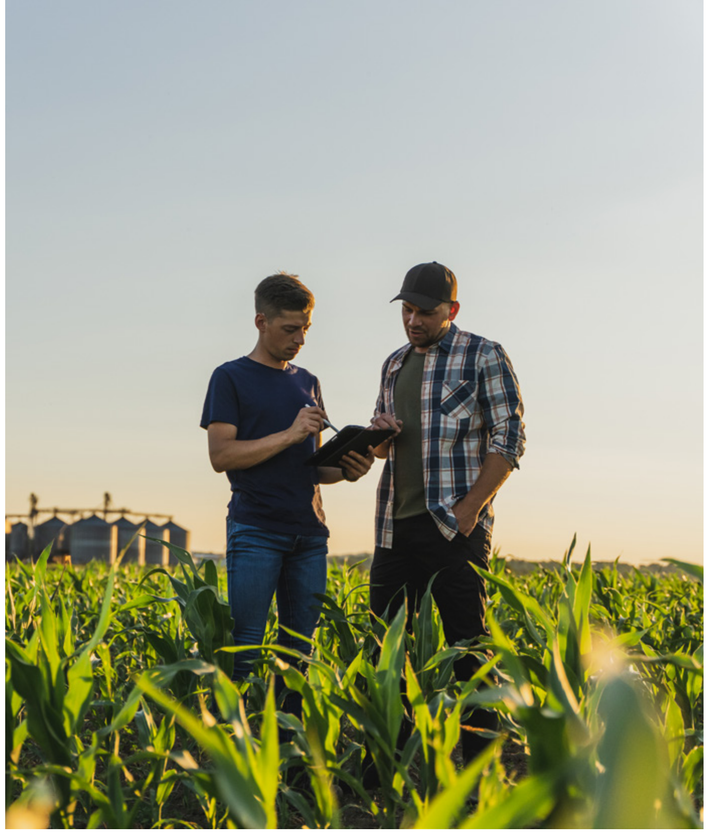
AXA Group believes it is critical to accelerate the transition of the energy sector towards a more sustainable model, consistent with Net-Zero trajectories. This transition can only happen by encouraging companies to implement ambitious climate transition plans. Over time, AXA Group has put in place restrictions to address certain activities in sectors that may pose certain risks to AXA Group whilst also aiming to contribute to the transition toward a more sustainable and less carbon-intensive economy. More details on the Coal and Oil and Gas restrictions can be found in AXA Group's Energy Policy.

Ecosystem conversion and Deforestation policy

Details on this policy can be found on AXA Group's Ecosystem conversion and Deforestation policy.

Derivative investments in food ("soft") commodities

Being a responsible long-term investor, AXA Group strives not to participate in short-term instruments (such as commodity futures) based on food ("soft") commodities or enter into speculative transactions that may contribute to price inflation in basic agricultural or marine commodities. The list of identified commodities currently covers wheat, rice, meat, soy, sugar, dairy, fish and corn.



Tobacco

The rise of non-communicable diseases (NCDs) such as cancer, heart disease and chronic respiratory illnesses changes AXA's role as a health insurer: prevention is becoming more important. In this context, AXA Group decided in 2016 to disengage and cease its General Account's investments in the tobacco manufacturing industry. AXA Group believes that this is not compatible with its stated objectives to promote health and prevent the risk of disease. Further details can be found on AXA Group's Tobacco policy.

Human rights

As an investor, with respect to human rights risks, AXA Group has implemented various responsible investment policies and built an analytical framework to identify potential indirect impacts on human rights. With respect to its General Account, AXA seeks to avoid any adverse human rights impact that might be associated with its investments activities by applying the exclusion list derived from the Group's Human Rights policy. The ESG assessment of the companies in which AXA Group has invested, or contemplates making an investment, incorporates the following human rights-related inputs:

- Fundamental principles such as those of the United Nations Global Compact, the International Labor Organization (ILO) as well as OECD recommendations;
- The reputation and potential controversies regarding these companies. This policy is reviewed and updated on a regular basis and applied in respect of the AXA's General Account. Further details can be found on AXA Group's Human Rights policy.

Controversial weapons

AXA's policy is in line with international conventions regarding the production and use of certain weapons.

For more information on AXA Group's policies, please refer to AXA Group's website.

Methodological notes

Climate metrics overview table[1]

METRIC TYPE		ASSET CLASS	DATA PROVIDER	WHAT IS MEASURED?
Warming potential (WP)		Sovereign debt	BEYOND RATINGS	Contribution to global warming, expressed in °C
Implied temperature rise (ITR)		Listed corporate debt & equity	MSCI	Contribution to global warming, expressed in °C
Climate value-at-risk (CVaR)	**Physical risks costs**	Listed corporate debt & equity	MSCI	Impact of extreme weather events (asset damages and business interruption), expressed in % of Enterprise Value (EV)
	Policy risks costs			Impact of CO_2 emissions reduction, expressed in % of Enterprise Value (EV)
	Technological opportunities			Revenues related to technological opportunities (green revenues & patents), expressed in % of Enterprise Value (EV)
Carbon intensity		Listed corporate debt & equity	Trucost ESG Analysis S&P Global	EVIC-based carbon intensity of AXA's portfolio, expressed in T.eq. CO_2/€m EVIC (normalized per Enterprise Value Including Cash). Financed emissions of AXA's holdings, expressed in T.eq.CO_2 Revenue-based carbon intensity of AXA's portfolios, expressed in T.eq.CO_2/$m of revenues
		Real estate equity, direct infra debt & equity	AXA Investment Managers	EVIC-based carbon footprint of AXA's portfolio, expressed in T.eq. CO_2 /€m EVIC (normalized per Enterprise Value Including Cash). Financed emissions of AXA's holdings, expressed in T.eq.CO_2
		Sovereign debt	THE WORLD BANK IBRD • IDA | WORLD BANK GROUP	Production emissions per Purchase Power Parity (PPP) - adjusted GDP, expressed in T.eq.CO_2/€m GDP-PPP
Biodiversity intensity		Listed corporate debt & equity	Iceberg Data Lab	Biodiversity intensity, expressed in km^2.MSA/€m
ESG scores		Sovereign debt, listed corporate debt & equity	AXA Investment Managers	ESG scores, ranging from 0 to 10 for each ESG pillar, are calculated using AXA IM methodology
Fossil fuel exposure		Listed corporate debt & equity	urgewald; AXA Group Investment	Exposure to Coal, Oil & Gas sector and unconventional Oil & Gas, expressed in €Bn and in % of the total General Account assets

Methodological notes: green assets

To qualify investments as green, AXA Group applies its standards to each of the following asset classes:

- **Green bonds:** The green bonds in which AXA invests are independently labelled based on Bloomberg's Green Bond Indicator (DT607). Bloomberg's definition of what constitutes a market-accepted green bond is based on the 2021 edition of ICMA's Green Bond Principles (GBP)[2]. Bloomberg requires use-of-proceeds to be aligned with GBP to be eligible for green bond designation. This field indicates if the net proceeds of the bonds go towards green projects or activities that promote climate change mitigation or adaptation, or other environmental purposes;
- **Infrastructure:** Investments in infrastructure equity include notably assets complying with the green sectoral classification defined by the Climate Bonds Initiative;[3]
- **Impact investments:** Investments in the Group's Impact Funds targeting climate impacts with clearly defined KPIs, and in the forests with FSC or PEFC certification;
- **Real estate:** AXA Group's definition is limited to assets with a very high level of environmental certification[4] and a minimum Energy Performance Certificate (EPC) rating of "B" or equivalent;

1. This section of the Report contains information sourced from MSCI. For more information on MSCI ESG ratings, including their methodology and disclaimer statement, please refer to www.msci.com/notice-and-disclaimer
2. Available at: https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/
3. Beneficial sectors include solar, wind, bioenergy, hydropower, geothermal, energy distribution, energy storage, transport and water. For more information, see www.climatebonds.net
4. Minimum level BREEAM "Excellent," LEED "Gold" or equivalent.

- **Commercial real estate (CRE):** For CRE debt, AXA Group uses a strict definition of green for loans backing an underlying asset with the aforementioned very high level of environmental certification.

Methodological notes: MSCI Implied Temperature Rise

To obtain an ITR at the company level for a specific temperature scenario, the general idea is to calculate the difference between the companies' projected emissions and the individual carbon budget which is attributed to this company from the global economy carbon budget. This difference is known as the carbon budget overshoot. To do so, the ITR model estimates companies' future emissions through 2050 by considering their current level of emissions and their reported emissions-reduction targets.

After the carbon budget overshoot is known, it has to be converted to a temperature using the science-based TCRE (Transient Climate Response to Cumulative Emissions). The ITR at the company level is then calculated using the following formula:

$$\textit{Company ITR} = 1.55°C + \textit{Relative Carbon Budget Overshoot} \times \textit{Global Budget} \times \textit{TCRE factor}$$

With the TCRE factor given as 0.00045°C/$GtCO_2e$ and the global budget value relative to the year on which the company's data are available.

The ITR model, which has been updated in 2024, considers:

- The remaining carbon budget to keep global warming well below +1.55°C by 2050,
- The amount of greenhouse gas emissions a company can emit (across Scopes 1, 2, and 3) to stay within these limits.

At a portfolio level, the ownership is calculated at first. The ownership ratio corresponds to the amount invested in a company divided by the Enterprise Value Including Cash (EVIC). Then, the relative carbon budget overshoot is obtained by summing up the ownership ratio multiplied by the difference between the projected emissions and the carbon budget for each company. Finally, the portfolio-level ITR is calculated using the same formula as for the company-level ITR.

Methodological notes: Beyond Ratings Warming Potential

Beyond Ratings methodology to compute WP is based on four steps:

1. Project emissions based on policy commitments.

Future GHG emissions are projected following three different scenarios that reflect different levels of national commitments and policies. This results in a range of plausible emissions trajectories, from more optimistic Net-Zero targets to the more pessimistic business-as-usual scenarios.

2. Estimate a country's annual "carbon budget" in line with a given temperature rise scenario.

The **global GHG budget** is the amount of cumulative GHG emissions that would limit global warming to a given level. Each **country's share of this global budget** is estimated using Beyond Ratings CLAIM internal model. The carbon budget for each country is representing the maximum quantity of greenhouse gases it can emit while remaining aligned with a specific temperature limitation objective, such as a 2°C increase. Then, it is compared to the projected GHG emissions.

3. Calculate the difference between a country's carbon budget and its projected emissions.

This difference is referred to as the **emission's gap**. The gap is calculated for each of the three projected emissions scenarios.

4. Calculate the associated end-of-the-century global temperature rise.

The assumption is made that all countries, in relative terms, **overshoot or undershoot** their carbon budget to the **same extent**. Based on that, the associated end-of-the-century global temperature rise is calculated.

Example of France:

According to its NDCs, France forecasts emissions of 241 $MtCO_2e$ in 2030 for a carbon budget of 313 $MtCO_2e$, enabling it to stay below an increase of 2°C. This means that France's projected emissions are lower than its budget, leading to a WP of 1.8°C, indicating that if all countries adopted commitments similar to those of France, the global temperature rise could be limited to around 1.8°C by the end of the century.

Methodological notes: MSCI Climate Value-at-Risk

The three components of Climate VaR which AXA Group evaluates against different climate scenarios are:

Physical Risk Climate VaR

Physical climate risk scenarios define the possible climate-related consequences of increased greenhouse gas emission levels and the ensuing financial implications (i.e., burdens or opportunities) for businesses and their investors. The Physical Risk Climate VaR metric assesses the level of exposure and vulnerability of companies to increasingly frequent and severe extreme weather events. This metric combines chronic climate risks, which refer to long-term shifts in climate patterns such as extreme heat, extreme cold, heavy precipitation, heavy snowfall and strong winds, and acute climate risks, which refer to event-driven physical risks such as coastal flooding, river flooding, tropical cyclones, low river flows and wildfires.

This metric thus evaluates the potential economic losses in a changing climate environment based on a given climate scenario. The main challenge when applying the Physical Risk metric lies in capturing all possible extreme weather events. In addition, this metric focuses only on the assets owned by a particular company, as identified by MSCI, and does not account for the sustainability of the infrastructure, grids or other necessary components that enable the assets to operate and generate revenue for the company.

Policy Risk Climate VaR (transition costs)

Policy Risk Climate VaR evaluates the potential economic losses for companies if they fail to adapt their activities to a given climate scenario (1.5°C, 2°C or 3°C scenario) and associated transition pathways. The transition to a low-carbon economy through market and regulation changes may negatively impact businesses and their investors.

Two kinds of risks come from the transition:

- Direct policy risk with specific costs on companies' emissions: this includes costs coming from the introduction of a carbon tax and required abatements in emissions for companies.
- Indirect policy risk arising from a changing demand and possible higher input costs for companies due to climate regulation. Transitioning to a low-carbon economy implies using costlier energy sources and a potentially higher demand for electricity. Electricity suppliers can therefore pass through the increase in costs for operating new energy sources to final clients.

The Policy Risk Climate VaR metric assesses how regulations stemming from countries' nationally determined contributions (NDCs) affect the company's greenhouse gases.

Technology Opportunity Climate VaR (green opportunities)

The transition to a low-carbon economy may generate new opportunities for businesses and investors, particularly through the advancement of green technologies. The Technology Opportunity Climate VaR metric evaluates possible future revenues that companies could generate from green opportunities. While this metric is not the only factor when estimating future green revenues, it notably looks at green patents and current low-carbon revenues. Consequently, this metric assesses the potential economic revenues for companies taking a carbon-reduction path in line with a specific climate scenario (i.e., the 1.5°C, 2°C, or 3°C scenario) and the associated transition pathways.

Climate scenarios and model updates

AXA Group is evaluating Climate Value-at-Risk along five scenarios as last year. These scenarios are derived from the Network for Greening the Financial System (NGFS) research. The NGFS scenarios are recognized by central banks and supervisors, making them a credible reference in the field. A selection of five NGFS scenarios has been made to cover a spectrum of temperature increases ranging from +1.5°C to +3°C by 2100. These NGFS scenarios also consider two distinct approaches to transitioning to a lower-carbon economy: an orderly transition and a disorderly transition

Climate Value-at-Risk scenarios

SCENARIO NAME	MSCI NAME	COMMENTS
Net-Zero by 2050	1.5°C REMIND NGFS Orderly	The two REMIND NGFS 1.5°C scenarios are very similar in terms of emissions pathways and temperature warming. Where they differ is in the use of low-carbon technologies, with the disorderly scenario using more low-carbon sources of technology in various sectors and the orderly scenario using slightly more carbon sequestration.
Divergent Net-Zero	1.5°C REMIND NGFS Disorderly	
Below 2°C	2°C REMIND NGFS Orderly	The REMIND NGFS 2°C scenarios are similar to the 1.5°C scenarios in terms of electricity generation fuel mix in 2050 and, for the Orderly 2°C scenario, in terms of carbon sequestration use. Where they differ is how fast the transition happens, the year emissions reach Net-Zero emissions and the projected carbon prices needed to reach the temperature target.
Delayed Transition	2°C REMIND NGFS Disorderly	
NDC	3°C REMIND NGFS	The 3°C scenario assumes a slower pace of decarbonization than more ambitious scenarios and is based solely on current nationally determined contributions (NDC) of each country.

Sources: MSCI, AXA

MSCI has made several major updates to the CVaR model, some of which come from the revised climate scenarios of the NGFS (phase 4 scenarios data). The most significant changes concern the horizon change and the baseline emissions: data on the different climate scenarios now have an end-year in 2050 compared to 2100 before; emissions pathways have a higher starting point because world emissions have been higher than expected, resulting in steeper emissions reduction curves for each scenario. At first sight, those changes should result in a higher risk (more negative CVaR) due to an increase in the Transition Risk.

Methodological notes: biodiversity measurement

Biodiversity, contraction of biological diversity, is defined as the diversity of species, genes within these species, and ecosystems in which these species live. This academic definition lies far from what could be used by an investor to capture the full picture of its biodiversity impact.

Corporate Biodiversity Footprint (CBF) and its limitations

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

CBF covers **four pressures on the seven** identified by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES): land use change, climate change (CO_2 emissions), air pollution (NoX emissions), water pollution. Three pressures are not yet covered due to the lack of sufficient knowledge on their impact or the capacity to measure them: natural resources overexploitation is one of them:

- The natural resources overexploitation as it includes the overfishing or harvesting species (for medicinal use) impacts which are still difficult to measure;
- The impact on sea use change pressure (e.g. wind farms, aquaculture, shipping routes) is still difficult to assess;
- The role of invasive species in the diversity loss of other species.

IDL is continuously working to integrate missing pressures to its model.

As it is based on MSA, CBF shares most of its advantages and drawbacks with MSA. It is easily understandable and gives a general indication on the potential impact of a corporate on biodiversity. MSA (and CBF by extension) is scientifically backed and used as a reference metric by IPBES, Intergovernmental Panel on Climate Change (IPCC) and the Convention on Biological Diversity (CBD).

However, CBF is still in development and could present some limitations:

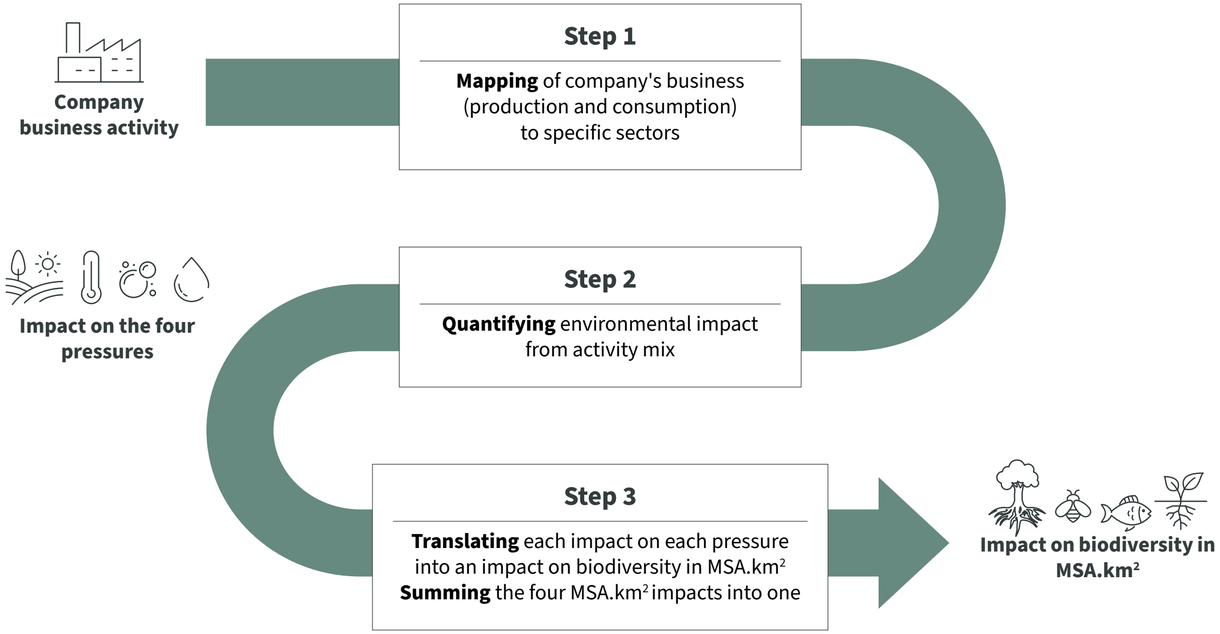
- The impact of corporates on biodiversity is always approached through the pressures they exert on the environment following the IPBES classification. CBF only covers four of them. However, IDL is continuously working to integrate missing pressures to its model.
- It favors a top-down approach from sectoral data, thus not accounting for local specificities of companies. This comes from the fact that CBF is heavily relying on estimated data.
- It is based on a wide range of assumptions.

Conclusions on the most important pressures by companies are almost always the same when companies belong to the same sector of activity. That is primarily due to the lack of data availability at the local level, and the predominance of sectoral data in the model. Corporate Biodiversity Footprint covers the GHG Protocol: the Scope 1 representing the direct impact of corporates on biodiversity loss through their activity; Scope 2 representing the indirect effects following the use of energy by the company; and Scope 3 representing the indirect impacts on nature in the company's supply chain, both upstream and downstream.

Using CBF, companies end up with different biodiversity intensity. However, as these intensities are mainly obtained from sectoral and financial data, caution should be exercised when asserting that one company has a greater impact on biodiversity than another.

Corporate Biodiversity Footprint (CBF) is computed using a three steps methodology. At the company level, this methodology could be presented as follows:

Corporate Biodiversity Footprint methodology



Portfolio-level biodiversity intensity

CBF is expressed in km², as for Mean Species Abundance (MSA). At the portfolio level, company figures could simply be added up to obtain an absolute biodiversity footprint of the investee companies. This number could then be weighted by the ownership in the investee companies. The result for a company i would be given by the following formula and expressed in km²:

$$Biodiversity\ Footprint_i = \frac{AUM_i}{EVIC_i} \times CBF_i$$

With respectively AXA Group's assets under management for company i, the enterprise value including cash of company i, the CBF in km² of the company i.

With the AXA Group's purpose of disclosing our biodiversity impact from an investment perspective, Biodiversity footprint is not the most appropriate indicator as it is expressed in km² and does not weigh the absolute CBF with our share of investments in a company. For this reason, we chose to report our investments biodiversity impact thanks to the biodiversity intensity metric. The biodiversity intensity formula at the portfolio level is expressed as follows:

$$Biodiversity\ intensity\ formula_i = \frac{Owned\ CBF_i}{Total\ Covered\ Market\ Value\ of\ Sector} = \frac{\frac{AUM_i}{EVIC_i} \times CBF_i}{Total\ Covered\ Market\ Value\ of\ Sector}$$

With "Total Covered Market Value of Sector" being the total market value covered for the sector the company belongs to.

Remarks on biodiversity intensity results

The challenges of calculating financial sector impacts are particularly relevant: Scope 3 is highly dependent on the level of disclosure (volumes of revenues associated by type of activity, sectoral allocation of funding, etc.) on each of the categories of financial activities (loan books, fund management, intermediation, other financial services, etc.). While relative transparency on loan books is currently provided by banks, detailed information on other activities is not available. This leads to a high level of approximation in calculations impacting the resulting data quality. CBF is a purely estimated metric allowing investors to identify the economic activities contributing most to biodiversity loss.

TCFD/TNFD guidance tables

TCFD guidance table

THEMES	TCFD RECOMMENDATIONS	CORRESPONDING SECTIONS OF THE REPORT
Governance Describe the organization's governance of climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities b) Describe management's role in assessing and managing climate-related risks and opportunities	Chapter 4. Accountability - a. Roles and responsibilities within AXA
Strategy Describe the existing and potential impacts of climate-related risks and opportunities on the organization's activities, strategy and financial planning, to the extent that the information is relevant.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long-term b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Chapter 1. AXA's vision and strategic approach Chapter 2. AXA's implementation plan Chapter 4. Accountability - c. Risk management
Risk management Describe how the organization identifies, assesses and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks b) Describe the organization's processes for managing climate-related risks c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Chapter 4. Accountability - c. Risk management
Indicators & targets Describe the indicators and targets used to assess and manage climaterelated risks and opportunities, to the extent that the information is relevant.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Chapter 1. AXA's vision and strategic approach Chapter 2. AXA's implementation plan

TNFD guidance table

THEMES	TNFD RECOMMENDATIONS	CORRESPONDING SECTIONS OF THE REPORT
Governance Describe the organization's governance around nature-related dependencies, impacts, risks and opportunities.	a) Describe the Board's oversight of nature-related dependencies, impacts, risks, and opportunities b) Describe management's role in assessing and managing nature-related dependencies, impacts, risks, and opportunities	Chapter 4. Accountability - a. Roles and responsibilities within AXA
Strategy Describe the actual and potential impacts of nature-related dependencies, impacts, risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.	a) Describe the nature-related dependencies, impacts, risks, and opportunities the organization has identified over the short, medium and long-term b) Describe the effect nature-related risks and opportunities have had on the organization's business, strategy, and financial planning c) Describe the resilience of the organization's strategy to nature related risks and opportunities, taking into consideration different scenarios d) Disclose the location[1] where there are assets and/or activities in the organization's direct operations, and upstream and/or downstream and/or financed	Chapter 1. AXA's vision and strategic approach Chapter 2. AXA's implementation plan Chapter 4. Accountability - c. Risk Management
Risk management Describe how the organization identifies, assesses and manages nature-related dependencies, impacts, risk and opportunities.	a) (i) Describe the organization process for identifying and assessing nature-related dependencies, impacts, risks and opportunities in its direct operations (ii) Describe the organization's approach to identifying nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s) and financed activities and assets b) Describe the organization's process for managing nature-related dependencies, impacts, risks, and opportunities, and actions taken in light of these process c) Describe how processes for identifying, assessing, and managing nature related risks are integrated in the overall risks management d) Describe how affected stakeholders are engaged by the organization in its assessment, and response to nature-related dependencies, impacts, risks and opportunities	Chapter 4. Accountability - c. Risk management
Indicators & targets Disclose the metrics and targets used to assess and manage relevant nature-related dependencies, impacts, risks and opportunities.	a) Disclose the metrics used by the organization to assess and manage material-nature related risks and opportunities in line with its strategy and risk management process b) Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature c) Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks, and opportunities, and its performance against these	Chapter 1. AXA's vision and strategic approach Chapter 2. AXA's implementation plan

1. Locations that are in High integrity ecosystems; and/or Areas of rapid decline in ecosystem integrity; and/or Areas of high biodiversity importance; and/or Areas of water stress; and/or Areas where the organization is likely to have significant potential dependencies and/or impacts.

Independent Limited Assurance Report

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Limited assurance report from one of AXA's statutory auditors on identified Sustainability Information presented in the AXA Group's Climate and Biodiversity Report for the year ended December 31, 2023

To the Board of Directors of AXA,

In our capacity as statutory auditor of AXA and in accordance with your request, we have undertaken a limited assurance engagement on a selection of sustainable KPIs (hereinafter the "identified Sustainability Information") presented below and identified with a in the Report in accordance with ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information (hereinafter the "Framework") presented in the AXA Group's Climate and Biodiversity Report for the year ended December 31, 2023.The identified Sustainability Information is as follows:

- KPI 1: Carbon intensity by revenue, covering listed Corporate debt & equity, for AXA Group scope;
- KPI 2: Carbon intensity by GDP, covering Sovereign debt, for AXA Group scope;
- KPI 3: Carbon intensity normalized per Enterprise Value Including Cash, covering listed Corporate debt & equity, for AXA Group scope;
- KPI 4: Carbon absolute emission, covering listed Corporate debt & equity, for AXA Group scope;
- KPI 5: Implied Temperature Rise (listed Corporate debt & equity), for AXA Group scope;
- KPI 6: Warming potential (Sovereign debt), for AXA Group scope;
- KPI 7: Climate Value at Risk for listed Corporate debt & equity, for AXA Group scope;
- KPI 8: Amount of Green Bonds, for AXA Group scope;
- KPI 9: Carbon footprint of group's operations, for AXA Group scope;
- KPI 10: Corporate Biodiversity Footprint, for a limited scope of portfolio dedicated to life insurance products (individual savings) of AXA France;
- KPI 11: Coal exposure, for AXA Group scope;
- KPI 12: Unconventional oil & gas exposure, for AXA Group scope;
- KPI 13: Overall oil & gas exposure, for AXA Group scope.

Limited insurance conclusion

Based on the procedures we have performed as described in the "Nature and scope of work" section and the evidence we have obtained, nothing has come to our attention that causes us to believe that the identified Sustainability Information presented in the report is not compliant, in all material respects with the Criteria. We do not express any assurance conclusions on the identified Sustainability Information in respect of earlier periods or on any other information included in the AXA Group Climate and Biodiversity Report. In particular, we have not reviewed and do not provide assurance over other individual project information reported.

Preparation of Information

The absence of a commonly used generally accepted reporting standards or a significant body of established practice on which to draw to evaluate and measure the identified Sustainability Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time. Consequently, the identified Sustainability Information needs to be read and understood together with reference to the following Criteria, used by AXA to prepare the selected Sustainable Information, the material elements of which are available upon request:

- KPI 1-4: S&P Global – Trucost Data Methodology Guide – Corporate Environmental Performance for « Corporate » and The World Bank – Sovereign ESG portal for « Sovereign »;
- KPI 6: LSEG Beyond Ratings – CLAIM methodology;
- KPIs 5 and 7: MSCI Climate Value-at-Risk and Implied Temperature Rise;
- KPI 8: Guide to Green Bonds on the Terminal – Understanding the Bloomberg Green Bond Universe;
- KPI 9: AXA Environmental Reporting Protocol, 2023;
- KPI 10: Iceberg Data Lab – Corporate biodiversity footprint methodology;
- KPI 11-13: Urgewald– Global Oil & Gas Exit List & Global Coal Exit List ; BICS Classification.

Inherent limitations in preparing the identified Sustainabillity Information

The Information identified in terms of sustainable development may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and the quality of external data used. Moreover, some information is sensitive to the choice of methodology and the assumptions and/or estimates used for its preparation.

AXA's Responsibilities

Management of AXA is responsible for:

- selecting or establishing the Criteria for preparing the identified Sustainable Information;
- the preparation of the identified Sustainable Information in accordance with the Criteria;
- designing, implementing and maintaining internal controls over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

Responsibility of the independent statutory auditor

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained;
- and reporting our conclusion to AXA Group Direction.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

Professional standards applied

We performed our limited assurance engagement in accordance with the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement and the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board.

Independence and Quality control

Our independence is defined by the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Means and resources

Our work was carried out by an independent and multidisciplinary team of five people and took place between the 1 May and 30 June 2024.

Nature and scope of work

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the identified Sustainable Information is likely to arise. The procedures we performed were based on our professional judgement. In carrying out our limited assurance engagement on the identified Sustainable Information, we:

- conducted interviews with the people responsible for preparing the identified Sustainable Information and gaining an understanding of the Company's processes, control environment and, where appropriate, the information systems used to produce the identified Sustainable Information;
- assessed the appropriateness of the Criteria defined by the Company for producing the identified Sustainable Information, with regard to AXA's specific circumstances. We also assessed the relevance, completeness, reliability, objectivity and understandability of the Company's selected Criteria, with due consideration of industry best practices when appropriate;
- with regard to investment KPIs (i.e. all of the above KPIs except KPI 9):
  - verified that the total assets under management, used as the basis for calculating the Information, are consistent, according to the scope studied, with the elements used as a basis for the preparation of the annual financial statements or consolidated financial statements for the year ended December 31, 2023 published by the Company;
  - verified the consistency of data communicated by third parties (e.g., greenhouse gas emissions) by implementing analytical procedures, based on representative samples, in order to corroborate changes in relation to the previous year and reconciliations with public information regarding the relevant assets;
  - evaluated, on a sample basis, the process for collecting and compiling the data used to produce the Information, in order to assess completeness and accuracy thereof in relation to the Criteria, and implementing procedures to verify the proper consolidation of the data collected to produce the identified Sustainable Information.

• With regards to KPI 9:
- verified the consistency of this indicator with the indicator presented in the consolidated statement of non-financial performance for the year ended December 31, 2023 for which we issued a limited assurance conclusion report on 18 March 2024;
- verified the consistency of the methodology specified by AXA in its procedures with the methodology applied to determine this indicator presented in the consolidated statement of non-financial performance (DPEF) for the year ended December 31, 2023;
- assessed the overall coherence of the identified Sustainability Information in AXA Group's 2024 Climate and Biodiversity Report

Our verification work does not cover the review of transition plans that are published in AXA Group's 2024 Climate and Biodiversity Report.

Our audit work may lead us to identify opportunities for improvement in your controls, in which case we will communicate these to you orally or in writing.

Our work did not involve the implementation of procedures on data compiled and reported by a third party and/or methodologies developed by a third party, other than the verification of the consistency of data communicated by third parties by implementing analytical procedures, based on representative samples, in order to corroborate changes in relation to the previous year and reconciliations with public

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Paris La Défense, 28 June 2024

The independent statutory auditor

EY & Associés
Caroline Delérable
Partner, Sustainability

Legal disclaimer

Cautionary statement regarding forward-looking statements and important legal information

This Climate and Biodiversity Report may include statements with respect to future events, trends, plans, expectations or objectives and other forward-looking statements relating to AXA's future business, financial condition, results of operations, performance and strategy as they relate to the climate objectives and other goals set forth herein. Forward-looking statements are not statements of historical fact and may contain the terms "may," "will," "should," "continue," "aims," "estimates," "projects," ="believes," "intends," "expects," "plans," "seeks" or "anticipates" or words of similar meaning. Such statements are based on Management's current views and assumptions and, by nature, involve known and unknown risks and uncertainties; therefore, undue reliance should not be placed on them. In particular, the actual achievement of the climate-related and other goals set forth in this Climate and Biodiversity Report may differ materially from those expressed or implied in such forward-looking statements. Furthermore, many of the factors impacting the achievement of our climate goals may be more likely to occur, or more pronounced, as a result of catastrophic events, including weather-related and other catastrophic events, pandemics, terrorist-related incidents or acts of war. Please refer to Part 5 – "Risk Factors and Risk Management" of AXA's 2023 Universal Registration Document, available on AXA's website (www.axa.com), for a description of certain important factors, risks and uncertainties that may affect AXA's business and/or results of operations. AXA assumes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise, except as required by applicable laws and regulations. This Climate and Biodiversity Report and the information included herein were prepared on the basis of data made available to AXA as of the date of this Climate and Biodiversity Report and are current only as of such date, unless stated otherwise.

This Climate and Biodiversity Report refers to certain non-financial metrics, such as ESG scores, key performance indicators, controversy scores, climate or sustainability-related metrics and benchmarks, as well as other non-financial data, all of which are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used to determine them. Non-financial metrics used herein generally have no standardized meaning and may not be comparable to similarly labelled measures used by other companies. In addition, AXA Group reserves the right to amend, adjust and/or restate the data presented in this Climate and Biodiversity Report, from time to time, without notice and without explanation. The data presented or included in this Climate and Biodiversity Report may be further updated, amended, revised or discontinued in subsequent publications of AXA Group depending on, among other things, the availability, fairness, adequacy, accuracy, reasonableness or completeness of the information, or changes in applicable circumstances, including changes in applicable laws and regulations. The measurement techniques used for determining non-financial metrics and data, including notably the valuation impact of climate change and methods to measure the biodiversity impact, may involve complex modelling processes and research and can result in materially different outcomes and measurements. In addition, the precision of these techniques may vary. The determination and use of non-financial metrics and data, in particular when integrating sustainability risks or the impact of investment decisions on sustainability factors in investment processes, remains subject to the limited availability of relevant data: such data is not yet systematically disclosed by issuers, or, when disclosed by issuers, insureds or other corporate clients, or collected from third-party data providers, it may be incorrect, incomplete or follow different reporting methodologies. Furthermore, most of the information used to determine non-financial metrics or factors is based on historical data, which may not be complete or accurate or may not fully reflect the future non-financial performance or risks of the underlying investments.

Although a rigorous selection process is applied to data providers with a view to provide appropriate levels of oversight, AXA's ESG and other processes, including AXA's proprietary ESG scoring tool, may not necessarily capture all non-financial risks and, as a result, AXA's assessment of the impact of its investment decisions on sustainability factors may not be accurate, or unforeseen sustainability events could adversely affect the performance of the investment portfolio. While the methodologies for non-financial scoring applied by AXA are regularly updated to take into account changes in the availability of data or methodologies used by issuers to disclose non-financial information, there is no assurance that such methodologies are or will be successful at capturing all non-financial factors.

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

This Climate and Biodiversity Report may include or refer to information obtained from, or established on the basis of, various third-party sources, including, but not limited to, third-party benchmarks and indexes. Such information may not have been reviewed by AXA Group or independently verified, and AXA Group does not approve or endorse such information by inclusion thereof or reference thereto. Accordingly, no guarantee, representation, warranty or undertaking, express or implied, is made, and no responsibility or liability is accepted by, AXA Group as to the fairness, adequacy, accuracy, reasonableness or completeness of such information.

In accordance with applicable laws and regulations, AXA's 2023 Universal Registration Document includes, in particular, (i) all the components of the Annual Financial Report (Rapport financier annuel) referred to in Article L. 451-1- 2 (I) of the French Monetary and Financial Code (Code monétaire et financier) as well as in Article 222-3 of the AMF General Regulation (Règlement général de l'AMF); (ii) all information required to be included in the management report of the Board of Directors to AXA's Shareholders' Meeting held on April 23, 2024, prepared pursuant to Articles L. 225-100 et. seq. and L. 22-10-35 et. seq. of the French Commercial Code (Code de commerce); and (iii) all the elements required to be included in the corporate governance report established pursuant to Articles L. 225-37 et. seq. and L. 22-10-8 et. seq. of the French Commercial Code (Code de commerce). This Climate and Biodiversity Report does not form part of AXA's 2023 Universal Registration Document and is not intended to address or provide information in respect of, nor should it be relied upon as addressing, or should any reference herein to AXA's 2023 Universal Registration Document be construed as addressing, any of the abovementioned requirements of (i) the Annual Financial Report, (ii) the management report of the Board of Directors to AXA's Shareholders' Meeting or (iii) the corporate governance report.

Where reference is made to a website in this Climate and Biodiversity Report, the contents of such website do not form part of this Climate and Biodiversity Report.

This Climate and Biodiversity Report is published by the AXA Group on a voluntary basis. A limited assurance engagement has been performed, also on a voluntary basis, on some of the metrics included in this Climate and Biodiversity Report. It does not purport, nor intend to comply with the requirements set out in Directive 2013/34/EU of the European Parliament and of the Council (the "Accounting Directive"), as amended by Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (the "CSRD") and as supplemented by Commission Delegated Regulation (EU) 2023/2772 of July 31, 2023 as regards sustainability reporting standards (the "ESRS"), nor with the requirements set forth in Article 29 of Law No. 2019-1147 of November 8, 2019 and in the Decree No. 2021-663 of May 27, 2021, Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the "Taxonomy Regulation") or Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector (the "SFDR Regulation"), including their respective commission delegated regulations, or with the voluntary disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD).

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