

Employee relations and collective bargaining

Effective labor-management communications and social dialogue pave the way for the stability required to implement the Group's business development strategy. Each AXA Group entity, therefore engages with staff or their representatives for communications on a regular basis. AXA has also set up a European Works Council (EWC), whose extensive role goes beyond regulatory requirements. The EWC is made up of staff representatives from AXA's largest European entities, who meet in order to receive and exchange information on the social, strategic and economic issues that concern the Group and maintain an ongoing dialogue between employees and management.

In June 2009, a Group EWC agreement (available at www.axa.com) was concluded in order to guarantee a high level of social

dialogue. AXA holds two EWC plenary meetings a year – gathering 50 employee representatives from European countries, as well as monthly sessions, held by 12 members of the EWC, to stay abreast of labor and economic developments in each country.

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

Headcount adjustments, mobility and related measures

THE CONDUCT OF RESTRUCTURING

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

- when organizational changes affect jobs, AXA pledges to supply relevant information and, as appropriate in light of local cultures and rules, to consult with employees and their representatives;
- in connection with an information-gathering and consultative process, AXA would provide data and information about possible alternative solutions, where relevant;
- factoring in its employees', customers' and shareholders' interests, AXA undertakes to maximize opportunities for internal and external redeployment, when applicable, for all AXA employees affected by possible employment issues;
- AXA will do its utmost to prevent compulsory redundancies and other collective transfers, by pursuing other approaches whenever possible;
- when geographic mobility is necessary, it must be offered as a matter of priority to employees who volunteer to move, with the process managed with a view to enabling their integration into a new environment under the best possible conditions;

- AXA pledges to acknowledge certain individuals as staff representatives and uphold their liberty, rights and purpose, in line with national legislation and, where relevant, agreements in force in local business units;
- aware that training represents a major investment, both for the Group and for its employees, AXA commits to embrace a continuous-learning culture;
- AXA condemns discrimination of any kind on the basis of gender, color, ethnic origin, genetic form of difference, disability, sexual orientation, language, religion, personal conviction, union membership or political opinion.

In addition, AXA, UNI Europe Finance and all French trade unions signed a major European agreement on anticipating change. The agreement, negotiated within the EWC, sets out an approach for social dialogue, with the purpose of anticipating change in the sector, in order to adapt employee skills to future needs and thus preserve jobs. According to the EWC, this agreement is unique in the insurance sector and it offers significant means to secure employment in Europe.

MOBILITY AND RECRUITMENT

AXA established Group-wide mobility policies and processes and enabled Group-wide posting of internally and externally available jobs. This makes the mobility opportunities for our employees immediately visible, thereby helping AXA better source the right people for its business needs.

In 2014, AXA joined the “Alliance for Youth”, a private sector initiative designed to address youth unemployment in Europe. The Company committed to provide at least 20,000 young people (aged 30 and under) with professional experience over five years in Europe in the form of 10,000 paid apprenticeships and/or internship positions and 10,000 employment opportunities (open-ended or fixed-term contracts). Furthermore, AXA pledges to help increase employability of young people through coaching and training on essential skills and exposure to the work environment. By the end of 2017 (four years after starting the initiative), AXA provided more than 27,200 professional opportunities for the youth in Europe (and more than 53,600 opportunities in AXA globally).

International mobility within AXA Group keeps being an important enabler of organization transformation. The types and duration of cross-borders movements in 2017 were impacted by ongoing changes in the Company; we observed high dependence between international moves and internal announcement while

in the regular years the volume is very much subject to company acquisitions and seasonality.

While the overall volume of international assignments somewhat decreased (in 2017, 788 employees were on international missions), the range of assignment and transfer types kept changing. Long-term assignments which traditionally were the most popular ones, have dropped over the last two years and now represent less than 50% of the moves. Cross-border commuting assignments are becoming more popular, and reached 8% of international assignments (vs. 5% in 2016), global graduates made 11% (vs. 7% in 2016).

The Centers of Expertise in International Mobility established several years ago, for the first year served all the international moves across AXA Group. It is a globally consistent and cost controlled global mobility framework which provides high level service to both assignees (customer satisfaction level based on 2017 results made 87%) and AXA entities (the satisfaction level across HR family made 93%).

WORKFORCE DYNAMICS

| Movements | 2017 | | Evolution | 2016 | |
|---|----------------|-------------|-----------|----------------|-------------|
| Movements of salaried workforce | | | | | |
| Net headcount evolution (entries versus departures) | (2,176) | emp. | | (1,354) | emp. |
| ■ Entries | 16,766 | emp. | -10.7% | 18,784 | emp. |
| ■ Departures | 18,942 | emp. | -5.9% | 20,138 | emp. |
| Movements of salaried non-sales force | | | | | |
| Net headcount evolution (entries versus departures) | (1,729) | emp. | | (1,017) | emp. |
| Entries | 13,302 | emp. | -10.6% | 14,871 | emp. |
| ■ Number of external recruitments (including re-hires) | 11,467 | emp. | | 11,871 | emp. |
| ■ Number of fixed-term contracts transformed into open-ended contracts | 1,637 | emp. | | 1,547 | emp. |
| ■ Number of entries following mergers and acquisitions | 198 | emp. | | 1,453 | emp. |
| Departures | 15,031 | emp. | -5.4% | 15,888 | emp. |
| ■ Number of resignations | 8,332 | emp. | | 8,245 | emp. |
| ■ Number of economic/collective layoffs | 1,894 | emp. | | 1,363 | emp. |
| ■ Number of individual layoffs | 1,847 | emp. | | 1,804 | emp. |
| ■ Number of retirements/pre-retirements | 1,538 | emp. | | 1,413 | emp. |
| ■ Number of departures due to external transfers ^(b) | 1,252 | emp. | | 2,875 | emp. |
| ■ Number of other departures | 168 | emp. | | 188 | emp. |
| Movements of salaried sales force | | | | | |
| Net headcount evolution (entries versus departures) | (447) | emp. | | (337) | emp. |
| Entries | 3,464 | emp. | -11.5% | 3,913 | emp. |
| ■ Number of external recruitments (including re-hires) | 3,336 | emp. | | 3,492 | emp. |
| ■ Number of fixed-term contracts transformed into open-ended contracts | 94 | emp. | | 98 | emp. |
| ■ Number of entries following mergers and acquisitions | 34 | emp. | | 323 | emp. |
| Departures | 3,911 | emp. | -8.0% | 4,250 | emp. |
| ■ Number of resignations | 2,752 | emp. | | 3,066 | emp. |
| ■ Number of economic/collective layoffs | 82 | emp. | | 110 | emp. |
| ■ Number of individual layoffs | 490 | emp. | | 542 | emp. |
| ■ Number of retirements/pre-retirements | 240 | emp. | | 217 | emp. |
| ■ Number of departures due to external transfers ^(b) | 321 | emp. | | 284 | emp. |
| ■ Number of other departures | 26 | emp. | | 31 | emp. |
| Movements of salaried workforce with fixed-term contract | | | | | |
| Net headcount evolution of salaried non-sales force (entries versus departures) | 1,828 | emp. | | 1,468 | emp. |
| ■ Number of external recruitments | 5,337 | emp. | | 4,963 | emp. |
| ■ Number of fixed-term contracts ended | 3,509 | emp. | | 3,495 | emp. |
| Net headcount evolution of salaried sales force (entries versus departures) | 172 | emp. | | 74 | emp. |
| ■ Number of external recruitments | 335 | emp. | | 271 | emp. |
| ■ Number of fixed-term contracts ended | 163 | emp. | | 197 | emp. |

(b) Salaried workforce who have left AXA because of an activity/job transfer to an external company or due to disposal of businesses, the employee is no longer under a contract with AXA.

| Mobility | 2017 | | Evolution | 2016 | |
|---|-------------|----------|------------------|-------------|----------|
| Internal mobility rate of salaried workforce | 10.5 | % | +1.9pt | 8.6 | % |
| ■ Non-sales force | 11.3 | % | | 9.4 | % |
| ■ Sales force | 6.1 | % | | 4.3 | % |
| Employee turnover | 2017 | | Evolution | 2016 | |
| Turnover rate of salaried workforce | 15.4 | % | +0.5pt | 14.9 | % |
| ■ Involuntary (layoffs/dismissals) | 3.8 | % | | 3.4 | % |
| ■ Voluntary (resignations) | 9.8 | % | | 10.0 | % |
| ■ Other reasons (pre/retirements and miscellaneous) | 1.8 | % | | 1.6 | % |
| Turnover rate of salaried non-sales force | 14.3 | % | +1.1pt | 13.2 | % |
| ■ Involuntary (layoffs/dismissals) | 3.9 | % | | 3.3 | % |
| ■ Voluntary (resignations) | 8.6 | % | | 8.3 | % |
| ■ Other reasons (pre/retirements and miscellaneous) | 1.8 | % | | 1.6 | % |
| Turnover rate of salaried sales force | 22.3 | % | -2.0pts | 24.4 | % |
| ■ Involuntary (layoffs/dismissals) | 3.6 | % | | 4.0 | % |
| ■ Voluntary (resignations) | 17.0 | % | | 18.9 | % |
| ■ Other reasons (pre/retirements and miscellaneous) | 1.7 | % | | 1.5 | % |

STRATEGIC WORKFORCE PLANNING

AXA's business continues to go through profound digitization and transformation. More than 20 entities, representing near 75% of AXA's global workforce, have implemented Strategic Workforce Planning methodology.

Entities have identified their workforce challenges and needs in terms of headcount evolution, emerging jobs and skills becoming increasingly important for AXA's future success. Globally, the

Group expects that 50% of AXA jobs will face high changes in the required skill set.

AXA entities are implementing their Workforce Transformation roadmap to secure the Business Transformation. As part of it, AXA will continue increasing its learning budget by 23% up to 2020 compared to the 2015 budget, to upskill its employees and build the workforce of tomorrow.

Strategic Workforce Planning is periodically updated to take into new strategic, regulatory and demographic assumptions and adapt the Workforce Transformation roadmap as needed.

New ways of working to empower employees

New Ways of Working ("NWOW" or "Agility") features the various aspects of our approach to create an inclusive workplace environment: "Bricks" (Real Estate), "Bytes" (IT) and "Behaviors" (Culture). Via innovative solutions, employees are empowered to adapt their working style while yielding a reduced environmental footprint.

After AXA US and AXA Switzerland, NWOW has been launched across many AXA campuses in Belgium, Germany, France, Italy, Hong Kong and Spain; including pilots in Japan and Philippines.

At AXA France, 2,662 employees were practicing teleworking while 1,037 employees were experiencing NWOW at end-of-December 2017. In Belgium, for the same period, 3,238 employees were enjoying teleworking from one to three days weekly. In AXA Spain, 50% of employees benefit from "Smart Working" models.

LABOUR RELATIONS

| Working time | 2017 | | Evolution | 2016 | |
|--|-------|------|-----------|-------|------|
| <i>Average number of working days</i> | 227.7 | days | +0.1% | 227.4 | days |
| <i>Average number of working hours per week</i> | 36.9 | hrs | +0.3% | 36.8 | hrs |
| ■ Full-time employees | 38.0 | hrs | | 38.0 | hrs |
| ■ Part-time employees | 26.6 | hrs | | 26.4 | hrs |
| <i>Part-time salaried workforce</i> | | | | | |
| ■ Proportion of part-time salaried non-sales force | 11.1 | % | | 11.6 | % |
| ■ Proportion of part-time salaried sales force | 2.7 | % | | 3.5 | % |

| Absenteeism | 2017 | | Evolution | 2016 | |
|--|------|---|-----------|------|---|
| <i>Absenteeism rate of salaried workforce</i> | 4.7 | % | +0.2pt | 4.5 | % |
| ■ Proportion of absences due to sickness | 69.9 | % | | 70.5 | % |
| ■ Proportion of absences due to work related accidents | 2.0 | % | | 2.1 | % |
| ■ Proportion of absences linked to maternity/paternity leave | 28.1 | % | | 27.4 | % |
| <i>Absenteeism rate of salaried non-sales force</i> | 4.9 | % | | 4.6 | % |
| ■ Proportion of absences due to sickness | 69.5 | % | | 70.3 | % |
| ■ Proportion of absences due to work related accidents | 1.9 | % | | 2.0 | % |
| ■ Proportion of absences linked to maternity/paternity leave | 28.6 | % | | 27.7 | % |
| <i>Absenteeism rate of salaried sales force</i> | 3.7 | % | | 3.5 | % |
| ■ Proportion of absences due to sickness | 72.5 | % | | 72.0 | % |
| ■ Proportion of absences due to work related accidents | 2.9 | % | | 3.6 | % |
| ■ Proportion of absences linked to maternity/paternity leave | 24.6 | % | | 24.4 | % |

Reward, benefits and compensation cost

COMPENSATION POLICY

AXA broadly applies a “pay-for-performance” approach which, (i) recognizes achievement of defined financial and operational targets aligned with AXA’s business plan, (ii) promotes long-term sustainable performance by incorporating risk adjustment measures in performance metrics (such as cash Return-On-Equity which takes into account the capital required to deliver performance) and (iii) determines individual compensation amounts on the basis of both financial results and demonstrated individual leadership and behaviours.

Solvency II regulations came into force on January 1, 2016, and include a number of specific remuneration and governance requirements applicable to European insurers and reinsurers.

In this context, AXA has undertaken a comprehensive review of its existing remuneration policies and practices against the requirements of Solvency II and has adopted a new Group Remuneration policy applicable to all AXA employees as of January 1, 2016.

This compensation policy is designed to support the Group’s long-term business strategy and to align the interests of its employees with those of other stakeholders by, (i) establishing a clear link between performance and remuneration over the short, medium and long term, (ii) ensuring that the Group can offer competitive compensation arrangements across the multiple markets in which it operates, while avoiding potential conflicts of interest that may lead to undue risk-taking for short-term gain, and (iii) ensuring compliance with Solvency II regulations and any other applicable regulatory requirement.

Detailed information concerning AXA’s compensation policy is provided in Section 3.2 of this Annual Report.

In 2017, total compensation cost amounted to €8.5 billion, which corresponds to a decrease of 1.6% compared to 2016. On a constant exchange rate basis, total compensation cost increased by 0.2%.

LONG-TERM INCENTIVES

Long Term Incentives are designed to recognize and retain the Group's best talents and critical skills by aligning their interests with the performance of the AXA Group, of their operating business, as well as with the stock performance of the AXA share in the medium and long-term.

Since 2016, one of the performance metrics used to calculate AXA's Long Term Incentives (Performance Shares) incorporates Corporate Responsibility considerations. The criterion used is based on AXA's Dow Jones Sustainability Index percentile ranking (with research conducted by RobecoSAM). The DJSI is a robust and recognized independent assessment of long term performance drivers, including corporate governance, compliance, customer relations, environmental management, human capital development, etc.

BENEFITS

Benefits form a significant part of AXA's broader total rewards offer. AXA's policy is to target benefits coverage at a minimum

level of the median of the relevant market. Benefits should include pension, healthcare and protection covers (the nature and type of which, may vary by entity depending on local competitive and cost considerations). In all cases, local minimum requirements must be respected.

SHAREPLAN PROGRAM

Through its Shareplan program, the Group encourages employees to become AXA shareholders. Offered internationally for the first time in 1994, each year Shareplan gives AXA employees an opportunity to acquire shares at preferential prices.

In 2017, over 29,000 employees in 39 countries, representing over 27% of the eligible employees, subscribed to Shareplan. The aggregate proceeds from the offering, amount to approximately €444 million, for a total of over 19 million newly-issued shares.

Following Shareplan 2017, AXA's employees and agents hold 5.34% of the share capital and 6.88% of the voting rights as of December 31, 2017.

COMPENSATION

| Compensation cost | 2017 | | Evolution | 2016 | |
|---|--------------|-----------|-----------------------------|--------------|-----------|
| Compensation cost of salaried workforce ^(a) | 8,501 | M€ | -1.6% ^(a) | 8,638 | M€ |
| ■ Proportion of fixed pay (related to wages) | 76.2 | % | | 77.0 | % |
| ■ Proportion of variable pay (related to wages) | 23.8 | % | | 23.0 | % |
| Annual gross payroll of salaried non-sales force | | | | | |
| ■ Proportion of fixed pay (related to wages) | 83.1 | % | | 84.1 | % |
| ■ Proportion of variable pay (related to wages) | 16.9 | % | | 15.9 | % |
| Annual gross payroll of salaried sales force | | | | | |
| ■ Proportion of fixed pay (related to wages) | 44.9 | % | | 45.4 | % |
| ■ Proportion of variable pay (related to wages) | 55.1 | % | | 54.6 | % |

(a) As per the definition of compensation, it includes the individual fixed pay, the individual variable pay, employer social contribution and collective profit sharing (if any) and excludes equity based compensation (stocks options, performance shares, AXA Miles). On a constant exchange rate basis, total compensation cost increased by 0.2%.

Diversity and Inclusion

AXA promotes diversity & inclusion (D&I) by creating a working environment where all employees are treated with dignity and respect and where individual differences are valued. In all aspects of employment, AXA offers equal opportunities to all employees. AXA opposes all forms of unfair or unlawful discrimination and does not tolerate discrimination based on age, nationality, ethnic origin, gender, sexual orientation, gender identity or expression, religion, marital status, disability (or any other criterion defined by local regulations). By making the workplace attractive and accessible to diverse people, we create conditions more favorable to innovation.

The Global D&I Advisory Council (GDIAC) was reset to activate our People, Culture and Marketplace framework: a new way of designing our D&I initiatives with a 360° approach.

PEOPLE

Acceleration towards gender equality remained a top priority for AXA in 2017, as a new target for female top executives (Group Senior Executives or GSE) has been set: reaching gender parity by 2023. The “Sponsorship Tandems” program, leveraging senior executives to act as advocates and using their influence to help strengthen the development of female talent, has formed 16 new Sponsorship pairings with the Group Senior Executives. Furthermore, local roll-outs are in operation across 17 AXA entities. In parallel, the Global Executive Development Program (GEDP) for 17 participants involving 70% women was launched. This program is designed to accelerate the development of the next generation of executives.

AXA also continued to further encourage and support the integration of employees with disabilities. In France, the number of employees with disabilities was 770 in 2017.

CULTURE

After organizing a yearly Women’s Conference for 4 years, AXA held an Inclusion Conference as an opportunity to go beyond gender diversity. The emphasis was on the theme of “Different, Together, Stronger”. Thomas Buberl, AXA CEO, presented his D&I vision and announced the new target regarding gender parity on this occasion. The conference day offered a mix of presentations around inclusion, leading to innovation and workshops around the People, Culture and Marketplace framework.

Since January 1, 2017, working parents across the countries where AXA operates can enjoy a new global employee benefit. The AXA Global Parent Policy offers 16 weeks of maternity/primary parent paid leave and 4 weeks of paternity/co-parent paid leave, AXA is supporting all working parents in balancing work and their parental duty. The AXA parent policy applies to all composition of families.

As AXA strives to be the most inclusive company in the financial services industry, Global Employee Resource Groups (ERGs) continued to be leveraged in 2017 as a way to engage AXA’s employees across the globe on various inclusion topics. “Allies@AXA_Pride”, a group on sexual orientation, and “WoMen@AXA”, a group on gender equality, have grown in membership since their launch in 2014 (with over 2,500 members in total). In 2017, “AXA_Able”, an ERG to raise awareness around disability was launched.

MARKETPLACE

In September 2016, the Management Committee validated “Women in Insurance” as a strategic priority for AXA, positioning it as a business growth opportunity for all the entities. 3 main areas were identified as a key focus: women as retail clients, as entrepreneurs and in the distribution force. AXA has developed a dual approach to respond to women’s needs and expectations: in mature markets, AXA wants to empower women to be financially-independent and for emerging markets, the objective is to empower women to live better lives. By end of 2017, the initiative has been rolled-out across 12 pilot entities.

During the AXA Inclusion Conference, 3 initiatives showcased how inclusion is driving innovation at AXA: AXA France addresses female customer segment with a new approach to sell products (“Programme L” and “Rencontres pour Elles”). At Krungthai-AXA Life (Thailand), the inclusion of transgender people among its salesforce network generated more business opportunities including a product offering inclusive for LGBT people. Finally, the need of embarking all employees in a constant learning journey led to a great partnership with the provider Coursera.

AXA has been a sponsor for the Pride and Prejudice event hosted by The Economist in 2016 and 2017. This is a global LGBT conference catalyzing fresh debate on the economic and human costs of discrimination against the LGBT community. And Pride month was celebrated across the globe with several employees participating to Pride marches.

In September 2017, AXA hosted the Global Diversity Forum organized by Mercer during which, major corporate representatives discussed their D&I challenges and best practices.

Health, safety and physical security

AXA Group has a Standard requiring all AXA entities to manage physical security, health and safety. AXA Group has implemented a Health and Safety policy, which defines processes to identify local health and safety requirements, consults and trains AXA employees, and reports health and safety issues.

A Physical Security policy is also applicable to AXA Group and requires all AXA entities to have documented physical security management framework. This ensures a minimum standard to be applied by AXA companies in order to protect AXA employees from intentional physical harm.

AXA Group implemented Physical Security guidelines which define AXA's operational approach to this protection and help AXA

companies to implement their physical security management framework.

Moreover, in order to adapt security measures for personnel and sites, AXA Group maintains a rating of the different countries. The security ratings are defined according to an assessment of the crime, security services, civil unrest, terrorism, kidnapping and geopolitical threat within the country.

In Europe, health and safety commitments are covered by the European Works Council agreement, which was signed with the labor organizations in June 2009 and is available at www.axa.com.

Absenteeism and employee wellbeing

The sick absence rate in 2017 slightly increased to 3.3%. As AXA operates in an environment that generates business through management of capital and financial services (total absenteeism rate due to work-related accidents is 0.1%), the Group does not monitor gravity, severity or frequency of work-related accidents on a global level. Systems, procedures and processes are in place and in compliance with local health, safety and welfare legislation, wherever necessary.

AXA's entities have undertaken initiatives to implement local policies and best practices, which they have tailor-made to their specific sectors and local environments. In accordance with AXA's business environment, entities provide services and information campaigns on lifestyle risks, such as, certain types of cancer and cardiovascular problems, obesity, smoking, road safety or stress prevention.

Training, learning and development

The results of AXA's development of employee skills remained high with 84.2% of its employees receiving a training course at least once during 2017. At the same time, the average number of training days per employee was at 3.1 days.

AXA focuses on delivering new digital learning experiences to foster a self-learning organization, leveraging on the latest approaches and technologies, that are illustrated in some of the following initiatives/projects:

- the partnership signature with Coursera offers over 300 courses on critical skills to all AXA employees with university certificates recognized on the market. By the end of December 2017, more than 6,000 employees connected to the Coursera curriculum. More than 4,000 employees have started a course and 1,200 are already certified. Overall, we reached a level of consumption of 8,500 courses, *i.e.* more than 43,000 training hours delivered;
- the sharing of a common virtual off-the-shelf learning offer, called "Click & Learn". AXA Employees can select courses according to the time they can allocate, through more than 600 modules covering Leadership, Management, Workplace and Personal excellence topics. Around 30,000 "Click & Learn"

courses have been launched and more than 18,000 are yet completed;

- an increased access to all digital learning experience available in AXA through a one-shop zone, the Global Learning Management system, reaching 149,000 employees and distributors across 48 business units by the end of December 2017.

In addition, AXA has focused also on designing an innovative learning solution to support 10,000 managers worldwide in the transformation journey, with the aim to equip them with key collaboration skills and modern networking leadership. The AXELERATE program combines a customized pulse survey (team barometer), mobile learning (pocket coach), large workshops facilitated by AXA managers, peer coaching and online courses. Core topics include AXA transformation strategy, networking leadership, empowerment and agile practices, as well as how to be inspiring as a leader. In 2017, approximately 500 managers have already participated in the AXELERATE journey (AXA Switzerland, AXA France, AXA Partners).

Lastly, efforts have also been addressed in Technical Excellence skills area with the launch of new programs such as “P&C Health Fraud awareness”, “Underwriting Fundamentals program” and

“Generalised Linear Models Pricing for P&C”. As an example, the completion rate for “P&C Health Fraud awareness” exceeded 64% in September 2017.

TRAINING

| Training days | 2017 | | Evolution | 2016 | |
|--|------------------|-------------|--------------|------------------|-------------|
| Number of training days of salaried workforce | 330,248.7 | days | +1.9% | 323,967.1 | days |
| ■ Non-sales force | 226,600.0 | days | | 222,702.2 | days |
| ■ Sales force | 103,648.7 | days | | 101,264.9 | days |

| Training attendees | 2017 | | Evolution | 2016 | |
|--|-------------|-------------|---------------|-------------|-------------|
| Percentage of salaried workforce having received at least one training course | 84.2 | % | -1.2pt | 85.4 | % |
| ■ Non-sales force | 83.5 | % | | 84.8 | % |
| ■ Sales force | 88.6 | % | | 89.3 | % |
| Average number of training days per salaried workforce | 3.1 | days | | 3.0 | days |
| ■ Non-sales force | 2.5 | days | | 2.4 | days |
| ■ Sales force | 6.6 | days | | 6.7 | days |

Talent attraction and retention

DEVELOPMENT, PERFORMANCE AND TALENT MANAGEMENT

AXA conducts annual Performance cycles, Performance & Potential calibrations, and Organization & Talent Reviews (OTR), which are structured processes reviewing individual and collective performance, development, talent, organizational structures, and succession plans. The processes are designed to (i) recognize and manage performance based on both individual and collective results, and AXA's Leadership Competencies, and support personal development, (ii) identify people with high potential and people who are critical for AXA, and (iii) build and share robust and diverse talent pipelines for our most key positions and functions around the globe. These processes will be supported from 2018 onwards by a common HRIS (Oracle HCM Cloud) across all major entities of the Group.

AXA's Leadership Competencies, comprising of 7 behavioral competencies aligned with AXA's values, were renewed in 2017 supporting all HR processes. Based on the renewed behavioral competency framework, an update of the “AXA 360°” feedback questionnaires and platform was carried out in 2017; these development tools are accessible to all AXA employees who wish to collect the perceptions and feedback from their professional environment in order to enrich and better steer their personal development plans. The updated questionnaires and tools will be available to all employees, managers, and executives in early 2018.

EMPLOYER BRAND AND GRADUATES

AXA is ranked 11th of the most talent-friendly employers globally in 2018 (based on PotentialPark global study 2018, which was conducted in 2017). AXA's global career site on www.axa.com was refreshed to share more information about AXA's culture and values. Employee stories were added to provide an authentic view of AXA as a place to work. This global career site is ranked 22nd in Europe and 19th in Asia. AXA's global employer brand social media accounts “DiscoverAXA” on Facebook and Twitter are ranked 5th in Europe and 4th in Asia.

AXA remained committed to hiring graduates across many countries in its global Graduate Program. With the purpose of accelerating leadership development, AXA believes it can prepare the next generation of leaders by giving them challenging experiences that are tied to its strategy for the future. In 2017, 24 graduates were selected to attend “Leader in Me”, a three day training designed to provide graduates with skills they need to lead and manage teams. Since 2012, the Graduate Program at AXA has put purpose, vision, and strategy at the center, and allows graduates to play a significant role in impacting the business.

To better engage with students and graduates in particular, AXA shared stories from the second “Great Global Adventure” winner to attract new talent to consider AXA as a potential employer.

7.3 ENVIRONMENTAL INFORMATION

AXA is conscious of the role it can play, as an insurer, investor and global corporation, in raising awareness about environmental protection amongst its stakeholders, contributing to improve the understanding of global and local environmental risks, and committing to address climate change. AXA's environmental strategy includes both business drivers through our products and operational drivers, such as reducing our internal environmental footprint.

CO₂ is the most significant greenhouse gas emitted by AXA (related to fossil fuel and electricity consumption); electronic waste is AXA's most significant hazardous type of waste; paper is the most significant raw material consumed by AXA; and AXA offices use some water resources. As a result, AXA's environmental reporting and management processes focus on energy, water and paper consumption, as well as CO₂ emissions and waste management.

Performance targets

AXA has implemented an environmental reporting process since 2002. Managing our environmental footprint, in line with Grenelle 2 standards has become one of the pillars of our Corporate Responsibility strategy. This effort is undertaken by AXA Group's Corporate Responsibility and operational teams (e.g. procurement, IT, marketing, HR). AXA has a target to reduce its carbon emissions covering all greenhouse gas emissions "Scopes (1)":

- Scope 1: emissions from fuel consumed on AXA sites as well as by AXA-owned car fleet;
- Scope 2: emissions from purchased energy (essentially electricity consumed by AXA buildings);
- Scope 3 (2): emissions from business travel and paper consumption.

AXA's Global Key Performance Indicator (KPI) target for the 2012-2020 period is to reduce its carbon emissions per Full-Time

Employee (FTE) by 25%. This target is broken-down into the following targets:

- -35% power consumption (kwh/FTE) – Scopes 1&2;
- -15% business travel: vehicle fleet (km/FTE) – Scope 1;
- -5% business travel: air and train (km/FTE) – Scope 3;
- -45% office paper (kg/FTE) – Scope 3;
- -50% marketing and distribution paper consumption (kg/client) – Scope 3.

In addition, the Group has also set two environmental targets that are unrelated to carbon emissions:

- -15% water consumption;
- 95% of paper must originate from recycled or sustainable sources.

Environmental reporting network and process

To measure its environmental footprint, the Group Corporate Responsibility team coordinates a network of around 300 dedicated environmental managers and employees in local entities. This network monitors annual progress on its reduction targets through the internal reporting tool, which helps local entities evaluate their own action plans and targets. These managers then analyse indicators, identify performance targets

and promote best practice sharing. To accompany these action plans, entities have put in place a wide variety of activities to raise awareness and train employees on environmental issues and risks. At Group level, AXA organizes a yearly event on Corporate Responsibility, the "CR Week" which is rolled out by all local entities. Environmental awareness is one of the key topics addressed during this event.

(1) As defined by the Greenhouse Gas Protocol www.ghgprotocol.org.

(2) Please note that investment-related "indirect" Scope 3 emissions are analyzed in the Responsible Investment Section 7.4.

Reducing AXA's impact on the environment

POWER CONSUMPTION

AXA's power consumption includes the total energy consumed by our corporate sites and data centers in the reporting year. This includes on-site energy consumption for heating and cooling and purchased electricity for daily operational activities. In 2017, our total energy mix consists of electricity (73%), gas (15%), fuel/steam (8%) and chilled water (4%). To reduce our energy consumption and meet our 2020 environmental target, AXA relies on energy efficiency measures, raising environmental awareness amongst employees about energy conservation and, where possible, leasing or buying buildings which have some type of environmental certification. In 2017, these measures have resulted in 10% decrease in total power consumption compared to 2016 and 21% compared to 2012.

In addition to the steps taken above, by joining the "RE100" initiative in 2017, AXA also committed to buy 100% of its electricity from renewable energy sources by 2025, with an interim target of 70% by 2020. This target covers both AXA's office buildings and AXA owned data-centers. In 2017, 115 sites bought electricity from renewable energy sources, representing about 53% of total electricity consumption for AXA buildings and 33% for our data centers.

Local AXA entities made significant steps to reduce their on-site energy footprint, for example:

- AXA Technology Services continued implementing its Green IT program based on server refreshes, data center consolidation and virtualization, PC refreshes and power management. The total consumption for AXA Technology Services decreased by 13.4% when compared with 2016, which represents a net reduction of 7.5 GWh. Power consumption in data centers decreased by 9.7% to reach 39.3 GWh in 2017, which represents a net reduction of 4.2 GWh;
- In the United Kingdom, AXA entities have installed solar panels on certain buildings. The entity uses the electricity generated by these panels for on-site use and in some cases sell it back to the electricity grid.

BUSINESS TRAVEL

The Group implemented environmental travel guidelines in order to reduce travel-related CO₂ emissions; notably rail is to be chosen over air for short distances when available, and business-class flights, which have a larger CO₂ footprint, may be used only for long haul flights. Self-booking tools are also required to integrate CO₂ emissions information and offer alternatives (e.g. videoconferencing), as well as propose the compensation of CO₂ emissions.

Business travel increased by 32% since 2012, and "normalized" (per employee) business travel also increased by 18% since

2012. However, this upward trend is slowing down as absolute business travel has decreased by 6% between 2016 and 2017, and normalized business travel decreased by 5% over the same period. These trends are generally correlated to our business development. The implementation of online collaborative tools help to curb the trend with the objective to meet our 2020 goal. Another enabler is the implementation of the "Green IT" systems to reduce business travel. In 2017, the Group had 66% utilization rate of "AXA Presence" video-conferencing rooms.

VEHICLE FLEET

AXA's car fleet consists of sales vehicles and benefits-related vehicles. In 2017, the total distance travelled by the Group's car fleet has increased by 5% compared to 2016 and almost 1% compared to 2012. The Group has implemented fleet guidelines which define carbon emissions limits for all types of vehicles regardless of employee contributions. The Guidelines also feature vehicle security standards and promote employee access to "safe and green driving" courses. In 2017, AXA owned 24% of vehicles emitting equal to or less than 100g of CO₂/km. The average emissions rate of AXA car fleet is 119g of CO₂/km. Employees are also encouraged to opt for hybrid or electric cars.

PAPER

AXA's use of paper is limited to office and marketing & distribution uses. The office paper consumption per FTE has decreased by 13% between 2016 and 2017. Many entities have implemented a printing policy which includes reducing the number of printers, and installing an employee badging system to collect all printed documents. In 2017, AXA's marketing and distribution paper consumption per customer decreased by 29% compared to 2016, partly owing to a more accurate measurement process in some entities. AXA also strives to increase the volume of paper originating from recycled sources or sustainably managed forests. In 2017, AXA used 58% of office paper and 51% of marketing and distribution paper from recycled sources. The Group requires environmentally-friendly office paper as a minimum standard.

CO₂ emissions reduction

The Group's measures CO₂ emissions via the Green House Gas (GHG) Protocol: Scope 1, Scope 2 and Scope 3 (see above). AXA's overall CO₂ emissions per FTE related to energy, paper and business travel (air, rail and car fleet) decreased by 11% between 2017 and 2016 and by 28% between 2012 and 2017. 46% of the Group's CO₂ emissions are related to energy consumption, 32% from business travel (air and train), 16% from AXA's vehicle fleet and 6% from paper.

SCOPE 1 CO₂ EMISSIONS

Scope 1 emissions include CO₂ emissions generated from gas and heating oil burned onsite, and fuel used by AXA's car fleets. Absolute scope 1 emissions remained stable between 2017 and 2016, with a decrease of 2%, and 11% since 2012. Scope 1 emissions per FTE decreased by 2% between 2016 and 2017 and by 20% since 2012. Concerning gas consumption, some entities have replaced gas by steam. AXA's car fleet have a maximum threshold at 120g of CO₂/km for all types of vehicles, regardless of employee contributions, and at 100g of CO₂/km by 2020. In 2017, AXA's car fleet-related CO₂ emission increased by 2% compared to 2016.

SCOPE 2 CO₂ EMISSIONS

Scope 2 emissions include emissions from the purchase of electricity, steam and chilled water. Absolute scope 2 emissions decreased by 18% between 2016 and 2017 and by 32% since 2012. Normalized scope 2 emissions decreased by 22% between 2016 and 2017 and by 39% since 2012. This performance is notably related to the purchase of renewable electricity. In order to calculate our CO₂ emissions from purchased electricity, AXA uses both market-based (electricity supplier energy mix) and location-based (average country energy mix) approaches. For the entities buying renewable electricity and which have electricity consumption data per source technology type (such as hydro,

solar, wind, biomass and geothermal based on power generation mix used by their providers), AXA uses a more precise "market-based" approach, thus attributing the corresponding emissions factors to each source type. For entities which do not have information about their energy provider's energy mix, AXA uses a "location-based" approach (with emissions factors provided by the French Environmental Regulatory body ADEME).

SCOPE 3 CO₂ EMISSIONS

Scope 3 emissions include CO₂ emissions from business travel and paper consumption. In 2017, its CO₂ emission from business travel decreased by 3% compared to 2012. More specifically, the total CO₂ emission from air and train travel reduced by 2% versus 2016. To reduce carbon footprint, some AXA entities also purchased carbon credits.

In addition, AXA also measures the carbon emissions related to its employee commute, even though such indirect emissions may be considered to be outside of the scope of the Group's responsibilities. In 2017, 14,108 employees from over 32 countries participated in this commuting voluntary survey. Participating employees commuted a total of 985,383 thousand kilometers, out of which 52% were travelled by public transport, 5% by company cars, 36% by personal vehicles and rest by either walking or bike. However, employee commuting-related CO₂ emissions per FTE increased by 2% compared to 2016 with 0.83 T eq. CO₂ per FTE/year. This change is due to the increase in number of employees using personal transportation for commuting.

Water consumption

Water scarcity is a global concern. Prudent water management can therefore play a significant role in sustainable use of this resource. AXA's water consumption per FTE has decreased by 8% in 2017. Over time AXA entities have achieved a better level

of management maturity and reporting quality regarding their water consumption patterns. Recent initiatives include the installation of water sensors in bathroom facilities for AXA France and water-saving initiatives at AXA Switzerland.

Waste management and circular economy

AXA's waste management policy integrates principles related to the circular economy such as "closing the loop" of product lifecycles. Recycling and re-use are followed to better manage our waste wherever possible. Even though AXA has not set any direct quantitative targets on waste generation, local entities are encouraged to improve their onsite waste sorting and implement voluntary initiatives to reduce waste and promote recycling. AXA

monitors its waste through three main indicators: Unsorted waste, sorted paper for recycling, and cartridge/toners for recycling.

In 2017, 29% of the total paper consumed (office, marketing and distribution) was sorted for recycling by AXA. AXA has no control on the end of life of its marketing and distribution paper going to its clients. 55% of ink cartridges and toners were recycled. AXA's IT business unit, AXA Technology Services, for which

electronic waste is of particular relevance, also as it strives to ensure compliance with the Waste Electronic and Electrical Equipment (WEEE) Directive. Unsorted waste has decreased

by 9% compared to 2016. This is mainly due to better waste measurement processes in local entities. Over 73 canteens in the Group collect to recycle organic waste from their restaurants.

Environmental expenditures

AXA Group's operations, focusing on financial services, do not generate major direct impacts on the environment. AXA has some sites classified for environmental protection. However, they do not produce any significant emissions into air, water and soil, and AXA's activities and facilities are not likely to generate noise and odor emissions. No complaints, to AXA's knowledge, related to this type of pollution were filed against the Group. AXA's operations and land use do not significantly threaten biodiversity, nor water resources, as water consumption is mainly limited to building usage. Beyond its buildings, AXA owns over 595,117m² of green spaces where it endeavors to preserve biodiversity.

The existence of "classified facilities" (for environmental protection purposes) such as fuel tanks for backup electricity generators, or major air conditioning systems, require attention regarding compliance with legal requirements. In 2017, the Group reported 29 sites with such certificates and 61 sites had some type of other environmental certificate. Those facilities benefit from adequate maintenance and their compliance with local legal obligations is monitored regularly. The full range of expenditures incurred to promote environmental preservation is minor and not monitored at Group level; no specific provisions or guarantees covering environmental risks have been set aside.

2017 GROUP ENVIRONMENTAL PERFORMANCE

| AXA Group environmental indicators ^(a) | Unit | 2016 | 2017 |
|---|---------------------------------|--------------|--------------|
| Number of employees on site, Full-Time Equivalent (FTEs) | FTE | 115,819 | 115,328 |
| Net internal area (sites) | m ² | 1,834,057 | 1,777,687 |
| POWER (SITES) | | | |
| Power consumption ^(b) | Mwh | 404,466 | 363,283 |
| KPI: Power consumption per person | Kwh/FTE | 3,492 | 3,150 |
| Evolution compared to 2016 | | | -10% |
| TRANSPORTATION | | | |
| Business travel: airplane and train ^(c) | Thousands of km | 349,099 | 328,523 |
| Business travel: AXA vehicle fleet | Thousands of km | 253,986 | 266,242 |
| Home/workplace commute (round trip) ^(d) | Thousands of km | 934,783 | 932,534 |
| CO₂ EMISSIONS ^(e) | | | |
| CO ₂ emissions: onsite power consumption | T. eq CO ₂ | 114,231 | 94,756 |
| CO ₂ emissions: business travel: airplane and train | T. eq CO ₂ | 65,023 | 63,494 |
| CO ₂ emissions: business travel: AXA vehicle fleet ^(f) | T. eq CO ₂ | 31,304 | 31,799 |
| CO ₂ emissions: paper | T. eq CO ₂ | 16,291 | 11,446 |
| KPI: CO₂ emissions resulting from onsite power consumption, paper and business travel (airplane, train, AXA vehicle fleet) per person | T. eq CO₂/FTE | 1,96 | 1,75 |
| Evolution compared to 2016 | | | -11% |
| CO ₂ emissions: home/workplace commute ^(g) | T. eq CO ₂ | 82,984 | 87,116 |
| WATER | | | |
| Water consumption ^(h) | m ³ | 1,008,154 | 927,017 |
| KPI: Water consumption per person | m³/FTE | 8.69 | 8.04 |
| Evolution compared to 2016 | | | -8% |
| PAPER ⁽ⁱ⁾ | | | |
| Office paper consumption | T | 2,090 | 1,815 |
| KPI: Office paper consumption per person | kg/FTE | 18 | 16 |
| Evolution compared to 2016 | | | -13% |
| Paper recycled and/or guaranteeing sustainable management: office | % | 61 | 58 |
| Marketing and distribution paper consumption | T | 14,970 | 10,220 |
| KPI: Marketing and distribution paper consumption per customer ^(j) | kg/customer | 0,14 | 0,10 |
| Evolution compared to 2016 | | | -29% |
| Paper recycled and/or guaranteeing sustainable management: marketing & distribution | % | 69 | 51 |
| WASTE | | | |
| Unsorted waste ^(k) | T | 4,707 | 4,301 |
| Sorted paper for recycling | T | 4,253 | 3,588 |
| Cartridge and/or toners for recycling | % | 62 | 55 |

Stable reporting perimeter compared to 2016, representing the 42 most significant countries where the AXA Group is present. Key Performance Indicators (KPIs) highlighted in bold.

(a) In 2017, environmental indicators were collected for 232 sites representing 91,791 FTEs working on AXA sites (unless otherwise indicated in these footnotes) and were then extrapolated, continent by continent, to cover all 115,328 salaried FTEs (all types of contracts) working at the AXA Group in average in 2017.

(b) Includes electricity, natural gas, heating oil, steam, chilled water and covers 91,791 FTEs.

(c) This data has been collected from 89,096 FTEs.

(d) Home/workplace commute estimations are based on an annual online transportation survey, issued to every AXA salaried employee. This data has been collected from 14,108 FTEs and then extrapolated. Sites whose response rate was below 5% have been excluded from the data consolidation process.

(e) The emissions factors specific to each country used for energy, train and air were revised in 2017. Source: the International Energy Agency (IEA) and Ademe.

(f) The AXA vehicle fleet covers 91,791 FTEs.

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

(h) This data has been collected from 91,465 FTEs. Some sites in Asia and America are not equipped with water meters, which prevents accurate measurement and excludes them from the reporting scope before extrapolation. However, entities are starting to better track their water consumption with the installation of water meters (e.g. data centers, AXA Ireland).

(i) Paper indicators covers 91,515 FTEs.

(j) The Group had 105 millions customers in 2017.

(k) Unsorted waste covers 89,143 FTEs, which is low as many entities are currently unable to monitor this waste flow.

Business-related environmental initiatives

In addition to reducing its operational environmental footprint, the Group seeks to minimize its “indirect” impact on the environment by offering insurance and investment solutions that promote environmentally-friendly behaviour. Please refer to Section 7.4 for further developments.

AXA’s position regarding climate change

AXA’s position regarding climate change is not only to adapt, but to take advantage of its privileged position to provide solutions. Indeed insurers are well equipped to address climate-related risks. They can fund and promote risk research and education. They possess claims loss data, as well as models and tools to analyze and project this data. They have a duty to disseminate knowledge about new risks. Insurers, through their significant investments, are also well positioned to send the right signals to the investment community and to the specific companies they invest in. This strategy addresses both the “mitigation” and the “adaptation” dimensions of climate change. It is not solely self-interested or commercially driven, but it needs to be global and collective to be effective.

AXA’s work focuses on three main areas: enhancing knowledge on climate risk; reinforcing climate risk prevention services to help people better anticipate and adapt to the changing climate; and developing insurance products and investment policies that promote mitigation and adaptation.

In December 2017, during the “One Planet Summit” organized by the French Government, AXA launched a new climate strategy based on significant investment and insurance-related developments. AXA also has climate-related partnerships in place (UN Habitat, UNISDR, CARE). These are further developed in the Responsible Investment Section 7.4.

7.4 RESPONSIBLE INVESTMENT, “ARTICLE 173”/CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Context: “Article 173” and “TCFD” reporting frameworks combined

This section describes our Responsible Investment (RI) initiatives in line with the voluntary disclosure requirements related to the Taskforce on Climate-related Financial Disclosures (TCFD, focusing on climate risks) and the compulsory framework related to the French “Article 173 VI” decree (which also considers ESG issues). It is based on the TCFD structure, namely Governance, Strategy, Risk Management, and Metrics & Targets, according to the TCFD’s general guidance for the financial sector, and supplemental guidance for Insurance companies and asset owners. This text is an overview of our full “TCFD/Article 173” report, published on www.axa.com in March 2018.

GOVERNANCE OF ESG AND CLIMATE-RELATED RISKS AND OPPORTUNITIES

Overall approach

AXA defines Responsible Investment as the integration of Environmental, Social and Governance (ESG) considerations into investment processes, including ownership practices. Our conviction is that ESG integration may impact long-term investment performance by offering an enhanced understanding of risk drivers. This conviction is derived from academic research and empirical market data. It is also a way to strive for alignment between our investments and broader Corporate Responsibility (CR) commitments. AXA developed a comprehensive RI strategy covering the Group’s €600 billion General Account assets and will extend it to its Unit-Linked investments. The process of ESG integration is coordinated centrally, with an active input from our asset managers that include ESG metrics in their investment analysis across asset classes and regions.

ESG and climate-related governance

AXA created a Group-level Responsible Investment Committee (RIC), chaired by the Group Chief Investment Officer, and including representatives from AXA Asset Management entities, representatives of Corporate Responsibility (CR), Risk Management and Group Communication. The RIC reports to the Group Investment Committee, chaired by the Group Chief Financial Officer. In addition, the “ESG Footprint Committee”, reviews risks posed by companies or sectors presenting a low ESG performance and/or serious and persistent controversies. AXA’s RI policy is supported by the RI Center of Expertise, a transversal working group from AXA’s local investment teams interacting with the CR network and the Group’s Asset Management entities. Finally, in 2016 the Group created a dedicated shareholder engagement-related function at Group level, to complement engagement initiatives already undertaken by AXA IM and AB, AXA’s in-house investment managers.

Every year, the Board of Director’s Compensation & Governance Committee examines the Group Corporate Responsibility strategy, with a strong focus on ESG and climate. The CR Strategy can also be evaluated by the entire Board of Directors. Moreover, the AXA Stakeholder Advisory Panel, which meets twice a year in the presence of the CEO and Chairman of the Board, also assesses and provides feedback on AXA’s CR and RI strategy.

Insurance-related ESG risks and opportunities also benefit from a specific governance, notably the Group Underwriting Committee, which defines underwriting restrictions. The Group CR team provides a bridge with the RI-related governance. In addition, a dedicated team with Group Risk Management analyses Emerging Risks via a specific framework, tools and local network. These risks, which often relate to long term ESG issues, are monitored and their potential impact assessed within a risk mapping framework (regulatory & legal, environmental, social & political, economic & financial, medical and technological).

STRATEGY – IDENTIFICATION OF ESG AND CLIMATE-RELATED RISKS AND OPPORTUNITIES

Global RI strategy

AXA's RI strategy, embodied in its Global RI Policy (public on www.axa.com), is based on five main pillars:

- integrating ESG performance scores into investment processes and decision-making, using KPIs and qualitative research across most of our assets. In addition to ESG, we implement a carbon footprinting methodology, as part of our “Montreal Pledge” commitment to assess and disclose the carbon intensity of our investments;
- excluding sectors or companies that face acute social, human rights, ethical or environmental challenges. These sector policies (which apply both to investments and insurance) are disclosed on axa.com;
- promoting “Green” investments across different asset classes, based on proprietary criteria derived from a recognized market standard. These include bonds, infrastructures (debt and equity), property and commercial real estate loans. Please refer to Paragraph – “Risk Management – Integration of ESG and Climate-Related risks and opportunities”;
- developing “impact investments” delivering positive environmental or social as well as financial returns which are actively tracked. AXA launched two impact funds, focusing on themes such as access to finance and healthcare, climate resilience, education, renewable energy, etc.;
- active stewardship through voting and engagement on a range of ESG or sustainability issues.

The AXA Group as well as its two Asset Management entities (AXA IM and AB) are signatories of the UN-backed principles for Responsible Investment (UN PRI). The Group's 2017 UN PRI score reached A+, confirming the maturity of its RI strategy.

ESG RISKS IDENTIFICATION/SCORING TOOLS AND METHODOLOGY

AXA tracks its investments' ESG performance with accuracy by leveraging AXA IM's “RI Search” tool (and MSCI ESG data at AB), where cross-asset ESG scores and “impact-type” metrics are engineered and stored. They help monitor ESG risks, identify areas of improvement, set targets or guide shareholder engagement. The RI Search tool is also the dedicated recipient to manage ESG scores for non-listed assets, such as buildings properties, commercial real estate loans and infrastructure debt. This analysis process covers around 81% of AXA's General Account assets (Sovereign and corporate bonds, equity, property,

infrastructure and CRE debt). The ESG methodology is adapted to different asset classes:

- corporates issuers (equity and debt): the ESG assessment consists in focusing on the most material and impactful key ESG issues at sector level, with a thorough selection of best data sources and most accurate ESG criteria. E, S and G factors are weighted differently in the overall ESG scores engineering depending on the sector. The overall score computation process also includes a monitoring of “core ESG” risks with the treatment of most severe basic principles violations, resulting in a systematic score discount for the most material controversies. Finally, ESG scores take into account the performance of each company within its peer group, considering issuers' specificities (in particular regional) in the assessment of the ESG quality;
- sovereign issuers: AXA's ESG scoring framework for countries is based on public data sources such as the World Bank, the OECD, and the UN. It currently covers more than 100 countries, both developed and emerging. This approach places the ESG assessment of countries at the heart of the notion of “sustainable growth” by analyzing fundamental issues such as the positioning of countries with regards to major climatic, social and political risks. These are appreciated, by internalizing the progresses made by each nation on long term sustainability topics. In this process, selection criteria are adapted to the level of the countries' maturity and development;
- Real Assets: AXA's ESG scoring frameworks for Real Assets covers 3 asset classes direct property, commercial real estate loans and infrastructure debt. The ESG scoring for these assets is based on proprietary dedicated questionnaires. The overall asset ESG score is a combination of various sources of ESG risks assessment: the property/building, the property manager, the sponsor and/or the shareholder of the loan/debt. Criteria such as the buildings' energy efficiency, environmental certificates, their accessibility, and country factors (to reflect local regulation) are taken into account.

Carbon footprinting, across asset classes, is developed in Paragraph (Metrics & Targets).

Investments-related Climate risks identification and methodology

Converting international climate objectives (such as those derived from the COP21 Paris Agreement, French or EU energy mix targets) into quantitative investment targets is a new and complex risk modelling exercise which AXA tested in 2016 using a methodology developed by the “2° Investing Initiative” think tank. Building on the results of the 2016 methodology, AXA is pursuing in 2017 a “test and learn” approach by reviewing an external methodology. AXA also extends its use of internal “NatCat” models to cover a wider spectrum of our Real Assets investments.

“TRANSITION” RISKS: OUR APPROACH TO ASSESSING CLIMATE IMPACTS ON AXA’S CORPORATE BONDS & EQUITIES PORTFOLIO

Evaluating “energy transition” risks

AXA is reviewing a framework that models transition risk based on “policy-related” risks arising from regulatory efforts to curb carbon emissions and comply with the 2015 Paris Agreement to contain global warming below 2°C. This work focuses on our corporate bonds and equity portfolios (45% of AXA’s General Accounts assets). A top down approach splits emissions reductions targets by country (according to the “Nationally Determined Contributions”/NDCs of the Paris Agreement), then into sector-level targets based on policy research and eventually into company targets based on their individual assets/facilities. It also factors “green revenue” estimates derived from an analysis of green patents. The application of carbon price assumptions enables to project companies’ potential costs or gains associated with reaching the 2°C scenario per sector and country.

These results can be translated into a forward-looking “Value-at-Risk” per security, which may bear more relevance than backward-looking carbon footprint-based approaches. The Equities “Climate VaR” is based on a “Gordon Growth”-type model with costs reduced by green revenues, thus representing the proportion of a company’s market value that is poised to decrease or increase due to climate changes. The Corporate Bonds model is based on a credit risk approach integrating the impact of future climate/energy transition-related costs and green revenue on interest rate coverage, and thus affecting credit spreads, bond price, rating and default risk. At this stage, we are testing this approach to better understand the nature of climate-related risks.

“Physical” risks: Climate Impacts on AXA’s Real Assets portfolio

In addition to the above “transition” risks, climate change, and in particular, extreme weather events, may impact “Real Assets” such as real estate. This is termed “physical” risks. In 2016, AXA conducted such an analysis on a selection of €15 billion of Property assets. In 2017, AXA expanded this analysis to cover a broader scope of €34 billion of property, Commercial Real Estate debt and infrastructure debt. AXA’s Investments and Group Risk Management teams evaluated the financial impact of floods and windstorms on the buildings and infrastructure of these portfolios.

Our physical risk assessment uses “NatCat” models – generally used to assess the impact of natural catastrophes on insured

exposure – combining stochastic events in Europe (windstorms and flood) and US (hurricanes) and geolocalised portfolio of Real Assets. Specific “destruction rates”, which factor location, building/infrastructure type and construction materials are then used to determine potential damage rates and derive a loss for each and every building/infrastructure.

Our results, which are based on an exploratory methodology, show that both annual average losses, as well as losses generated by flood and windstorm events with a return period of 100 years, remain relatively limited compared to the total asset value. This is further described in AXA’s TCFD/Art. 173 report on www.axa.com.

Insurance-related ESG, human rights and climate risks framework

When materially relevant, the Group’s underwriters and risk managers integrate environmental and social risks, as well as more generally ethical concerns in their product development processes and policies. This is notably undertaken via applying certain sector-specific and country-specific exclusions through the Group underwriting guidelines.

In addition, AXA is committed to respect internationally recognized human rights principles as defined by the United Nations Universal Declaration of Human Rights, the core standards of the International Labour Organization and the UN “Ruggie Principles”, and has developed a dedicated policy. This policy is fully developed in AXA’s “Vigilance Plan” in Section 7.6.

AXA’s Property & Casualty business is exposed to climate-related natural catastrophe risks such as windstorms, hurricanes, floods. New exposures, changing weather patterns and climatic conditions create additional uncertainty on the frequency and severity of natural disasters. Our strategy is to accelerate the development of our catastrophe risk modeling capacities, based on both external (academic) and internal scientific resources. The link between the observed climate change and the frequency and severity of natural disasters is a key challenge for AXA. Catastrophe loss figures show a steadily increasing pattern, and this is largely explained by assets increasingly built near coasts, rivers, small islands or earthquake-prone areas.

However, no robust statistical global link between the frequency or severity of climate-related perils and climate change has been scientifically proven yet. A distinction must be made between what is very likely (such as mean sea level elevation, small coastal floods, threats to biodiversity, population displacement) and what is not, especially wind events or severe floods driven by severe cyclonic phenomena, which are neither more frequent nor more severe so far. This distinction is key to focus on the most relevant risks in order to take appropriate risk prevention measures and public policy in general. Please refer to Part 4 “Risk factors and Risk Management” of this Annual Report.

RISK MANAGEMENT – INTEGRATION OF ESG AND CLIMATE-RELATED RISKS AND OPPORTUNITIES

In addition to tracking ESG and climate metrics, AXA factors these risks and opportunities into its investments and insurance-related processes. Our integration of ESG and climate-related risk and opportunities into our General Account investments is undertaken via initiatives such as ESG score tracking, exclusions, green and impact investments, engagement, public policy outreach, products and services and "2C" alignment analysis.

ESG and climate-related exclusions

AXA's Responsible Investment strategy includes several sector-level divestments. Indeed, certain activities and products are inconsistent with our corporate responsibility goals of protecting people over the long term. In this context, AXA has developed specific "sector guidelines" and business restrictions, which apply both to investments and insurance. AXA's current divestments/business restrictions currently cover the following areas:

- "controversial weapons" manufacturers that are banned by international conventions (antipersonnel landmines, cluster munitions/cluster bombs chemical, biological and depleted uranium weapons, nuclear weapons proliferation);
- tobacco manufacturers, whose products are the main cause of long term non-communicable diseases, which conflicts with our role as one of the world's largest health insurers;
- palm oil producers which do not adhere to this industry's best sustainability practices (notably regarding deforestation, land and labour rights);
- soft commodity derivatives which may be responsible for inflating the price of basic food commodities;
- coal and oil sands: see "One Planet Summit" paragraph below.

"One Planet Summit" 2017: a new climate ambition

In 2015, AXA stated that investors and insurers have a key role to play in the fight against climate change, and proved it through strong action: AXA was the first global investor to initiate divestment from coal, and the first to phase out the insurance coverage of coal clients. We also adopted ambitious green

investments targets. Ahead of COP21, we signaled that climate finance is a complex issue, but it can nonetheless be tackled. This helped AXA and some peers to overcome paralysis by analysis and shift into "action" mode. During the December 12, 2017 "One Planet Summit", organized by the French Government, AXA announced the significantly ramped-up climate strategy described below.

Green investments

In 2015, AXA committed to reach €3 billion in green investments by 2020. We have already reached that target in 2017 and have decided to set the bar higher to reach €12 billion in green investments by 2020. This doubles the recent recommendations by Christiana Figueres, one of the main architects of the COP21, to dedicate 1% of institutional investments to green assets.

This investment includes notably green infrastructures, green bonds and property and commercial real-estate with stringent environmental standards. AXA's definition of "green" infrastructure is derived from an accepted and demanding market-based approach: the "Climate Bonds Initiative" classification. In addition, in the case of Real Estate and Commercial Real Estate loans assets, AXA applies the strictest environmental standards, classifying as Green the property, or the loans backed by property with the highest environmental certifications and ratings.

Expanded coal divestment

Carbon emissions will require significant curbing in order to reduce the risk of climate change, which may place business constraints on carbon-intensive industries, leaving some assets "stranded", which in turn may lead to reduced valuations. Current valuation models may not account for such risks adequately. This is why AXA decided in 2015 to divest €500 million from the coal industry, by targeting coal mining and coal-based electric utilities which derive over 50% of their revenues from coal.

In 2017, AXA has decided to increase its divestment to reach €3 billion, by expanding our coal exclusion criteria. This new divestment is based on the Global Coal Exit List, a new NGO tool using 3 criteria. AXA will now divest from the following company types:

- electric utilities with coal share of power production (energy mix) over 30%; mining companies with coal share of revenues over 30%. This captures long term financial risks related to "stranded assets";

- energy mix and revenue mix criteria do not enable to address companies that are actively developing new coal-based power capacity. Hence we now also divest from companies with coal-based power “expansion plans” exceeding 3 GigaWatts (GW). Such companies are building new coal plants that are locking economies into coal power for decades, which clearly contradicts the COP21 “Paris Agreement”. This new approach captures “real” climate impact, beyond pure financial risks. It is also more forward-looking;
- mining companies with annual coal production over 20 million tons.

Oil sands divestment

Because oil sands are also an extremely carbon-intensive form of energy, their production generates significant human rights concerns, and is a serious cause of local environmental pollution, AXA also decided to end its investments from the main oil sands producers, defined as producers with at least 30% of their reserves based on oil sands. The production volumes of oil sands is largely influenced by the development of certain pipelines. As a result, AXA also divests from the main associated pipelines players. This represents an extra divestment of over €700 million.

Insurance/underwriting restrictions

It is inconsistent to commercially support industries that the Group has divested from. Therefore, AXA also restricts insurance coverage for coal-related and oil sands-related assets. Because insurers can look at projects on a case-by-case basis, a nuanced approach has been chosen. AXA now excludes:

- the development of new coal capacity by ending Construction covers for any new coal plant and new coal mine, whichever the Region or client (regardless of our investment blacklist);
- the operations of existing coal assets by ending Property covers for existing coal plants and coal mines when these are included in coal-only risk packages. This does not apply to countries where access to energy remains a concern for local populations, and baseload energy alternatives to coal are not yet in place.

As a matter of consistency, AXA no longer underwrites risks related to oil sands production and oil sands transportation via pipelines. In addition, AXA will not underwrite upstream oil & gas exploration business in arctic regions.

Emerging countries

AXA and the IFC, a member of the World Bank Group focused on the private sector, announced the launch of a \$500 million partnership supporting an infrastructure fund that will notably finance green infrastructures in emerging countries, including renewable energy, water, green transport and telecoms. There will be no investments in coal and oil-sands related projects. Our policies are applied consistently.

Integration of Climate risks & opportunities into investment strategy; 2°C alignment

Instead of relying on carbon footprinting, AXA is exploring ways to measure the positioning of its portfolio versus a 2°C target. AXA is thus currently reviewing and testing a “warming potential” methodology on a share of its portfolio (corporate bonds and equity: 45% of AXA’s General Accounts assets) to capture climate-related aspects of a company’s activities, including so-called “Scope 1” (*i.e.* direct) emissions, “Scope 2” (*i.e.* indirect emissions, from electricity consumption), recent technology development, and green revenue opportunities. This is derived from the carbon intensity alignment of each company relative to the sectoral carbon intensity target needed for each sector to make its contribution to reach the global 2°C target. This produces a “warming potential” per company and sector. Based on a comprehensive set of databases for emissions budgets and energy mixes, a carbon intensity aligned to a temperature target of 2°C can be designed for each sector, and each company positioning is derived within its sector, enabling to sketch a “temperature” for AXA’s corporate bonds and equity portfolio.

This work provides insights into our investments’ “temperature gauge”, but cannot yet be considered as a comprehensive “portfolio temperature” given the shortage of coverage, the experimental nature of the approach and some additional data to be factored, such as our Green investments target. AXA is currently exploring reallocation tests to reach a “2°C” scenario for the corporate bonds and for the equity portfolio, which is not implementable within a short timeframe given market sourcing capacity and AXA’s numerous investment constraints (solvency, rating, concentration limits). However, as in 2016, this testing work helps AXA in its explorative journey to better understand the links between our asset allocation and a convergence towards a “2°C” world. Please refer to our TCFD “full report” on AXA’s website for further information.

Products

AXA offers insurance and savings solutions that promote environmentally-friendly behaviour. Initiatives include Motor and car fleet insurance policies encouraging low CO₂ emission vehicles (e.g. promoting electric, hybrid and low emissions vehicles), home insurance policies encouraging energy efficiency (e.g. environmental appliances upgrades), renewable energy installations (e.g. wind and solar power), and environmentally friendly claims strategies (e.g. repair rather than replace automotive spare parts). In addition to specific products, AXA France developed *Assurance Citoyenne*, a screening methodology and label encouraging environmental considerations. In 2017, AXA France also launched a new responsible Unit-linked offer called “AGIPI Gestion Pilotée Option ESG”. Most of the funds within this offer are evaluated according to their ESG performance using a market-based tool.

AXA Corporate Solutions Assurance launched an Energy line of business reinforcing AXA's expertise and capacity for insuring clients in the energy industry, with a strong focus on renewable energy, and an explicit exclusion of coal and oil sands-related business. This includes insurance products supporting renewable energy production facilities, for which AXA aims to double its footprint by 2020. AXA also offers parametric insurance products which, for example, help insured communities facing the consequences of climate-related disasters on agricultural crops (notably drought or flooding).

Climate and ESG “outreach” and engagement

SHAREHOLDER ENGAGEMENT

AXA and/or AXA IM joined several shareholder coalitions, notably: UN PRI ESG Engagement Advisory Committee, providing strategic direction and feedback on themes for future collaborative engagements; Climate Action 100+, a five-year investor initiative to engage with the world's largest corporate greenhouse gas emitters to curb emissions, strengthen climate-related financial disclosures and improve governance on climate change; UN PRI shareholder engagement initiative designed to promote adoption of the TCFD guidelines; a collective engagement initiative on Arctic Drilling, targeting oil & gas companies involved in oil exploration in the Arctic, as well as Arctic Council members; “Aiming for A”, a major collective shareholder engagement initiative urging certain companies to improve their reporting on transition risks; Automotive industry ShareAction initiative seeking to clarify carbon and SOX/NOX emissions standards from the automotive sector; UN PRI Palm Oil Initiative.

EU HIGH-LEVEL EXPERT GROUP ON SUSTAINABLE FINANCE

AXA took an active role in the EU High Level Expert Group on Sustainable Finance, developing recommendations on how sustainability could be placed in the European Union's core financial processes, how different participants in the financial system could act on it, and how to mobilize capital more effectively for a sustainable economy. Sustainable finance

offers Europe a powerful tool for achieving its goals of economic prosperity, social inclusion and environmental regeneration.

COALITIONS, ACTIVE MEMBERSHIPS AND PARTNERSHIPS

Finally, AXA has joined or supported many Investor and Insurance-led coalitions over the years in the fields of ESG, RI and Corporate Responsibility: UN PRI, UN PSI, IIGCC, Montreal Carbon Pledge, Science Based Targets, RE100, Caring for Climate Carbon Pricing Leadership Coalition, UN Global Compact, CDP, ORSE, EpE, Finance for Tomorrow, “Kyoto statement” of the Geneva Association, etc. AXA also co-chairs the Global Steering Committee of the Finance Initiative of the United Nations Environment (UNEP FI) and is an Advisory Board member of the OECD's Centre on Green Finance and Investment. AXA chairs the French Insurance Federation working group on exclusions and divestments.

AXA also has climate-related NGO partnerships. These include UN Habitat, focusing on strengthening building codes and their implementation in countries vulnerable to natural disasters, encouraging countries to “build back better”, and to reduce fatalities and limit economic losses as a result of disasters. AXA also signed the UNISDR Private Sector Commitment for Disaster Risk Reduction. These principles cover 5 key areas around the role that the private sector can take to further encourage Disaster Prevention, Resilience and Risk Reduction. Finally, AXA and the international NGO CARE work on both disaster risk reduction and climate change adaptation.

ACADEMIC RESEARCH

AXA believes a better understanding and broader public awareness are critical to design a resilient society. This is why AXA supports open, public academic research since 2007 via the AXA Research Fund. AXA commits to continue to finance climate-related research to the tune of €1.5 million per year. Projects supported include a chair in African Climate Risk within the African Climate and Development Initiative at the University of Cape Town, carbon tariffs as an instrument for tackling climate change, understanding China's sensitivity to climate-related crop disruption, etc. The complete list of projects are detailed on AXA Research Fund's website.

METRICS & TARGETS

Investments: Carbon footprinting

In addition to the ESG metrics described in Section 2, AXA tracks carbon-related KPIs. AXA signed the “Montreal Carbon Pledge” committing to assess and disclose the carbon intensity of its investments. The 2017 analysis, which covers 82% of AXA's General Accounts assets (equities, corporate Fixed Income and Sovereign Debt), shows a decreasing average carbon intensity (203T CO₂/€m of revenue in 2017 vs. 247T CO₂/€m of revenue in 2016 and 284 in 2015). This footprinting highlights our portfolio's

largest carbon emitters, which may be an interesting “carbon asset risk” proxy. It also reveals that broad asset-class data do not provide useful insights given the heterogeneity of metrics across assets, but that sub-sectors breakdowns may inform shareholder engagement efforts. More sophisticated works, such as the “Carbon Value at Risk” and the “Temperature gauge” developed in our TCFD report, are required to better understand materiality of “energy transition” risks. This would consider an estimate of the carbon cost (carbon Value at Risk) as well as measures of the “green share” accounting for the positive contribution of some business models to the transition to a low carbon world.

Avoided emissions

According to our calculations, AXA’s 2017 divestments from coal and tar sands activities could be considered to result in 37.8 million metric tons of CO₂ removed from AXA’s portfolio footprint. Similarly, AXA’s new green investments targets will result in 4 million tons of CO₂ saved with the following breakdown: infrastructure debt wind farms (1.8MT CO₂), Infrastructure equity renewable energy (0.8MT CO₂) and Green bonds financing renewable energy projects (1.4MT CO₂).

Environmental footprint and targets

As described under Section 7.3, AXA has implemented an environmental reporting process since 2002, and has a target to reduce its direct carbon emissions (related to its operations, not investments) by 25% between 2012 and 2020, as well as paper and water-related targets. This target has been achieved in 2017. Since 2017, as part of our RE 100 pledge, AXA is committed to

shift to 100% renewables for its electricity consumption by 2025, with an interim target of 70% by 2020. See detailed information under Section 7.3.

Impact Fund KPIs & corresponding UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) is a set of 17 Goals addressing a range of global sustainable development challenges. The AXA Impact Funds I & II, in their objectives and purpose, are investment vehicles demonstrating the role AXA and its underlying entities are playing in contributing capital towards the achievement of the SDGs. We have conducted a preliminary review of the SDGs relative to the Funds, its investee funds and underlying businesses and can report that the AXA Impact Fund I & II are aligned with the objectives of the SDGs and provides capital to businesses that directly address 10 of the 17 SDGs.

SRI RATINGS

The Group’s Environmental, Social, and Governance (ESG) performance is evaluated by various organizations, including Socially Responsible Investment (SRI) rating agencies. The Group is ranked in the top tier within the main indices and rankings such as RobecoSAM (DJSI), FTSE4GOOD and Euronext Vigeo. The full details of AXA’s rankings are available on axa.com and in Chapter 1.1. According to our research, these high ratings translate into a significant presence of the AXA share in SRI funds compared to our peers.

7.5 SOCIETAL INFORMATION

Business-related societal initiatives

As described under the environmental information section, AXA develops various products and services with added environmental value. AXA's products – P&C, savings, health and associated services – do not pose direct health and safety concerns for our customers. On the contrary, through our products, we encourage and reward healthy and environmentally responsible behavior, as well as help reduce social exclusion. Recent examples of business developments addressing societal needs are developed below.

INTEGRATING SOCIETAL ISSUES IN PRODUCT RANGE

AXA France co-created the “Assurance Citoyenne” label with civil society representatives. It is a set of criteria that define minimum requirements to qualify as “sustainable insurance” products. These criteria are based on “Trust” considerations (e.g. clear communications to customers and dedicated claims handlers), “Prevention” (e.g. pricing incentives that help customers identify and prevent or reduce risks), “Environment” (e.g. paperless contract, products offering incentives or pricing benefits when covering buildings using material that respect the environment), and “Fairness” (e.g.: product accessibility for populations usually excluded from insurance mechanisms). Based on this internal rating, AXA France launched a customer facing label which highlights to the customers that the AXA France products offer, above traditional coverage, extra features and services supporting the sustainability and business ethics dimensions. In 2017, the label was granted to 50 products representing almost half of AXA France's P&C turnover.

EMERGING CUSTOMERS

AXA is actively engaged in the financial inclusion space to better serve the middle class of tomorrow. Through the development of its “Emerging Customer” insurance offer across high-growth markets, AXA addresses social exclusion by enabling vulnerable segments of the population to access insurance services that accompany them in their economic progression and that provide a safety net that prevents them from falling back into poverty.

After more than 24 months of having launched AXA's Emerging Customers business, live initiatives include:

- India: Bharti AXA General Insurance (BAGI) is partnering since November 2016 with Airtel Payment Bank (APB) to insure all

APB account openers with free personal accident insurance, covering 2 million customers every month, and having already covered more than 16 million clients since launch. In addition, BAGI also covers -with the support of the Indian government- more than 360 thousand farmers through an agriculture insurance scheme across different departments in India;

- Indonesia: to address the lower middle-class customers asking for a loan, Mandiri-AXA General Insurance leverages its partnership with Mandiri Bank to propose Credit life, Personal Accident, and collateral insurance to all of Mandiri's microbusiness clients;
- Thailand: AXA GI launched a partnership with AIS, the first mobile network operator in Thailand, a pilot to provide Personal Accident and Hospital Cash products as a reward to loyal AIS prepaid customers. Alongside the Thai government, AXA GI is also insuring 2.6 million rice farmers;
- Malaysia: In partnership with the Malaysian Post Office, AXA Malaysia is providing accessible accident and two-wheeler insurance to over 110,000 customers;
- Philippines: AXA Philippines is working with TSKI, a leading Microfinance Institution (MFI), as well as several digital players to distribute insurance to emerging customers. AXA Philippines is also leading insurer of the Oversea Filipino Workers scheme, which provides protection to working migrants;
- Morocco: AXA Morocco partners since 2012 with a MFI, Albaraka, to provide nearly 150,000 micro-entrepreneurs with credit life, property and hospital cash (“hospicash”) coverages;
- Nigeria: AXA Mansard distributes microinsurance products through partnerships with MFIs and MTN, a leading mobile network operator;
- Egypt: AXA Egypt is partnering with leading MFIs to distribute credit and health covers;
- Brazil: AXA is partnering with Pernambucanas, a leading retailer in Brazil, to provide relevant covers for its clients;
- Mexico: AXA is partnering with MFIs to provide P&C insurance to microentrepreneurs.

Since last year, AXA has also embarked in the exploration of specific segments that could require tailored protection solutions. Such is the case of migrant workers sending money back home and women as key decision makers of the wellbeing of their family.

MICRO-INSURANCE IN FRANCE

In addition to the above products addressing emerging markets, AXA also offers micro-insurance products in France since 2007. AXA France and Macif (a French mutual insurer) offer a microinsurance product, in partnership with the French organization to aid microenterprise development ADIE. Three policies are available: two Comprehensive Business Insurance packages for entrepreneurs starting up either at home or on dedicated business premises, a Motor Policy and a Business Liability offer. The average premiums are less than €1 per day.

WOMEN IN INSURANCE

To tackle the women's market, our strategy is to tailor our offers to women expectations by customizing our sales approach, adding value-added services, enhancing our customer interactions and humanizing our brand image. AXA is currently tailoring its insurance solutions to meet our client's gender-specific needs. For example:

- we adapt our sales approach: AXA France has launched *Rencontres pour Elles* to mobilize the salesforce to address women with a specific commercial pitch and to improve proximity to women clients (300 meetings organized in 2016);

- we develop dedicated value-added services: AXA Sigorta has included in its Women Entrepreneurs product roadside assistance, concierge and psychological support services to correlate women's business and personal lives.

By end of 2017, the initiative has been rolled-out across 12 pilot entities.

INTEGRATION OF ENVIRONMENTAL, SOCIAL AND ETHICAL ISSUES IN RISK MANAGEMENT AND PRODUCT DEVELOPMENT

When appropriate, the Group's underwriters and portfolio managers integrate environmental and social risks, including human rights concerns, as well as more generally ethical concerns in their product development processes and policies. This is notably undertaken via (1) applying certain sector-specific exclusions, (2) the Group underwriting guidelines for P&C Commercial lines that require local AXA entities to exclude certain sensitive sectors or activities, and (3) the "Policy on business relationships involving sanctioned countries and countries identified as having high levels of corruption or political risk". The latter policy formalizes the Group policies and procedures with respect to business in or with countries that are subject to international sanctions or embargoes or otherwise identified as high corruption, high political risk and/or tax haven jurisdictions.

Stakeholder dialogue

AXA defines its stakeholders as any individual or group affected, or likely to be affected, by its business operations, or who, in turn, may affect the Group's performance or the environment in which it operates. AXA's stakeholders include the Group's shareholders and investors, its employees, its business partners and suppliers, as well as governments, international organizations and community groups.

conducted a global stakeholder survey to encourage greater engagement with local civil society and community groups.

STAKEHOLDER ADVISORY PANEL

Engagement may take place through regular discussions, meetings, conferences, surveys or more formal structures, such as the Company's European Works Council. AXA may also work directly with stakeholders through strategic partnerships (please see below). AXA also has a Stakeholder Advisory Panel, which meets twice a year and provides high-level input to the Group's strategy and its approach to corporate responsibility. AXA also

STAKEHOLDER ENGAGEMENT PRINCIPLES

AXA has a set of Stakeholder Engagement Principles, published on its corporate website. These principles apply to all AXA's businesses worldwide, and set out the Group's overall approach to stakeholder engagement. As well as these principles, AXA is also guided in its stakeholder engagement by the Group's own internal rules and procedures, as well as by its external commitments (to the UN Global Compact and the UN Principles for Sustainable Insurance for example). We believe that engaging with stakeholders improves the Group's understanding of key social, environmental, and governance issues. It is also used to strengthen the Group's decision-making, helping identify risks and opportunities for the business and improve the products and

services AXA offers. This dialogue also helps strengthen society, by making the Group's knowledge, expertise and resources more widely available.

STAKEHOLDER/NGO PARTNERSHIPS

As part of this strategy, AXA works closely with a number of civil society partners. These partnerships address key social and/or environmental issues; they include AXA's long-standing partnership with CARE. This partnership was renewed in 2016 for a further three years. Together, AXA and CARE are working in three main areas: disaster risk reduction, climate change and financial inclusion. In addition, AXA launched one other partnership: the Group is working with UN Habitat on strengthening building codes to build resilience in countries vulnerable to natural disaster.

COMMUNITY INVOLVEMENT: SOCIAL & CULTURAL ACTIVITIES, PHILANTHROPY, EDUCATION, EMPLOYEE VOLUNTEERING

Protecting customers from risk and unexpected events is at the core of AXA's mission. This is why AXA is committed to using its skills, resources and expertise to build a better understanding of the risks faced by both individuals and society as a whole.

To support this, AXA's Community Investment program promotes risk research and prevention. This approach is included in the Company's Community Investment Guidelines encouraging AXA entities to focus their community investments on risk research and education. In 2017, 72% ⁽¹⁾ of the nearly €33.5 million donated by AXA business entities and the Group (including the AXA Research Fund) were dedicated to community projects addressing these themes. In addition, AXA also provided support for other good causes, including healthcare, youth employment and humanitarian aid. Specific guidelines on Humanitarian Aid have also been drawn up.

AXA's approach to community investment covers various activities and initiatives, including:

- employee volunteering, through the AXA Hearts in Action international program (see dedicated section below) and local volunteering programs;
- the AXA Research Fund (see dedicated section below);
- strategic partnerships, including long-standing partnership with CARE (since 2011, AXA has donated €5.4 million), and partnership signed with UN Habitat;
- humanitarian crises and natural catastrophes in response to which AXA's main non-profit partners are mobilizing to

provide emergency relief and develop medium or long-term reconstruction or empowerment projects for the affected populations. In 2017, the Group decided to set aside approximately €800 thousand to support CARE, UNICEF and the Red Cross.

VOLUNTEERING

AXA Hearts in Action is an international program intended to AXA employees, through which they can carry out volunteering activities addressing various issues (for example disability, education, environment, health and social welfare). In 2017, more than 52,000 volunteering acts were performed by AXA employees, mainly through AXA Hearts in Action local programs set up in at least 38 AXA entities, making their skills and time available to conduct community investment projects. Their engagement represented approx. 93,000 hours, dedicated by AXA employees to volunteering activities (during working hours).

In addition, can be counted the data from the skill-based missions of AXA entities in France. In 2017, 45 employees performed volunteering skill-based missions at AXA Atout Coeur France (13 people), at Les Entreprises pour la Cité (2 people) and at various partner charities (30 people) as part of the *AXA Expérience Solidaire* programme. In total, the salary expenditures paid over the 49,751 hours dedicated to these skill-based volunteering missions represent the equivalent of a €3.2 million donation.

THE AXA RESEARCH FUND

Because Science holds the keys for progress and better lives, AXA launched in 2007 the AXA Research Fund, a unique global science philanthropy initiative dedicated to accelerating and sharing knowledge and solutions for key global challenges facing our societies.

The AXA Research Fund supports academic innovation made by top-tier researchers all over the world, in the fields of Health, Environment, Data & Tech and Socio-Economic Risks. In 2017, it has been granting Post-Doctoral Fellowships (up to €130 thousand), Chairs (up to €800 thousand), Awards (up to €250 thousand) and Joint Research Initiatives (up to €250 thousand). The Fund provides researchers with the means and freedom to complete their work successfully, so that they feel encouraged to explore new avenues. The awarding of grants is based on strict academic criteria following a transparent and rigorous selection process, which is overseen by our Scientific Board and presided by Prof. Tom Kirkwood (Newcastle University, UK).

AXA's support to scientific research goes beyond funding. Convinced that to be useful, Science needs to be shared, the

(1) In 2017, data is drawn from almost 73% of the Group's total number of FTE's.

AXA Research Fund also provides communications trainings, resources, media and engagement opportunities to help selected scientists disseminate their knowledge with a broader audience and foster scientific and society exchanges to enlighten decision making for a better future. The team is notably organizing research conferences to foster dialogues among experts and scientists on subjects such as country risk, data privacy, critical illness and resilient cities. Supported researchers are also invited to take part in media activities, with partners such as National Geographic or The Conversation, or science pop videos produced with science presenters, or at their own initiatives. They are also

encouraged in sharing their science on open access media, and promote it through social media, with the help of AXA and their institutions communications teams.

As of December 31, 2017, the AXA Research Fund has been supporting 563 research projects, of researchers from 58 nationalities, in 35 countries, with a financial support of €140 million.

More information on the AXA Research Fund is available at axa-research.org for funding schemes and supported projects; and gallery.axa-research.org for disseminated science.

Compliance with International Labour Organization recommendations and Business Ethics

RESPONSIBLE PROCUREMENT

AXA is a major buyer of products and services, both for its internal operating needs and for services to its insured customers. From the outset, the Group's internal buyers commit to respecting a specific Code of Ethic in addition to the Group's Code of Professional Conduct. This Code substantiates our buyers' commitment to fulfilling the principles of fairness, neutrality, confidentiality and transparency.

AXA furthermore incites its suppliers to be socially and environmentally responsible and asks them to sign a Corporate Responsibility Clause committing them to respect the four principles of the International Labor Organization.

In addition, the Group applies social and environmental criteria to assess supplier performance through the EcoVadis tool, a specialist assessment platform. The EcoVadis score provides a framework for building a tailored action plan in order to improve the quality of the services or to reduce the supply chain risk. AXA also commits itself to same principles and received a Gold Rating for its 2017 EcoVadis assessment.

Most of our principal IT, services, and overhead suppliers have now been assessed. An awareness training pack is available for all the procurement community by the intermediaries of the 25 AXA Corporate Responsibility Champions network. This pack is reviewed annually by the Corporate Responsibility Community of Champions.

BUSINESS ETHICS

AXA's Group Compliance and Ethics Guide ("the Guide") seeks to establish Group-wide guidelines and rules to ensure that AXA Group companies and employees have a common understanding of applicable ethical standards, participate in the fight against corruption and conduct business accordingly. The Guide covers a variety of matters, including specific rules concerning conflicts of interest, transactions involving AXA securities and those of its listed entities, confidentiality and control of sensitive information as well as record keeping and retention. The Guide also seeks to reflect AXA's values. Most of AXA's principal operating entities have developed ethical guidelines that comply with local regulatory and statutory requirements. The Guide is available on the Group's website (www.axa.com).

In addition to compliance with national law and regulations, AXA joined the United Nations' Global Compact in 2003, formally committing to upholding and protecting principles for human rights. The Group Compliance and Ethics Guide refers to the UN Global Compact in its founding principles. Both the Compliance Guide and UN Global Compact adherence are applicable to every AXA entity.

AXA is an active member of the non-profit Transparency International France. As such, AXA supports TI's vision, values and founding principles. This includes a commitment to promote "responsible" lobbying practices when AXA engages with public authorities. Our public commitment is detailed in our "Public Affairs Charter", which is available on axa.com.

Impact on regional development, subcontracting

Given that its operations are largely decentralized and its staff spread across a number of different locations, AXA's activities generally have no significant direct impact on local employment or development in any specific Region, nor does AXA engage in significant levels of subcontracting.

However, AXA's most significant impact on society occurs through its insurance, savings and investment services, which contribute to economic growth, stabilization, and improved risk sharing across firms and Households, and between generations. This societal role affects virtually all individuals and businesses.

Most importantly, AXA provides supports 105 million customers around the world, including individuals, local communities and businesses. Our products and services help our customers protect their lives, their property and belongings, their health, and their savings, providing long-term peace of mind which allows them to build and invest in the future.

In addition to this broad macroeconomic role, AXA supports various stakeholders by identifying and underwriting risk, managing claims, and acting as a significant long-term investor.

Report by one of the Statutory Auditors, appointed as an independent third party, on the consolidated human resources, environmental and social information presented in the management report

This is a free translation into English of the Statutory Auditors' report 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.

FOR THE YEAR ENDED DECEMBER 31st, 2017

To the shareholders,

In our capacity as Statutory Auditor of AXA SA (the "Company"), appointed as independent third party and certified by COFRAC under number 3-1060 (whose scope is available at www.cofrac.fr), we hereby report to you our report on the consolidated human resources, environmental and social information for the year ended December 31, 2017, included in the management report (hereinafter named "CSR Information"), pursuant to Article L.225-102-1 of the French Commercial Code (*Code de commerce*).

COMPANY'S RESPONSIBILITY

The Board of Directors is responsible for preparing a company's management report including the CSR Information required by Article R.225-105-1 of the French Commercial Code in accordance with the Social Data report referential, the Environmental Reporting Protocol and the Community Investment Survey Guide used by the Company (hereinafter the "Guidelines") and available on request from the Company's head office.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the French Code of ethics (*Code de déontologie*) of our profession and the requirements of Article L.822-11-3 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements and applicable legal and regulatory requirements.

STATUTORY AUDITOR'S RESPONSIBILITY

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of Article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

However, it is not for us to express an opinion on the compliance with the other legal provisions applicable, in particular those set out by the Article L.225-102-4 of the Commercial Code (plan of vigilance) and by the law n° 2016-1691 of December 9, 2016 known as Sapin II (fight against corruption).

Our work involved 11 persons and was conducted between October 2017 and March 2018 during a 7 week period. We were assisted in our work by our CSR experts.

We performed our work in accordance with the order dated May 13, 2013 defining the conditions under which the independent third party performs its engagement and with the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000 concerning our conclusion on the fairness of CSR Information (Assurance engagements other than audits or reviews of historical financial information).

1. Attestation regarding the completeness of CSR information

NATURE AND SCOPE OF OUR WORK

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in Article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with Article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, *i.e.*, the Company, its subsidiaries as defined by Article L.233-1 and the controlled entities as defined by Article L.233-3 of the French Commercial Code within the limitations set out in the methodological information described at the bottom of the data tables “Workforce” and “AXA Group environmental indicators”, as well as the footnote of the paragraph “Volunteering” of the chapter 7 of the Annual Report.

CONCLUSION

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

2. Conclusion on the fairness of csr information

NATURE AND SCOPE OF OUR WORK

We conducted around ten interviews with about 8 persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and Risk Management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and Risk Management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important and whose list is given in annex:

- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- at the level of a representative sample of entities, AXA Colpatría, AXA Assistance Colombia, AXA Singapore Insurance, AXA Direct Korea, AXA Banque, AXA Corporate Solutions France, AXA Corporate Solutions Italy, AXA France Assurance, AXA Investment Managers Paris, GIE AXA, AXA Konzern AG, AXA Seguros Generales, AXA Life Insurance Ukraine, AXA Insurance UK Plc, AXA PPP Healthcare et AXA UK Plc, selected by us on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. This work represents 35% of headcount considered as typical size of the human resources component, between 21% and 55% of environmental data considered as characteristic variables of the environmental component, and between 29% and 62% of social data considered as characteristic variables of the social component.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the Company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

CONCLUSION

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Neuilly-sur-Seine, March 19, 2018

One of the Statutory Auditors
PricewaterhouseCoopers Audit

Xavier Crepon
Partner

Sylvain Lambert
Partner of “Sustainable Development” Department

Appendix: CSR information that we considered to be the most important

HUMAN RESOURCES:

- total workforce and split by gender, age and geographical area, including indicators headcount of salaried workforce as at the end of the year and average FTE of salaried workforce, headcount of salaried non-sales and sales force men and women by professional category, average age and average seniority of salaried non-sales force;
- hires and dismissals, including indicators external recruitments, resignations, dismissals and involuntary turnover of salaried non-sales force;
- compensation and variation, including total gross payroll of salaried non-sales force and gross fixed payroll of salaried sales force;
- absenteeism, including indicator absenteeism rate and proportions by type of absence of salaried non-sales and sales force;
- organization of social dialogue;
- work accidents, in particular frequency and gravity as well as work disease;
- training policy;
- training hours, including indicator average number of days;
- implemented policy and measures taken in favor of the equality between the women and the men;
- implemented policy and measures taken in favor of the employment and of the insertion of the disabled people;
- respect of the freedom of association and of the right of collective bargaining;
- elimination of segregation in terms of employment and professions.

ENVIRONMENTAL INFORMATION:

- organization of the Company to take into account the questions of environment;
- measure of prevention, recycling and elimination of waste, including indicators unsorted waste, sorted paper for recycling and percentage of cartridges and/or toners for recycling;
- water consumption and water supply according to the local constraints, including indicator water consumption per person;
- consumption of raw materials and measures taken to improve the efficiency of their use, including indicators office paper, marketing and distribution consumption and percentage of paper recycled and/or guaranteeing sustainable management;
- energy consumption, measures taken to improve the energy efficiency and resort to the renewable energies, including indicators consumption of electricity, gas, fuel, steam and chilled water and energy consumption per person;
- significant greenhouse gases emissions contribution generated due to the Company activity, including the use of goods and services it products, including indicators CO₂ emissions resulting from onsite power consumption, paper and business travel per person;
- usable occupied area and usable vacant area, including indicator net internal area.

SOCIAL INFORMATION:

- territorial, economic and social impact in respect of employment and regional development;
- actions of partnerships or sponsorship, including volunteering hours during paid hours and cash donations to community projects;
- taken into account the social and environmental issues in the policy purchase;
- actions committed to prevent the corruption;
- other actions carried out to promote human rights.

7.6 VIGILANCE PLAN

AXA Group is committed to promoting and protecting internationally-recognized human rights, fundamental freedoms, health and safety, as well as the environment in the course of its business activities.

To comply with recent requirements of French law ⁽¹⁾, AXA has adopted a vigilance plan (the “Vigilance Plan”) that sets out how AXA has established and implemented safeguards to identify and prevent serious violations of human rights and environmental abuses.

Scope of the Vigilance Plan

The Vigilance Plan applies to AXA Group companies and their respective activities and operations, including intra-group activities, and all AXA employees, worldwide.

It sets out, subject to local law and regulation, certain guiding principles and Group-wide policies designed to ensure that all AXA Group companies and their employees have a common vision of the AXA Group’s standards related to human rights and the environment and operate accordingly.

The Vigilance Plan extends to the activities and impacts of service providers and suppliers to AXA Group companies with whom there is an established business relationship insofar as these

impacts and activities relate to business contracted with AXA Group companies.

As legally required, the AXA Group conducted an analysis to measure how the AXA Group’s activities and operations falling within the above scope potentially impact the environment and each of human rights, which consistent with United Nations principles AXA defines to include fundamental freedoms and health and safety, with a view to ensuring each identified potential risk is covered by an AXA Group policy.

Identification and evaluation of risks to human rights and the environment

The AXA Group considers its activities do not generate major (high) risks of human rights violations. The Group does estimate however that it may have potential *direct* and *indirect* impacts on the human rights of its employees and customers as well potential *indirect* impacts on the human rights of others through relations with corporate customers that are active in, or through investments in companies which are active in, sectors and/or countries with increased risk of human rights violations.

Consequently, with the support of KPMG, the AXA Group developed a human rights risk assessment that identified the most relevant risks to human rights that the AXA Group should consider in conducting its business. These were identified as risks to the principles of equality before the law and non-discrimination (with respect to minorities), freedom from all forms of forced or compulsory labour, child protection, freedom of association, collective bargaining, the right to just and favourable working conditions, liberty and security of the

person, the right to health and an adequate standard of living, and the right to privacy.

AXA’s *direct* operations, focusing on financial services, do not generate major impacts on the environment. As a result, AXA’s environmental reporting and management processes focus on energy, water and paper consumption, as well as related CO₂ emissions. AXA’s comprehensive environmental reporting process, which is verified by an independent third-party, allows AXA to evaluate its impact on and identify risks to the environment from its activities. Please refer to Section 7.3 “Environmental Information – Environmental reporting network and process” of the Annual Report for further information on AXA’s environmental reporting process.

As in *investor*, AXA has proactively implemented a Global Responsible Investment Policy (2013), available on the AXA Group’s website (www.axa.com), and built an analysis framework

(1) Law No. 2017-399 of March 27, 2017 relative au devoir de vigilance des sociétés mères et des entreprises donneuses d’ordre and Article L.225-102-4 of the French Commercial Code.

in order to identify potential *indirect* impacts on human rights and the environment.

As a *business partner*, AXA has implemented processes to identify and assess risks to human rights and the environment associated with its use of service providers and suppliers. AXA produces a matrix assessing the level of procurement risks and opportunities categorized by topic (social, environmental, end-use impact,

supply chain, business integrity) that allows procurement and corporate responsibility teams to identify the risks and analyse their impacts. Risks associated with significant service providers and suppliers belonging to categories identified as medium or high risk are mapped and voluntarily assessed through a specific tool (Ecovadis) at least every two years.

Protection of Human Rights and the Environment

PROTECTION OF HUMAN RIGHTS AND AXA'S HUMAN RIGHTS POLICY

AXA's Human Rights Policy (2017), available on the AXA Group's website, aims at preventing the violation of human rights and reflects the AXA Group's commitment to international general and sector-specific standards such as the United Nations Global Compact, the United Nations Principles for Responsible Investment and the UN Principles for Sustainable Insurance. The Human Rights Policy describes AXA's commitments in its own operations as an *employer* and a responsible *business partner* but also as an *insurer* and an *investor* and how the protection of human rights is implemented at the core of AXA's activities.

Protection of employee human rights

AXA is committed to protecting AXA employees' human rights, specifically the principles of freedom of association, the right to just and favourable working conditions, and non-discrimination, through:

- AXA Group's Compliance & Ethics Guide, available on the AXA Group's website, with which employees need to annually certify compliance;
- promoting the 10 guiding principles of the UN's Global Compact, of which principles 1 & 2 relate to human rights and principles 3 to 6 to labour standards, and encouraging reporting of breaches to the compliance function;
- setting ambitious Diversity and Inclusion (D&I) targets and initiatives.

Please refer to Section 7.2 "Social Information" of the Annual Report for further information on AXA employee relations, collective bargaining and D&I.

Protection of employee health and safety

The AXA Group has implemented a health and safety standard with which entities must certify compliance covering physical security, which set out processes to identify local health and safety requirements, consult and train AXA employees, and report health and safety issues.

See further details in Section 7.2 "Social Information" of the Annual Report.

Personal data protection

The AXA Group is also committed to using information relating to an identified or identifiable physical person ("Personal Data") in a responsible manner and safeguarding employee and client privacy, to ensure responsible, transparent and ethical treatment of Personal Data in line with the European legislation on Personal Data protection. AXA's Data Privacy Declaration, the public statement covering AXA's network of privacy-related policies, is available on the AXA Group's website.

AXA was the first insurance group to have adopted privacy-related Binding Corporate Rules (2013), available on the AXA Group's website, to define processing principles and actions (e.g. trainings, governance, responsibilities) to ensure data protection and the responsible transfer of data. The Binding Corporate Rules are the result of consultation with European data protection authorities, and constitute an internationally approved data privacy contractual framework for the treatment of customer, employee and other stakeholder Personal Data that multinationals such as AXA encounter and collect in the course of their business activities.

In addition to this leading position on data privacy, AXA has an Advisory Board of independent experts, established in 2015, whose purpose is to provide insights to the Group on strategy and governance in this area. The Advisory Board addresses data protection policies, legislation and ethics, the interaction of privacy and technology, and marketing and operational aspects of data privacy including use in the insurance industry, and assists AXA in positioning itself publicly with respect to data privacy issues.

Integration of human rights into business processes

As an *insurer*, AXA strives to incorporate Environmental, Social and Governance (ESG) criteria (including those relating to human rights) into its insurance business processes, in line with AXA's commitment to the UN Principles for Sustainable Insurance. Further, underwriting guidelines define prohibited business and

integrate AXA's policies regulating insurance activities in sectors that represent increased risks, which policies can be directly or indirectly related to human rights.

AXA further seeks to support its customers' rights and to prevent or mitigate adverse human rights impacts that may arise from the provision of insurance products and services to corporate customers by:

- ensuring fair treatment of all customers;
- offering products and services which help reduce social exclusion and empower people to achieve positive health and safety outcomes;
- providing customers with the means to express and resolve any disputes that may arise with AXA Group companies, notably through dedicated complaints departments.

Please refer to Section 7.5 "Societal Information – Business-related societal initiatives" of the Annual Report for further information on ESG integration in products & services.

PROTECTION OF THE ENVIRONMENT AND AXA'S STRATEGY

The AXA Group's Environmental Policy, available on the AXA Group's website, describes key actions aimed at reducing AXA's *direct* and *indirect* environmental impacts.

In particular, in 2013, AXA's ambitious environmental targets for 2020 embedded environmental strategy, notably focused on the reduction of carbon emissions, one of the main contributors to climate change, into the heart of AXA's strategy.

AXA also seeks to minimize its *indirect* impact on the environment by offering customers insurance and investment solutions that promote environmentally-friendly behaviour.

Please refer to Section 7.3 – Environmental Information of the Annual Report for further details on the strategy, policy, targets and results.

RESPONSIBLE INVESTMENT ACTIVITIES

As an *investor*, AXA seeks to integrate ESG criteria considerations into its investment strategy. In line with the Group Responsible Investment Policy, available on the AXA Group's website, the Group has in particular designed five sector policies to address investments in particularly sensitive sectors from an ESG perspective. These guidelines cover human rights and environmental concerns (*i.e.* controversial weapons, tobacco, coal mining, palm oil production), and entities are required to certify compliance. Please refer to Section 7.4 "Responsible Investment" of the Annual Report for detailed information about AXA's responsible investment governance, policy, targets and results.

RESPONSIBLE PROCUREMENT ACTIVITIES

As a *business partner*, AXA partners with service providers and suppliers including professional service firms and advisers of all types, and procures technical and maintenance services, which service sectors are generally considered as having a low risk of endangering human rights and the environment.

The AXA Group ensures that it works with service providers and suppliers that meet AXA standards with respect to human rights and the environment. Service providers and suppliers can be assessed through a "due diligence" process, when relevant at the "request for proposal" stage, by AXA Group companies on corporate responsibility issues (environment, labour practices, fair business practices and sustainable procurement) through Ecovadis. AXA buyers are required to sign a specific procurement Code of Ethics in addition to the Group Compliance & Ethics Guide.

Moreover, the Group uses a "corporate responsibility" or "CR clause" in contracts where possible and requires, amongst other safeguards, suppliers to observe the core standards of the International Labour Organisation. Violations are addressed with the supplier or service provider, with AXA retaining the right to terminate the contract. Please refer to Section 7.5 "Responsible Procurement – Compliance with International Labour Organisation recommendations and business ethics" of the Annual Report for detailed information.

Alert Procedure

All AXA employees are encouraged to promptly report any practices or actions that they believe are inappropriate or inconsistent with any of the policies set forth in this Vigilance Plan. While reporting in good faith is encouraged, AXA employees are not obligated to do so and reporting is entirely voluntary.

The AXA Group examines all escalated or identified violation and misconduct cases with the objective of ensuring an adequate response to any alleged, suspected or confirmed situations (which could constitute a breach of AXA's values or policies). Most AXA Group companies have well-defined internal regulations

and other policies governing whistleblowing pursuant to local laws and regulations.

Most alert procedures currently apply to serious violations relating to financial, banking and accounting matters, the fight against corruption, discrimination, workplace harassment and the protection of health, hygiene and security at work.

AXA will require all AXA Group companies to either implement an alert procedure with respect to human rights and the environment, or extend the scope of their existing alert procedure to this scope.

Stakeholder Involvement

AXA shall present the Vigilance Plan for stakeholder input to the French employee representatives, and further intends to promote dialogue over this Vigilance Plan with AXA employees, shareholders, investors, business partners as well as public institutions, international organisations and community groups.

Please refer to Section 7.5 “Societal Information – Stakeholder dialogue” of the Annual Report for further details about the stakeholder dialogue implemented by AXA.

Monitoring of the Vigilance Plan and Further Steps

The AXA Group ensures the implementation of all policies and procedures described in this Vigilance Plan through a network of compliance, data privacy, corporate responsibility and physical security professionals.

In 2018, in an effort to continually improve its management of risks, AXA plans additions and refinements to the Vigilance Plan and to roll out further work from the various stakeholders involved in developing, implementing and monitoring its risks policies.