



CLIMATE TRANSPARENCY REPORT 2020

AXA Investment Managers

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2020 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2020 Reporting Framework response. The full Public Transparency Report is available here (<https://reporting.unpri.org/surveys/PRI-reporting-framework-2020/-F7F5398D-F7EC-4887-8540-7067D06858E5/79894dbc337a40828d895f9402aa63de/html/2/?lang=en&a=1>). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2020 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	✓	Public				
SG 07.8 CC	-	Public				
SG 13.1	✓	Public				
SG 13.2	✓	Public				
SG 13.4 CC	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	✓	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	✓	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
Name	AXA Investment Managers
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ > 50 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2007
Region	Europe
Country	France
Disclosure of Voluntary Indicators	97% from 38 Voluntary indicators

AXA Investment Managers

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1	Indicate if you have an investment policy that covers your responsible investment approach.
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SG 01.6	Additional information [Optional].
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In 2019, we managed:

-> €508 billion of ESG integrated assets across institutional mandates and 75 open funds

-> About €13.6 billion of Sustainable Assets across institutional mandates and 25 open funds

-> About €1.2 billion of assets. We offer fixed income, equity and direct investment strategies

In addition we are reinforcing our engagement with industry groups to help develop best practices, and a good example in 2019 was our proposal to create a new asset class to support the transition to a Paris-Aligned world, with the Transition Bonds. This proposal led to the issuance of the first Transition Bonds ever in November and to the creation of a working group at ICMA.

SG 01 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 01.6 CC	Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.
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Yes

	Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.
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Screening

Since 2015, we have been working on climate related risks and have set first a coal exposure exclusion lists of companies strongly involved in coal activities (by more than 50% of their turnover), applicable to all assets under management. In 2017 we have enhanced this policy by considering a broader definition of climate risks, adding mining and power generation companies involved in thermal coal by more than 30% of either their turnover or energy mix, as well as tar sands producers and pipeline. This stricter policies is applied across AXA IM since 2019 (it was previously only applied to Sustainable and Impact Investing funds).

Measurement of risks and opportunities

In 2018 and 2019, we have also pursued our investigation of how we could measure on a continuous basis climate risks but also opportunities, putting in place collaborations with data providers and industry initiatives such as Carbon Delta / Beyond Ratings and Climate Action 100+ and IIGCC respectively in order to ensure portfolio managers have access to robust data at issuer level and can therefore further integrate climate considerations in their day to day activities, while helping to strengthen methodologies to assess and measure on an on-going basis climate risks and opportunities. This work is also realised in the spirit of the EU Taxonomy regulation.

We are in a process of formalizing transition risks represented by a costs and reflecting the regulation pressure for most emitting companies. We are also working of a measure of physical risks through the estimate of extreme weather events linked to climate change in monetary terms for companies.

Finally, we have been developing a concept of green share since 2016. This framework is based on the exposure of companies business to green activities according to a taxonomy we have developed internally for our green bonds investment.

We will continue upgrade this model going forward by

i) increasing the quality and completeness of green activities mapping

- ii) investigating other approach and in particular, ones based not only on revenues exposure but also operations
- iii) considering a broader notion of greenness with in particular a full analysis of the life cycle (notion of net contribution to the energy transition).

Stewardship

Climate risks and opportunities are one of the key thematic focus of our stewardship activities, through voting and shareholder engagement. In 2019, alongside establishing public support for the TCFD, we urged companies in particular to:

- >Commit to short-, mid- and long-term carbon emissions reduction targets that are based on climate science. There should be a clear explanation of corresponding capital expenditure plans
- >We look at how the company is handling climate issues in terms of governance. Namely, the board's climate understanding, remuneration tied to climate issues, whether the company discloses an action plan to address climate related concerns, and what commitments have been made over what timeframe.
- >Perform scenario analysis using a scenario where global warming is limited to the Paris Agreement goal of well below 2°C
- >Align executive remuneration to climate change objectives

No

SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?
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Yes

Describe the associated timescales linked to these risks and opportunities.

The climate risk is real and has a financial materiality. In view of its impact, it encourages financial departments and boards of directors to take it into account in their financial investment decisions. This is why AXA IM has taken several decisions aligned with this observation:

- 2015: coal exclusion policy 1.0 + green share + reporting on carbon footprint
- 2016/2017: climate risks exclusion policy 2.0
- 2018: preliminary work transition risks, physical risks, warming potential, forward looking green revenues
- 2019 : - validation of the climate section in our reporting with both historical metrics and forward looking indicators
 - Publication of a research paper on scenario analysis : https://realassets.axa-im.com/content/-/asset_publisher/x7LvZDsY05WX/content/climate-scenario-analysis-assessing-the-future-for-investments/23818
 - Publication of a research paper looking at carbon footpath and more forward-looking approaches implementable in portfolio management: https://realassets.axa-im.com/documents/23818/206774/AXA+IM+Rosenberg+Equities_+From+Carbon+Footprint+Towards+Carbon+Footpath_2019.10.pdf/7433cb8b-14e9-95b5-a215-b9cdd4b5c3ab

No

SG 01.8 CC	Indicate whether the organisation publicly supports the TCFD?
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Yes

No

SG 01.9 CC	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.
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Yes

Describe

Since 2015, AXA IM has taken a very early lead about measuring the exposure of investments to climate risks and opportunities, and more generally, on the implementation of the alignment of our strategies with the Paris Agreements.

To this end, since 2018, AXA IM has set up an internal Climate Taskforce made up of different stakeholders in the organisation (Climate experts, portfolio engineers, portfolio managers, risk managers).

AXA IM Climate Taskforce drives the implementation of the TCFD framework within the company, and helps to steer its contribution to the Paris Agreement goals, either directly by proposing actions to be implemented as part of AXA IM RI and CR strategies and / or by supporting clients related demands.

In that perspective, the Climate TF is aimed at better integrating all teams concerned by AXA IM Climate Strategy, in order to provide a robust approach to Climate as well as more predictability, and to ensure the development of technical skills.

No

SG 1.10 CC Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other

specify

TCFD Report

- We currently do not publish TCFD disclosures

Governance and human resources

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 07.5 CC Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

Board members or trustees

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other Chief-level staff or heads of departments

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Portfolio managers

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Investment analysts

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Dedicated responsible investment staff

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other role, specify (1)

Risks and Compliance

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other role, specify (2)

Product development teams

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

SG 07.6 CC

For board-level roles that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

Illustrating AXA IM's commitment to Responsible Investment and Climate concerns, all the RI policies are validated by AXA IM Management Board. In addition, Management Board members have targets related to the integration of ESG and Climate consideration in portfolio management and in the management of our company.

Actions relating to the integration of climate consideration within portfolio management are discussed and validated in our RI strategic committee, with the support and advice from the Climate Taskforce.

Actions relating to the integration of ESG / Climate considerations in the management of our company are discussed within the Corporate Responsibility committee.

**SG 07.7
CC**

For management-level roles that assess and manage climate-related issues, provide further information on the structure and processes involved.

Heads of Investment teams are in charge of making sure the Climate Change policy is effectively implemented, but also of encouraging innovation around climate integration (ie. work on methodologies, development of new green products, identification of KPIs to be monitored by portfolio managers on a wide basis)

ESG issues in asset allocation

SG 13

Mandatory

Public

Descriptive

PRI 1

SG 13.1

Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

Describe

We have spent the past year studying climate scenario analysis. We have focused on an approach which tests the alignment of investment portfolios to future global warming outcomes. We published a research paper where we detail the thinking we have developed around this specific scenario analysis approach: https://realassets.axa-im.com/content/-/asset_publisher/x7LvZDsY05WX/content/climate-scenario-analysis-assessing-the-future-for-investments/23818.

- No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.2

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13.3

Additional information. [OPTIONAL]

To support our scenario analysis, we use Value at Risk for transition risks and opportunities exposure assessment but also a more holistic modelling approach used by Carbon Delta (warming potential). It combines both top-down and bottom-up data based on a macroeconomic definition of carbon budgets (corresponding to different global warming scenarios and that Carbon Delta retrieves from annual UNEP Gap report), which are then allocated by company according to the sectoral and geographical structure of its assets or revenues. This allocation process consists in defining temperature curves for each company. A notion of green technological innovation is considered to project the future carbon intensities of companies in the medium term. The underlying temperature is inferred by comparing future intensities to different warming curves. Carbon Delta offers two temperature levels:

A specific sector temperature where the company is compared to its main sectors of activity (sector carbon budgets);

And, an agnostic sector temperature where the company is compared to the universe as a whole (universe carbon budgets).

This temperature measurement is at the heart of the AXA Group's climate strategy and communications. AXA would align its investments with a global warming scenario of 1.5°C, in line with the Paris Agreement.

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 13.4 CC	Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.
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Initial assessment

Describe

We are working with Carbon Delta MSCI, we use indicators such as investment temperature, Value at Risk Transition or Physical Risks to perform the analysis of climate issues from a financial point of view. For now, scenario analysis is used from a resilience perspective, where we assess ex post in our TCFD reporting the sensitivity of our assets' value to various possible climate future (1.5°C, 2°C and 3°C)

Incorporation into investment analysis

Describe

In the context of the Climate Taskforce, we have set up portfolio alignment principles which are splitting the universe according to various categories of issuers depending on their level of alignment with Paris Goals and greenness. Alignment and greenness are measured combining historical and forward looking scientifically based metrics. These criteria are not limited to quantitative measures we also consider deep qualitative assessment based on engagement and dialogue with issuers.

Inform active ownership

Describe

We publish on an annual basis our Article 173 - TCFD combined report. This report describes AXA IM's responsible investment initiatives. Its intention is two-fold: to comply with mandatory disclosure requirements related to the French "Article 173 VI" decree and to adhere to the voluntary disclosure recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). Each requires disclosure on separate yet complimentary aspects of sustainability and how these are systematically integrated into our investment processes. The TCFD focuses on climate-related risks and opportunities, while Article 173 pertains to Environmental, Social and Governance (ESG) considerations in addition to climate. To satisfy both, this report follows the TCFD structure, namely 1) Governance, 2) Strategy, 3) Risk Management, and 4) Metrics & Targets, and adheres to the TCFD's general guidance for the financial sector and supplemental guidance for insurance companies and asset owners. Each section addresses ESG and climate in parallel with separate commentary for investment and insurance activities. For Metrics & Targets, proofs of concept on climate related KPIs have been performed on the basis of AXA Group's investments which represent 59% of AXA IM's total assets under management². Climate risks & opportunities metrics as well as warming potential simulations have been performed for AXA Group TCFD-Article 173 report, available on www.axa.com.

Other

SG 13.5
CC

Indicate who uses this analysis.

- Board members, trustees, C-level roles, Investment Committee
- Portfolio managers
- Dedicated responsible investment staff
- External managers
- Investment consultants/actuaries
- Other

SG 13.6
CC

Indicate whether your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

- Yes

Describe

We have started to run first tests of asset allocation shifts induced by the integration of climate objectives. These tests consist in getting a longer term perspective of what would be the implications for our portfolio of various climate futures.

To support this deeper analysis, in 2019, we launched, in collaboration with AXA Research Fund, a three-year academic research program on the Strategic Asset Allocation and climate objectives topic. In particular, the question of whether climate risks may shape the traditional financial risks is studied.

In 2019 we also published a paper on scenario analysis, based on the work done for the assets we manage : https://realassets.axa-im.com/content/-/asset_publisher/x7LvZDsY05WX/content/climate-scenario-analysis-assessing-the-future-for-investments/23818

- No

SG 13.7
CC

Indicate whether a range of climate scenarios is used.

- Analysis based on a 2°C or lower scenario
- Analysis based on an abrupt transition, consistent with the Inevitable Policy Response
- Analysis based on a 4°C or higher scenario
- No, a range is not used

SG 13.8
CC

Indicate the climate scenarios your organisation uses.

Provider	Scenario used	
IEA	<input checked="" type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)	
IEA	<input checked="" type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario	
IEA	<input checked="" type="checkbox"/> Sustainable Development Scenario (SDS)	
IEA	<input type="checkbox"/> New Policy Scenario (NPS)	
IEA	<input type="checkbox"/> Current Policy Scenario (CPS)	
IRENA	<input type="checkbox"/> RE Map	
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution	
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)	
Bloomberg	<input type="checkbox"/> BNEF reference scenario	
IPCC	<input type="checkbox"/> Representative Concentration Pathway (RCP) 8.5	
IPCC	<input type="checkbox"/> RPC 6	
IPCC	<input type="checkbox"/> RPC 4.5	
IPCC	<input checked="" type="checkbox"/> RPC 2.6	
Other	<input checked="" type="checkbox"/> Other (1)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (1) please specify:</div> Postdam Institute (PIK model)
Other	<input checked="" type="checkbox"/> Other (2)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (2) please specify:</div> IAM scenarios
Other	<input type="checkbox"/> Other (3)	

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM		16	000	000	000
Currency	EUR				
Assets in USD		17	636	820	756

Specify the framework or taxonomy used.

In that amount, we include our investments in Green Bonds (€6bn) and Real Assets (€10bn), both EU taxonomy certified

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify

other description

Three-year research program on Strategic Asset Allocation and Climate Objectives in collaboration with the Universities of Tillburg (Netherlands) and Lyon I (France)

- None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify

other description

capital expansion plan, energy mix, tar sands exposure

- None of the above

SG 14.5

Additional information [Optional]

We use Trucost as a provider for emissions and reserves database. Moreover, thanks to new partnerships with climate Fintech, Carbon Delta, and credit rating agency, Beyond Ratings, AXA IM is rolling-out measurement and reporting on the alignment of its strategies with various warming scenarios. The first results of this analysis were disclosed in our 2019 TCFD report.

SG 14 CC

Voluntary

Public

General

**SG 14.6
CC**

Provide further details on the key metric(s) used to assess climate-related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Warming potential of investments	Degree Celsius	Various temperature carbon budgets' apportioning at company level
Weighted average carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	See Portfolio carbon footprint	See Portfolio Carbon footprint	See Portfolio Carbon footprint
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Measure absolute carbon emissions of companies	Tonnes CO2	Scope 1 + Scope 2 electricity
Portfolio carbon footprint	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Measure carbon historical performance of the portfolio compared to the benchmark	Tonnes CO2/mns \$ revenues	Asset Weighted average of companies Carbon intensities (Scope 1 + Scope 2 electricity + scope 3 business air travel CO2 emissions/mns \$ revenues)
Carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Measure carbon historical performance of companies	Tonnes CO2/mns \$ revenues	Scope 1 + Scope 2 electricity + scope 3 business air travel CO2 emissions/mns \$ revenues
Exposure to carbon-related assets	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Mitigate stranded assets risks and set up AXA IM climate risks exclusion list	% of assets exposed to climate risks list	<ul style="list-style-type: none"> • % revenues and power mix to thermal coal • Thermal coal production • Coal capacity extension • % revenues to Tar sands

SG 14.7
CC

Describe in further detail the key targets.

Targettype	Baseline year	Target year	Description	Attachments
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	2019	2050	This corresponds to the target year for AXA in the context of the Net Zero Asset Owner Alliance	
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				

**SG 14.8
CC**

Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.

- Processes for climate-related risks are integrated into overall risk management
- Processes for climate-related risks are not integrated into overall risk management

**SG 14.9
CC**

Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.

- Yes

Please describe

We align our engagement objectives with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). We use the TCFD framework as the basis of our engagement with companies, as this broadens climate stewardship beyond emitters to other sectors where climate change equally poses a financial risk. One

AXA IM has been involved in the Climate Action 100+ initiative since its launched in 2017 as both lead and collaborative investor and is active in various initiatives led by IIGCC. In particular, we are constantly looking at resolutions working group proposals to implement in concrete manner the recommendations of the TCFD for most laggards companies on climate issues.

In addition to this collaborative initiative, we have set up engagement sector working groups on climate topics where we identify along with portfolio managers analysts and sector experts the most critical and material metrics on which we systematically challenge companies.

In addition to this collaborative initiative, we have launched other climate related thematic engagement projects. One consists in engaging with Oil & Gas state owned companies which own more than 50% of fossil fuels reserves globally. We have also started an engagement project with small & mid-caps companies in end-use demand sectors.

- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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Yes

SG 15.2	Indicate the percentage of your total AUM invested in environmental and social themed areas.
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%	1
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SG 15.3	Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.
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Area	<input checked="" type="checkbox"/> Energy efficiency / Clean technology
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Asset class invested	<input checked="" type="checkbox"/> Listed equity
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Percentage of AUM (+/-5%) per asset class invested in the area	0.14
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- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

Percentage of AUM (+/-5%) per asset class invested in the area	1
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- Property
- Infrastructure

Percentage of AUM (+/-5%) per asset class invested in the area	12
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- Other (1)
- Other (2)

Brief description and measures of investment

AXA IM launched early 2019 a Clean Tech equity strategy which aims to deliver long-term financial performance by investing in companies operating across the clean economy that develop activities which allow the energy transition and resource optimization. The strategy offers measurable clean economy indicators (CO2 emissions, water intensity, etc.) and tackles some of the sub goals of UN SDGs.

The AXA WF Global Green Fund harnesses the rapidly growing Green Bond universe, investing in environmental projects that facilitate the transition to a low carbon economy.

We launched an Impact fund focused on Climate and Biodiversity in 2019. One of its focus is on resource efficiency and sustainable solutions. To combat climate change and the depletion of natural resources, the world needs to create new solutions which reduce or prevent emissions of greenhouse gases and promote resource efficiency. Under this theme we invest in multi-dimensional solutions, technologies and innovations. These range from providing access to clean energy for underserved communities, to reducing reliance on carbon intensive sources of energy that are damaging to the environment. They also promote energy efficient products and circular economy solutions that break the traditional linear approach of a 'take, make, dispose' model of production.

- Renewable energy

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

0.14

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

Percentage of AUM (+/-5%) per asset class invested in the area

1

- Property
- Infrastructure
- Other (1)
- Other (2)

Brief description and measures of investment

AXA IM launched early 2019 a Clean Tech equity strategy which aims to deliver long-term financial performance by investing in companies operating across the clean economy that develop activities which allow the energy transition and resource optimization. The strategy offers measurable clean economy indicators (CO2 emissions, water intensity, etc.) and tackles some of the sub goals of UN SDGs.

The AXA WF Global Green Fund harnesses the rapidly growing Green Bond universe, investing in environmental projects that facilitate the transition to a low carbon economy.

- Green buildings

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

Percentage of AUM (+/-5%) per asset class invested in the area

1

- Property
- Infrastructure
- Other (1)
- Other (2)

Brief description and measures of investment

The AXA WF Global Green Fund harnesses the rapidly growing Green Bond universe, investing in environmental projects that facilitate the transition to a low carbon economy.

- Sustainable forestry

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)

Percentage of AUM (+/-5%) per asset class invested in the area

0.18

- Other (2)

Brief description and measures of investment

Sustainable land use project financing in EM in partnership with Althelia Ecosphere

- Sustainable agriculture

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

0.14

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)

Percentage of AUM (+/-5%) per asset class invested in the area

0.18

- Other (2)

Brief description and measures of investment

Sustainable land use project financing in EM in partnership with Althelia Ecosphere

AXA IM launched early 2019 a Clean Tech equity strategy which aims to deliver long-term financial performance by investing in companies operating across the clean economy that develop activities which allow the energy transition and resource optimization. The strategy will offer measurable clean economy indicators (CO2 emissions, water intensity, etc.) and tackles some of the sub goals of UN SDGs.

- Microfinance

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)
- Other (2)

Percentage of AUM (+/-5%) per asset class invested in the area

0.16

Brief description and measures of investment

We provide capital to microfinance funds that ultimately provide loans to individuals and microbusinesses, supporting financial inclusion.

In 2019, a fourth PE Impact fund was launched. The new strategy, which is seeking to raise between \$300-\$400 million, will invest in private companies focusing on creating intentional impact outcomes across scalable impact themes such as access to healthcare and financial inclusion. Within healthcare this will include the physical delivery of care through improved access to drugs

and vaccines, whereas financial inclusion prioritises making financial services accessible and available to a previously under-served beneficiary group.

SME financing

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)
- Other (2)

Percentage of AUM (+/-5%) per asset class invested in the area

0.76

Brief description and measures of investment

Supporting SME in emerging markets with a clear focus on BoP markets. We provide capital to microfinance funds that ultimately provide loans to individuals and microbusinesses, supporting financial inclusion.

Social enterprise / community investing

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)
- Other (2)

Percentage of AUM (+/-5%) per asset class invested in the area

0.76

Brief description and measures of investment

In 2019, a fourth PE Impact fund was launched. The new strategy, which is seeking to raise between \$300-\$400 million, will invest in private companies focusing on creating intentional impact outcomes across scalable impact themes such as access to healthcare and financial inclusion. Within healthcare this will include the physical delivery of care through improved access to drugs and vaccines, whereas financial inclusion prioritises making financial services accessible and available to a previously under-served beneficiary group

- Affordable housing
- Education

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)
- Other (2)

Percentage of AUM (+/-5%) per asset class invested in the area

0.18

Brief description and measures of investment

Investments in low cost private schools in emerging Markets via external fund managers. We are also contemplating investments in EdTech companies via other specialised asset managers.

- Global health

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)
- Other (2)

Percentage of AUM (+/-5%) per asset class invested in the area

0.6

Brief description and measures of investment

Covering a large spectrum of interventions in EM and DM from infrastructure financing (low cost hospitals...) to drugs / vaccines financing alongside strong impact players. In 2019, a fourth PE Impact fund was launched. The new strategy, which is seeking to raise between \$300-\$400 million, will invest in private companies focusing on creating intentional impact outcomes across scalable impact themes such as access to healthcare and financial inclusion. Within healthcare this will include the physical delivery of care through improved access to drugs and vaccines, whereas financial inclusion prioritises making financial services accessible and available to a previously under-served beneficiary group.

Water

Asset class invested

Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

0.14

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

Percentage of AUM (+/-5%) per asset class invested in the area

1

- Property
- Infrastructure
- Other (1)
- Other (2)

Brief description and measures of investment

AXA IM launched early 2019 a Clean Tech equity strategy which aims to deliver long-term financial performance by investing in companies operating across the clean economy that develop activities which allow the energy transition and resource optimization. The strategy offers measurable clean economy indicators (CO2 emissions, water intensity, etc.) and tackles some of the sub goals of UN SDGs.

Other area, specify

women empowerment, human capital, Clean economy

Asset class invested

Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

0.6

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Other (1)
- Other (2)

Brief description and measures of investment

AXA IM launched a Clean Tech equity strategy which aims to deliver long-term financial performance by investing in companies

operating across the clean economy that develop activities which allow the energy transition and resource optimization. The strategy offers measurable clean economy indicators (CO2 emissions, water intensity, etc.) and tackles some of the sub goals of UN SDGs.

AXA WF Framlington Women Empowerment is one of the first truly global and actively-managed listed impact funds focussing on

gender diversity. The fund aims to deliver long-term financial performance and make a positive societal impact by investing in companies with good gender diversity practices and cultures and actively engaging with companies to maintain or improve these standards.

AXA WF Framlington Human Capital is managed according to an active and fundamental approach focusing on

well-run companies that comply with the basic rules of sustainable development. As such, the fund invests in companies:

- That demonstrate that they are aware of their social and environmental responsibilities;
- That have satisfactory social and environmental policies, management systems and results;
- That have a form of governance that is aligned with our voting and engagement policy.

We believe that human capital indicators can be leading performance indicators

No