



 Insurance
Reinsurance

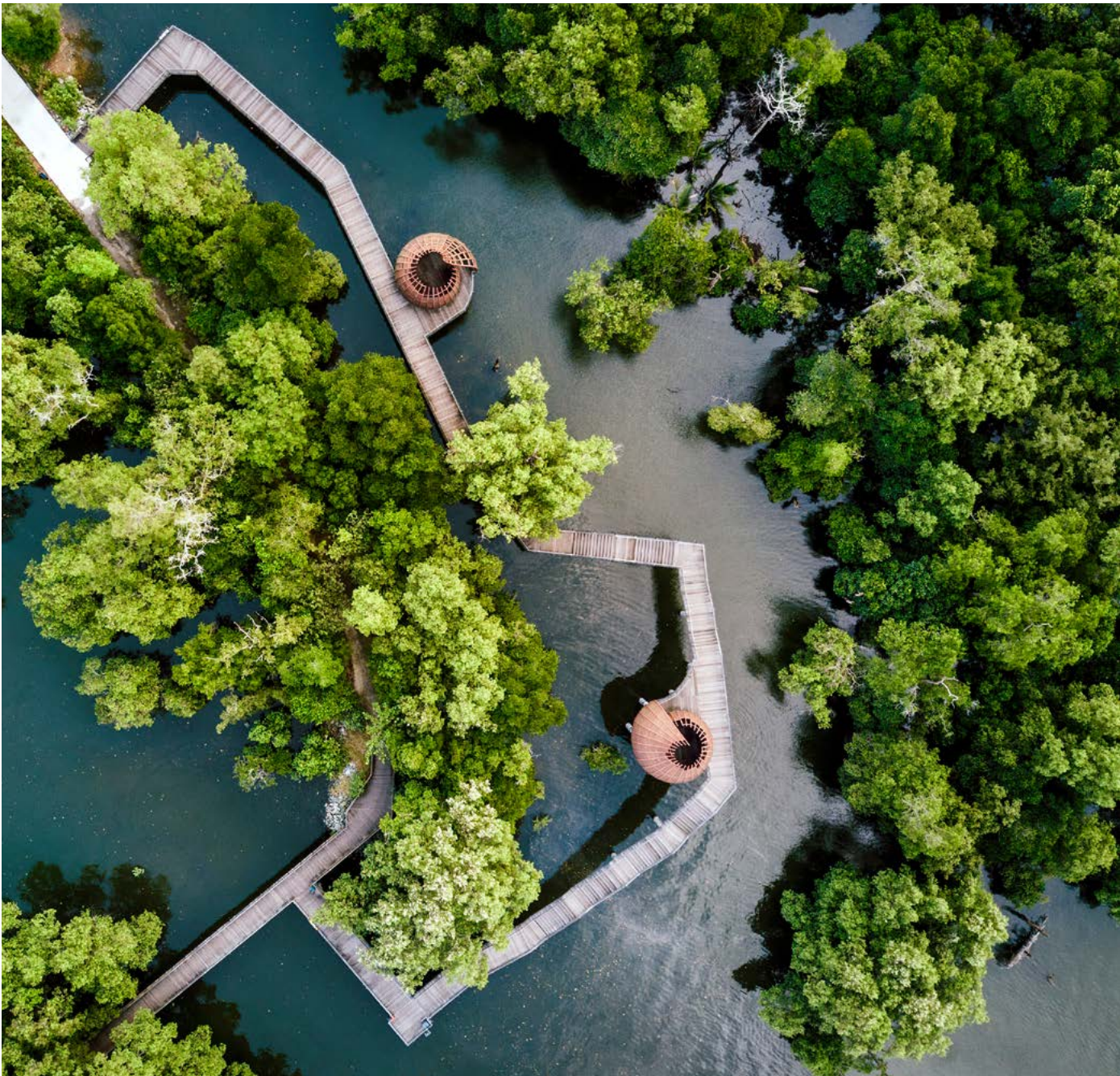


Roots of Resilience

2023 Sustainability Report

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A message from our Chief Executive Officer, Scott Gunter



“We believe sustainability increases business resiliency. That’s why our latest sustainability strategy – Roots of Resilience – focuses on how we are protecting natural ecosystems, tackling the impacts of climate change and embedding sustainable practices across our operations.

Our 2023 Sustainability Report details the progress we’ve achieved in the first year of our Roots of Resilience strategy. Designed to drive our direction through to 2026, the strategy focuses on three key areas: valuing nature, addressing climate change and integrating environmental, social and governance (ESG) topics. It sets out how AXA XL interacts with these areas, internally and through our clients. With these strategic pillars in mind, I am proud to share some of our greatest achievements in 2023.

We recognize that nature loss is a critical risk for businesses across the world. Thanks to our nature baseline assessment, we have established a reference point for AXA XL’s business impacts and dependencies on nature. This will play a crucial role in understanding our risk exposure in specific industries and help guide strategic decision-making in the future.

In 2023, one focus of our climate work has been our carbon reduction strategy. This includes our continued efforts to reduce operational emissions, which have decreased by 15% since 2019. We achieved our green products¹ target, providing products and services which contribute to climate change mitigation, climate adaptation, promotion of a circular economy or protection of biodiversity.

We sponsored 81 nonprofit organizations through our Regional Grant Program, with donations of \$831,000.

One year into Roots of Resilience, I am proud of the steps we have already taken to advance ESG at AXA XL. As we move into year two, we will maintain this focus, continuing to build on our 2023 actions. We will focus on increasing client, colleague and industry awareness of nature risks and opportunities while publishing thought leadership to support the transition to a low-carbon economy.

And, as we drive progress for the environment, we will also remain focused on uplifting our people, introducing more talent development opportunities and promoting Diversity, Equity and Inclusion (DEI) both within AXA XL and with our external stakeholders.

Our purpose at AXA is to act for human progress by protecting what matters. This report demonstrates our achievements in making that happen in a sustainable way for the good of everyone. I hope you enjoy it.

A handwritten signature in black ink that reads "Scott Gunter".

Scott Gunter
Chief Executive Officer, AXA XL

¹ Green products are defined by AXA as Property and Casualty insurance coverage and services that have a positive impact on the environment by contributing to at least one of the following four objectives: climate change mitigation, climate change adaptation, transition to a circular economy and/or limitation of biodiversity loss and pollution. For more information, read our [Green Business Program memo](#).

Who we are, what we do

We act responsibly, aiming to secure a sustainable future for everyone. From our direct operations to our global value chains, AXA XL is committed to sustainability.

AXA XL is the Property and Casualty and Specialty Risk division of AXA Group – a global insurance company spanning over 200 years of business².

We are committed to acting as a force for the common (not collective) good to safeguard our environment, clients and industry in accordance with applicable law. We depend on the natural world throughout our value chain, and this report aims to demonstrate our progress toward protecting our most crucial resources.

Our aim is to embed ESG considerations and practices at each stage of our business – from internal colleague initiatives to client products and services. Supported by our Roots of Resilience strategy, we are dedicated to preparing both our own organization and our clients’ businesses to become more climate-resilient while minimizing planetary impacts.

Through our expertise in insurance, investment and risk management, we are well equipped to achieve AXA Group’s climate objectives and act as a leading influence against climate change.

Our products and services

Insurance

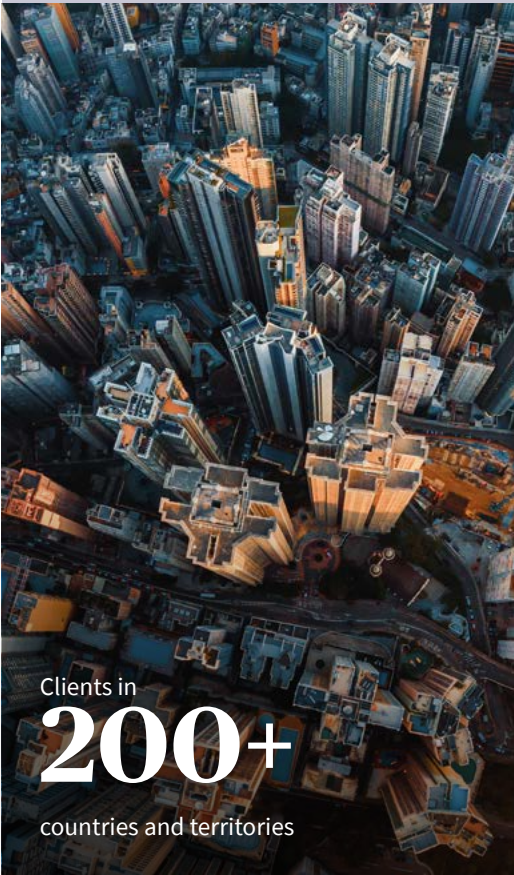
- Alternative Distribution
- Captives
- Casualty
- Construction
- Cyber
- Delegated Authorities & Programs
- Environmental
- Excess & Surplus
- Global Programs
- Professional Liability
- Property
- Risk Consulting
- Specialty Risk Management
- Structured Risk Solutions
- Wholesale Insurance

Reinsurance

- Casualty
- Property
- Specialty Risk Management



More than
90%
of Fortune 500 companies
work with us



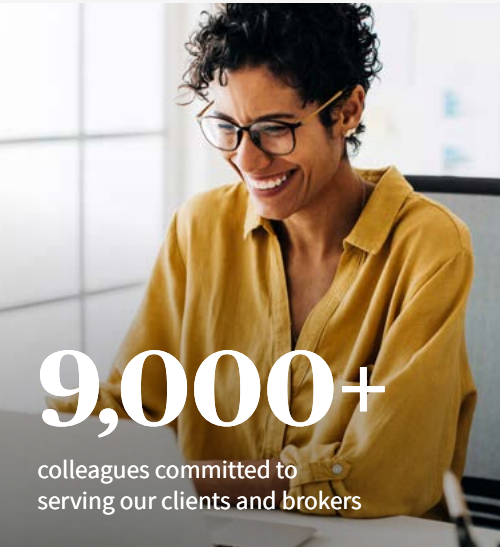
Clients in
200+
countries and territories



29
countries across the globe
where AXA XL has offices
(highlighted in dark gray)



Most of the world’s
500
leading insurance companies
served by our Reinsurance team



9,000+
colleagues committed to
serving our clients and brokers


2 In this report, unless provided otherwise, (i) the “AXA Group” and the “Group” refer to AXA SA together with its direct and indirect consolidated subsidiaries; (ii) “AXA XL” or “we” refer to a division of AXA Group providing products and services through three business groups: AXA XL Insurance, AXA XL Reinsurance and AXA XL Risk Consulting. Across all jurisdictions where it operates, AXA XL adheres to legal requirements.


Progress against our goals in 2023


Setting and tracking sustainability goals is how we ensure transparency and accountability for our stakeholders. Knowing where we stand and what we want to achieve drives us to make progress.

Learn more about [our sustainability strategy](#).






















Progress key

- 

Achieved
- 

In progress
- 

Not started

	Valuing nature	Addressing climate change	Integrating ESG
By 2024	<div> Goal 1. Understand our impact Establish a comprehensive baseline of our business's impact on nature by 2024</div>	<div> Goal 9. Boosting green business 7% revenue increase from green products and services by 2024</div>	<div> Goal 15. Delivering ESG training Provide ESG and sustainability training for 100% of colleagues and boards by 2024</div>
	<div> Goal 8. Promoting local biodiversity Global launch of Backyard Biodiversity program by 2024 to support local wildlife</div>		<div> Goal 20. Rolling out ESG action plans Develop cross-functional ESG action plans by 2024</div>
By 2025	<div> Goal 2. Promoting nature protection Identify ways to promote nature protection and restoration by 2025</div>	<div> Goal 10. Reducing our carbon footprint 25% reduction in our operational carbon footprint by 2025</div>	<div> Goal 16. Developing our talent Integrate sustainability commitments further into talent management by 2025</div>
	<div> Goal 3. Highlighting nature risks Increase client awareness of underappreciated nature risks by 2025</div>		<div> Goal 17. Prioritizing Diversity, Equity and Inclusion (DEI) Promote DEI agenda with external stakeholders by 2025</div>
	<div> Goal 6. Joining forces for nature Take industrywide collective action for nature by 2025</div>	<div> Goal 13. Transitioning to a low-carbon economy Launch thought leadership on the social implications of a low-carbon economy by 2025</div>	<div> Goal 18. Empowering ESG innovations Launch ESG incubator program by 2025</div>
	<div> Goal 7. Training colleagues Provide colleague training on nature loss issues by 2025</div>		<div> Goal 19. Catalyzing ESG conversations Deliver ESG roundtables to our cross-regional clients by 2025</div>
By 2026	<div> Goal 4. Assessing the value of nature Quantify the financial value of nature by 2026</div>	<div> Goal 11. Driving toward net zero Publish our net zero roadmap and updated carbon reduction goals by 2026</div>	<div> Goal 14. Supporting our communities Invest \$5 million globally, and 75,000 volunteering hours, by 2026</div>
	<div> Goal 5. Reforesting in critical areas Plant 300,000+ trees in priority areas by 2026</div>	<div> Goal 12. Sharing societal-led climate solutions Demonstrate the importance of societal-led climate solutions by 2026</div>	<div> Goal 21. Managing supply chain risks Measure and reduce supply chain risks by 2026</div>

Focusing on the issues that matter most

Our 2022 materiality assessment helped identify the key ESG issues for our business. During 2023, these issues remained relevant and continued to inform crucial aspects of our sustainability strategy.

Double materiality assessment

We chose a double materiality approach as it assesses both the financial impact of material issues on our business and the potential impacts of our company on the economy, society and the environment.

This provides a clearer, more complete picture of our operations, as well as where we have the biggest scope for positive impact. The assessment also served as the foundation for our 2023–2026 Roots of Resilience strategy.

The process

We carried out the assessment in two phases. First, we captured 140 potentially material topics through desk-based research and peer reviews. Next, these topics were scored on relevancy to AXA XL, resulting in a shortlist of 27 issues. We presented these topics to our stakeholders, with interviews and a colleague survey to capture feedback. From these findings, we prioritized the issues based on their financial impact on our business and our ability to impact each, plotted on our [double materiality matrix](#) in our 2022 Sustainability Report.



Our sustainability strategy

We know sustainability is at the root of a more resilient future. Our Roots of Resilience strategy focuses on protecting natural ecosystems, taking climate action and embedding sustainable practices across our operations.

In an ever-changing world, we protect what matters most to our clients and communities. Our strategy is grounded in our core values of putting the client first, maintaining integrity, demonstrating courage and fostering unity within One AXA³.

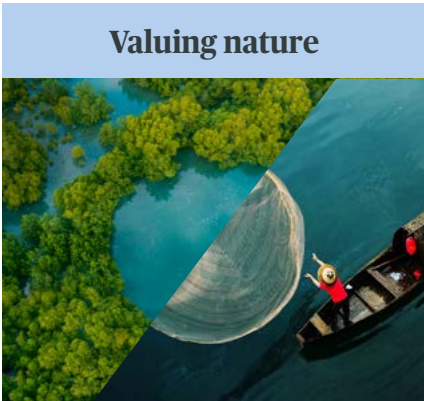
Roots of Resilience: 2023–2026

Roots of Resilience guides our efforts from 2023 to 2026, evolving from our previous actions and aligning with AXA Group’s sustainability priorities. It rests on three pillars: valuing nature, addressing climate change and integrating ESG. Under each pillar are goals which help us consider our key topics holistically, with actions relating to our products and services, operations, people and partnerships.

In 2020, we introduced our five-year carbon reduction strategy, which we have since incorporated into our overall Roots of Resilience strategy. It outlines our aspiration to reduce overall carbon emissions, the specific targets aimed at propelling us toward this aspiration and the roadmap for decarbonization that we will adhere to.

How we contribute to the Sustainable Development Goals

We have mapped our goals to the United Nations Sustainable Development Goals (UN SDGs) to understand where we can continue to contribute to global progress through our own strategy. We have aligned each of our strategic pillars with two SDGs we believe we are able to make the most meaningful contribution toward. Our strategy also supports other SDGs, which are highlighted throughout the report.



How we impact nature affects how nature impacts us.

Resilient ecosystems – the foundation of a sustainable planet and society – are essential to our future. We’re committed to protecting and restoring nature – most of AXA XL’s insured sectors have material impacts and dependencies on nature, ranging from moderate to very high – by increasing biodiversity awareness and inspiring clients and colleagues to put nature at the heart of their plans.

→ [Read more on page 9](#)



The effects of a changing climate are far-reaching and significant.

Unpredictable weather, increasing temperatures and rising sea levels cause both social inequalities and environmental disruption. In response, we’re building a net zero strategy, in accordance with all relevant laws and regulations, developing new insurance products and services and mobilizing to advance thought leadership and investment in societal-led solutions.

→ [Read more on page 17](#)



All companies have a role to play in building a more resilient future.

Incorporating ESG considerations into our internal processes and practices builds resilience from the roots of our business. We’re training our colleagues, engaging our external partners and evolving our sustainability governance and reporting.

→ [Read more on page 27](#)



3 One AXA refers to the AXA organizational value of pulling together the best resources and expertise within the company worldwide for each project.

Stakeholder engagement

We rely on expert insights and stakeholder input to move AXA XL toward greater positive influence. Open dialogue allows us to refine our strategy, prioritize material topics, boost transparency and foster collaboration in safeguarding the environment and society through insurance.

Our approach

Our commitment to engaging stakeholders is local, regional, national and international. Transparency is paramount to us, and we strive to foster meaningful dialogue, knowledge exchange, innovative ideation and collaboration. Given our global presence as an employer and insurer that caters to clients across diverse sectors and locations, the spectrum of interests is vast.

How we engage with stakeholders on sustainability

Our approach to sustainability involves extensive consultation with external parties. This includes clients, brokers, industry associations, academics and NGOs, ensuring our sustainability objectives align with business imperatives and societal needs. We regularly tap into the expertise of internal and external subject matter specialists. Nonprofit partners are integral to the responsible implementation of our programs, while internal project sponsors play a vital role in driving and scrutinizing our initiatives.

Industry partnerships and associations

Actively participating in industry associations helps us remain aware of best practices, drive industry progress and contribute to relevant external policy development. Our memberships include:

ClimateWise

A global network of leading insurers, reinsurers, brokers and industry service providers who share a commitment to reduce climate change impacts on society and the insurance industry. We report annually against ClimateWise Principles⁴, which are focused on seven commitments to create a more climate-resilient future.

The Insurance Development Forum (IDF)

A public-private partnership that brings insurers, reinsurers and brokers together with the World Bank and the United Nations Development Programme (UNDP). The IDF aims to optimize and extend insurance and risk management capabilities to build greater resilience and protection for people. In 2019, the IDF signed a partnership with the UNDP and the German Federal Ministry for Economic Cooperation and Development to provide risk financing solutions in 20 emerging countries by 2025 to protect vulnerable populations against climate-related disasters and improve climate resilience.

The Poseidon Principles for Marine Insurance

In 2022, AXA XL joined the Poseidon Principles for Marine Insurance, a framework for measuring and reporting alignment of insurers’ shipping portfolios with climate goals, to promote environmental stewardship throughout the maritime value chain, foster collaboration with clients and gain insights to enhance strategic decision-making.

Cambridge Centre for Risk Studies Systemic Risks Hub

AXA XL and AXA Research Fund are founding members of the Systemic Risk Hub, launched in May of 2023. The Hub focuses on gaining a deeper understanding of systemic risks and how the insurance industry can better respond to current and future threats. Through our contribution, AXA XL and AXA Research Fund will focus on climate transition risk.

American Property Casualty Insurance Association

Through our membership in the American Property Casualty Insurance Association, we support U.S. initiatives to promote disaster preparedness and sound building practices, and to highlight lessons learned post-catastrophic events.

Reinsurance Association of America

AXA XL companies are members of the Reinsurance Association of America, which has partnered with environmental, consumer and insurance groups to form SmarterSafer.org. It advocates for smarter, more effective policies to help people in need, promotes disaster safety and preparedness and fosters coastal ecosystem stewardship.

⁴ ClimateWise Principles: Be accountable; incorporate climate-related issues into our strategies and investments; lead in the identification, understanding and management of climate risk; reduce the environmental impact of our business; inform public policymaking; support climate awareness among our customers and clients; and enhance reporting.



Valuing nature




How we impact nature affects how nature impacts us. Resilient ecosystems – the foundation of a sustainable planet and society – are essential to our future.
















We're committed to protecting and restoring nature – from mangrove forests to the bees in our backyards – by increasing biodiversity awareness and inspiring clients and colleagues to put nature at the heart of their plans.

Our 2023 progress

Throughout 2023, we took concerted steps to progress against our valuing nature goals. As a result, we are proud to have successfully completed two, with four others well underway.

Progress key

-  Achieved
-  In progress
-  Not started

<div>Goal 1. </div> <div>Establish a comprehensive baseline of our business’s impact on nature by 2024</div> <div>Progress: We have conducted an in-depth assessment of our business impacts and dependencies on nature.</div> <div> Read more on page 12</div>	<div>Goal 2. </div> <div>Identify ways to promote nature protection and restoration by 2025</div> <div>Progress: Our inaugural Climate Water Nexus Award represents a first step toward delivering this goal.</div> <div> Read more on page 14</div>	<div>Goal 3. </div> <div>Increase client awareness of underappreciated nature risks by 2025</div> <div>Progress: We issued a Water Risk Insights Report on water-related risks and solutions. We also promoted actions for biodiversity at Climate Week NYC.</div> <div>Supports SDG target 6.4</div> <div></div> <div> Read more on page 14</div>	<div>What’s next</div> <div>As we move forward, we will leverage the findings of our baseline assessment to inform further actions against goals 2, 3 and 4. Throughout 2024, we will also begin work to address our two other nature-related goals:</div> <div><ul style="list-style-type: none">■ Goal 6. Take industrywide collective action for nature by 2025■ Goal 7. Provide colleague training on nature loss issues by 2025</div>
<div>Goal 4. </div> <div>Quantify the financial value of nature by 2026</div> <div>Progress: We supported The Nature Conservancy’s development of Blue Carbon Resilience Credits.</div> <div> Read more on page 15</div>	<div>Goal 5. </div> <div>Plant 300,000+ trees in priority areas by 2026</div> <div>Progress: Partners and projects have been selected with planting beginning in 2024.</div> <div>Supports SDG targets 15.2, 15B</div> <div></div> <div>More information will be included in our 2024 Sustainability report, to be published in 2025.</div>	<div>Goal 8. </div> <div>Global launch of Backyard Biodiversity program by 2024 to support local wildlife</div> <div>Progress: We launched the Backyard Biodiversity program to educate colleagues on the importance of pollinators and how to support them.</div> <div>Supports SDG targets 12.8 and 15.5</div> <div></div> <div> Read more on page 16</div>	



Why nature is critical

Biodiversity provides the natural capital that fuels our economic growth. However, negative environmental impacts of that growth can undermine the sustainability of today's economic models.

While plants and animals are adaptable to habitat changes, current rapid climate and environmental changes present challenges to ecosystems where natural evolutionary processes are unequipped to handle sudden shifts.

Biodiversity loss will come at a high cost for economies: habitat loss, pollution, increased pests and invasive species will affect sectors from agriculture, fisheries and forestry to real estate development, tourism and public health. Most at risk will be low-income populations, which rely more widely on natural resources for their income and livelihoods.

Our approach

We are committed to putting nature at the heart of our business – and those of our clients. Through innovative projects and investments, we strive to protect and restore nature, advancing more resilient ecosystems and ensuring a sustainable value chain.

Our approach falls into four buckets:

- Understanding and reporting our impact
- Developing tools, products and services
- Engaging key stakeholders
- Educating colleagues

How AXA XL defines nature and biodiversity

Nature: The natural world, including living and nonliving components. Includes biodiversity, ecosystems, evolution, the biosphere, humankind's shared evolutionary heritage and biocultural diversity.

Biodiversity: The variability among living organisms from all sources, including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part.



Understanding AXA XL’s impacts and dependencies on nature

AXA XL insures organizations across many sectors. Considering this, the first step to developing our nature approach is understanding the material nature-related risks, impacts, dependencies and opportunities throughout our portfolio.

We set a goal to establish our baseline nature impact by 2024. By doing so, we can enhance our ability to incorporate nature considerations into our business, using the insights to identify priority sectors and business lines to engage with while developing materials to better educate colleagues on the importance of nature.

Setting our baseline

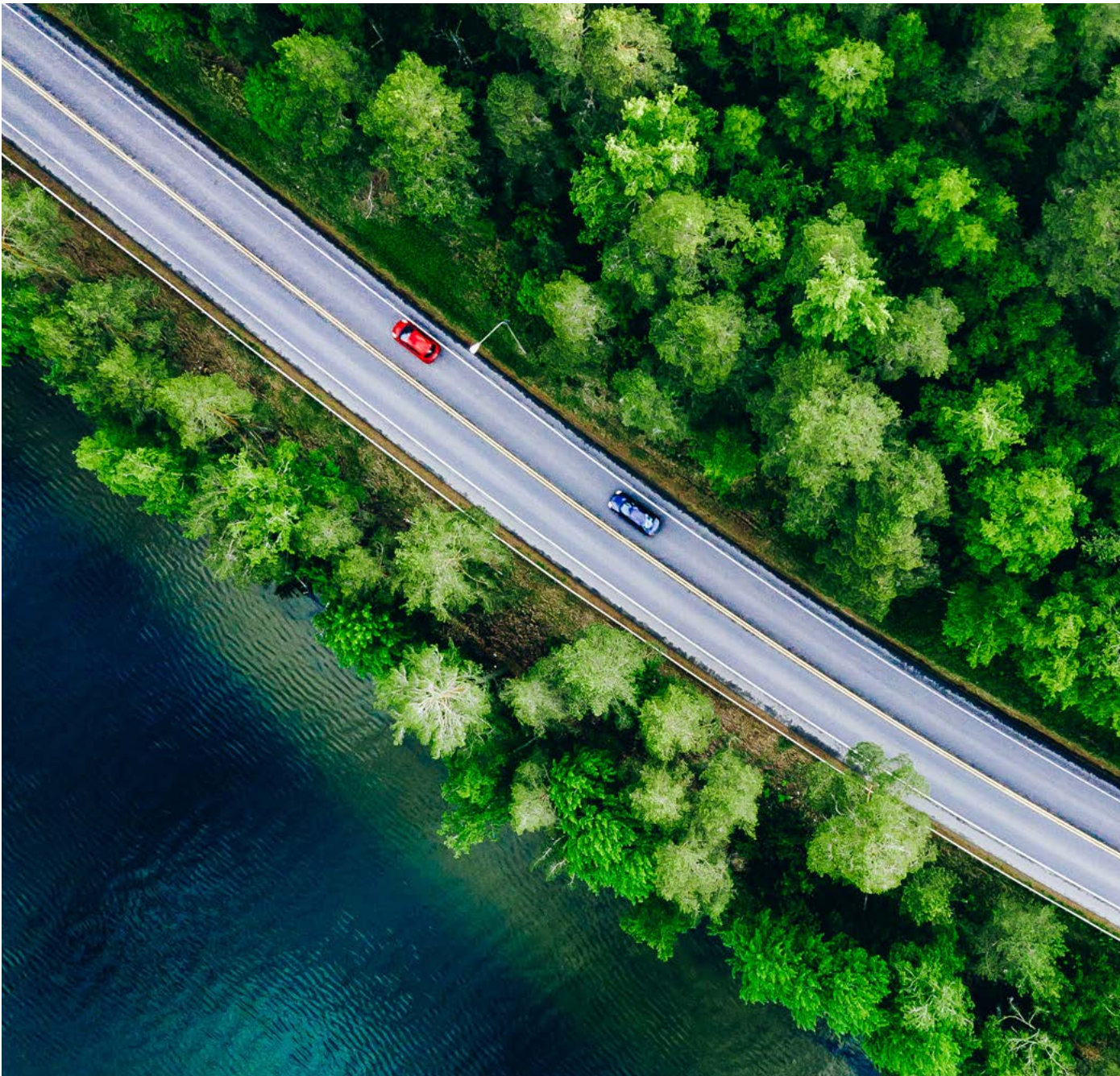
To **establish a comprehensive baseline of our business’s impact on nature (goal 1)**, during 2023, we assessed our portfolio to identify relevant nature impacts and dependencies. We engaged Nature Positive, an RSK Group company, to help conduct a baseline assessment of our portfolio of insurance products, sectors we insure and underwriting groups.

The assessment looked at three key components:

- 1. Industry-level assessment** – an industry rating of impacts and dependencies on biodiversity and materiality was undertaken using data from the Exploring Natural Capital Opportunities, Risks and Exposure online tool (ENCORE)⁵ and the Science Based Targets Network (SBTN) Sectoral Materiality Tool⁶. This assessment was based on industry subsectors in which policyholders operate.
- 2. Underwriting group assessment** – a review of underwriting considered the nature of the insurance category, and relevance and materiality of biodiversity.
- 3. Country biodiversity profiles** – country profiles combined geospatial biodiversity datasets to enable differentiation of biodiversity impacts at a national level.

Using assessment findings, we identified relevant nature impacts and dependencies at an overall portfolio level, based on the aggregate of 21 ecosystem service dependencies and five biodiversity loss drivers⁷, shown in the charts on the following page.

Our assessment found that, while nature is not a material issue for all underwriting groups, most of AXA XL’s insured sectors have material nature impacts and dependencies that range from moderate to very high.

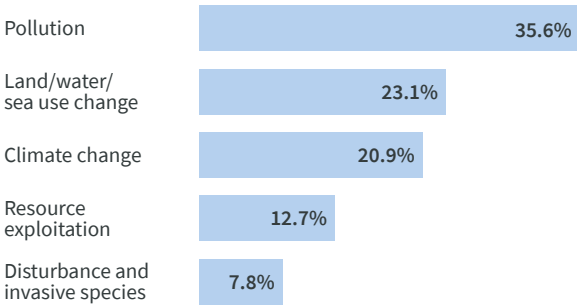


⁵ ENCORE (encorenature.org).
⁶ Target-setting Tools and Guidance – Science Based Targets Network.
⁷ IPBES, 2020.

The findings of our assessment

Across the five major biodiversity loss drivers, pollution (air, water, land, waste products) represented the greatest contributor to impacts in our insured industries. Industries with the greatest contribution to our portfolio’s pollution impact include chemical and chemical product manufacturing industries, livestock-related industries, energy production and extractive industries.

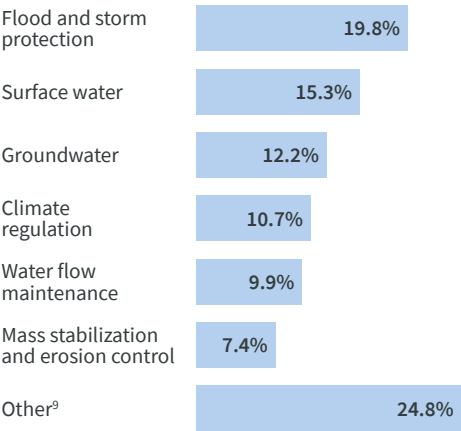
Percent of our insured industries by premium contributing to impact on key biodiversity loss drivers



We also identified various ecosystem service dependencies across our insured industries. Of those dependencies with medium or greater material impacts, 39% were water related. Almost all industries have some form of material dependency on water-related ecosystem services.

Alongside understanding the key industries with nature-related impacts and dependencies, this analysis helped us better understand AXA XL’s business exposure to those industries in terms of premium.

Percent of our insured industries by premium with dependencies on key ecosystem services⁸



Country-specific biodiversity risk profiles

Once we had identified impacts and dependencies, we could take steps to understand the biodiversity risk profiles of different countries. To do so, we combined open-source datasets from across topics including land, freshwater and marine habitat condition, biodiversity intactness, protected species status and rate of change and protected areas status.

We recognize natural conditions are highly localized and variable. However, having comparable data in the form of biodiversity risk scores will help us better understand key issues across countries. We aim to refine the local assessment of biodiversity risks and impacts in the future.

Next steps

The findings of this baseline assessment will inform how we prioritize our efforts and drive progress against **goal 2 – Promoting nature protection, goal 3 – Highlighting nature risks** and **goal 7 – Training colleagues on nature loss issues**. To ensure buy-in and understanding from our colleagues, we have established an internal colleague working group to test our findings and steer next steps.

Incorporating nature risk into underwriting

We follow AXA Group’s overarching policies regarding nature and biodiversity risks in underwriting and investments as well as applicable local law. Some industry practices have a significant impact on the natural world, and we therefore follow sector guidelines to address sector-specific activities that may pose risks to both AXA Group and AXA XL as an investor and insurer. These include, but are not limited to:

- Palm oil, soy, cattle and timber producers
- Oil sands extraction operations
- Coal mining and energy projects

Fighting deforestation

AXA XL follows the Group’s aim to address risks and impacts related to deforestation and protected sites of key biodiversity value. This is achieved by restricting Property and Construction insurance in cases of illegal logging, excluded companies and high-risk countries and commodities that face deforestation controversies.

We also refrain from investing in palm oil producers lacking sustainable palm oil certifications, companies with unresolved land conflicts and illegal logging, sectors with severe and high land use and biodiversity controversies, and producers of palm oil, soy, cattle and timber with significant deforestation impacts.

⁸ Numbers rounded to one decimal place.
⁹ Includes soil quality, disease control, fibers and other materials, bioremediation, filtration, pest control, water quality, pollination, buffering and attenuation of mass flows, genetic materials, dilution by atmosphere and ecosystems, mediation of sensory impacts and animal-based energy.

Supporting clients to value nature through our products and practices

As well as embedding nature considerations into AXA XL’s direct operations, we maintain relationships with our clients that are guided by shared nature ambitions and priorities. This includes engaging in discussions about how AXA XL can inspire clients to put nature at the heart of their plans.

Guiding organizations on water-related risk

At AXA XL, we help our clients navigate complex risks. We believe water is one such risk and we recognize AXA XL has a role to play in raising awareness of its importance. For example, through self-published research, we seek to shine a spotlight on how organizations can build resilience to water-related risks. This supports our work to achieve **goal 3 – Increase client awareness of underappreciated nature risks by 2025.**

AXA XL’s [Water Risk Insights Report](#), published in 2023, is a free resource that details 13 water-related risks – including water availability, media and public scrutiny and regulatory changes, as well as how they may impact key industries and solutions for better managing them. The report outlines the extent to which water-related physical, reputational and regulatory risks may materialize for seven industries:

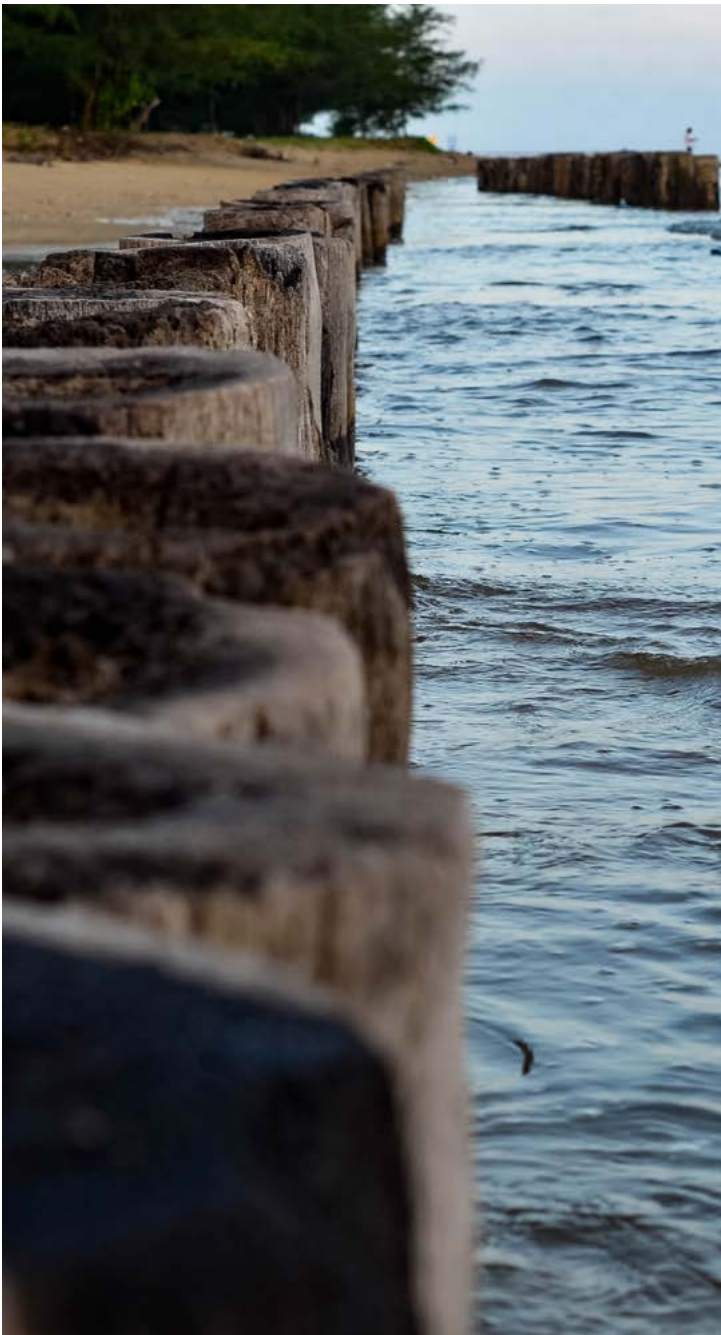
- Food, beverage and agriculture
- Apparel and textiles
- Utilities
- Manufacturing
- Technology and electronics
- Healthcare and pharmaceuticals
- Transport and logistics

To maximize value, meet sustainability targets and ensure the highest level of environmental protection, we recommend that all businesses engage in water stewardship activities. As such, the report also includes five critical actions organizations can take, like establishing their water footprint, setting targets and conducting scenario analysis.

Expanding our efforts across the globe

Providing funding opportunities for scholars is part of how we demonstrate our commitment to nature and progress against **goal 2 – Identify ways to promote nature protection and restoration by 2025.** AXA XL’s Climate Water Nexus Award, launched in partnership with the AXA Research Fund, was established to increase awareness about water access and security issues. It recognizes exemplary research that highlights the link between water, ecosystems and climate change.

The Award was won by Dr. Petra Holden, of the African Climate and Development Initiative at the University of Cape Town, for her work on nature-based solutions for an equitable, biodiverse and sustainable climate future. Her research has covered the impacts of climate change on water security and quantifying how well nature-based solutions can offset anthropogenic climate change on water-related ecosystem services.



Financial mechanisms helping fund conservation

Marine conservation-linked bonds (often known as blue bonds) and debt-for-nature financing involve multistakeholder collaboration, including governments, multilateral banks, commercial banks, insurers and NGOs. They aim to alleviate nations’ debt burdens while simultaneously funding conservation efforts.

A recent debt-for-nature swap in Gabon builds upon The Nature Conservancy’s partnership with the Gabonese government. In collaboration with the U.S. International Development Finance Corporation, Bank of America and private insurers like AXA XL, Gabon restructured \$500 million of its sovereign debt to enable the issuance of blue bonds, with savings

allocated to marine conservation projects. As we have done for other similar programs, AXA XL served as the lead insurer on this debt-for-nature policy.

Partnerships like these yield significant benefits for participating nations. Debt relief enables governments to allocate resources to conservation initiatives. At the same time, private political risk insurance helps mitigate uncertainties which, in turn, promotes greater investment in development projects in challenging environments.

By leveraging innovative financial mechanisms and fostering public-private partnerships, these initiatives pave the way for sustainable development and biodiversity conservation.



Funding blue carbon projects to protect coastal wetlands

Coastal wetlands have countless environmental and societal benefits, including stabilizing shorelines against rising sea levels, reducing erosion and flooding and acting as carbon sinks. Yet they are one of the most endangered ecosystems on Earth. Finding ways to reverse coastal wetlands loss and restore them is a priority area for AXA XL.

We are investing in the development of Blue Carbon Resiliency Credits as part of our efforts to achieve **goal 4 – Quantify the financial value of nature by 2026**. This emerging solution helps to both quantify the number of individuals protected from flood risks through coastal ecosystem restoration or protection and the economic benefits of reduced flood risk. Coastal resiliency assets, such as Blue Carbon Resiliency Credits, are market-based solutions that can be sold and used to finance coastal wetland initiatives.

\$1 million+

donated to The Nature Conservancy to support development of blue carbon projects across the Caribbean and New Zealand since 2019



Encouraging our colleagues to value nature

We seek to reinforce the importance of nature across our business through local and companywide initiatives that encourage everyone at AXA XL to treat the natural world with the respect it deserves.

We are integrating nature concerns into our organization and employee culture as part of our ambition to be an industry leader in safeguarding natural ecosystems. By raising awareness, we can empower colleagues to take more nature-positive actions.

Backyard Biodiversity

In June 2023, we achieved **goal 8 – Global launch of Backyard Biodiversity program by 2024 to support local wildlife** together with Pollinator Partnership. This program aims to raise awareness about the critical role pollinators play in our ecosystem, the challenges they are facing and how people can protect them.

In conjunction with Pollinator Partnership, a toolkit was developed for all AXA XL colleagues that provides guidance on how they can promote and protect pollinators in their backyards, gardens or balcony spaces. It includes a video on the importance of pollinators, over 20 country-specific guides to identify different pollinators and local plants, and guidance on creating habitats for pollinators.

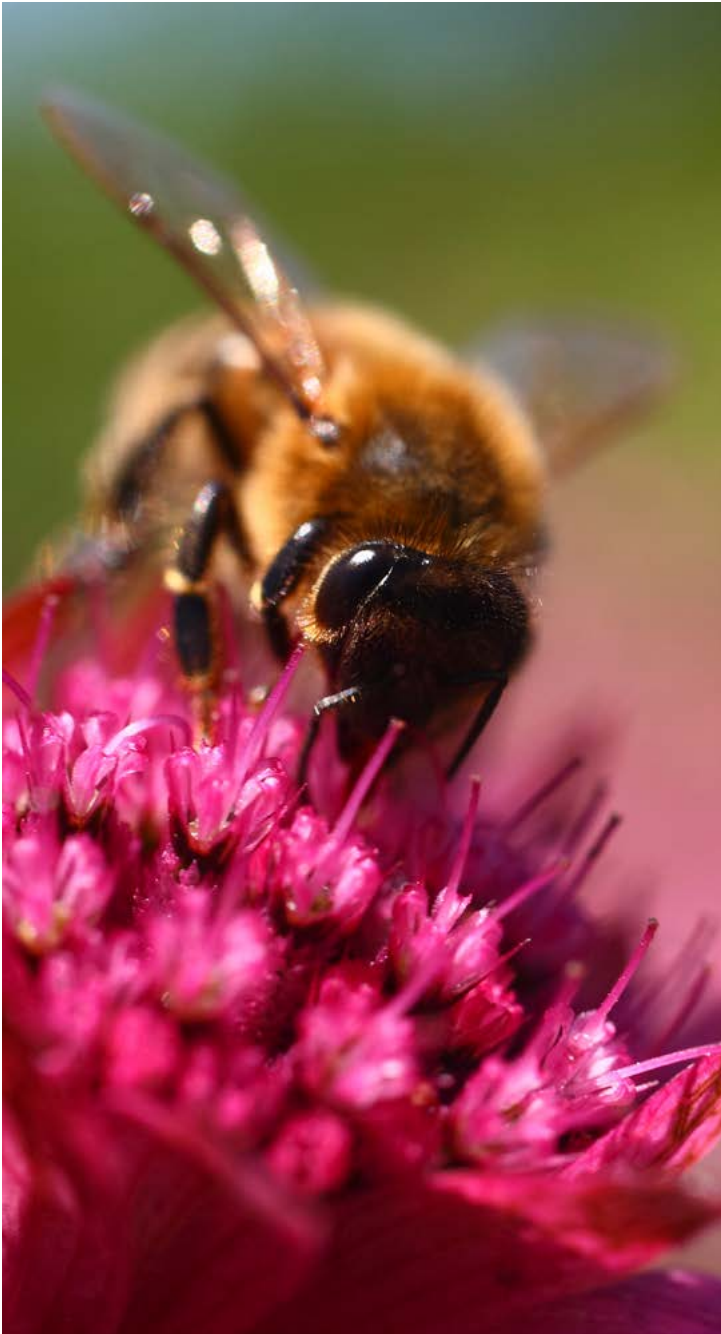
Since launching, over 400 colleagues have accessed the toolkit. Colleagues were also encouraged to share photos of biodiversity in their area and participate in Backyard Biodiversity Bingo to win themed prizes. Colleagues who wanted to learn more about pollinators were able to go one step further, participating in the Pollinator Stewardship Certification through online workshops and self-assessments provided by Pollinator Partnership.

Climate week NYC

In 2023, AXA XL contributed for the first time to the Climate Week NYC program – the largest annual climate event of its kind, with approximately 400 events and activities across New York City.

To raise the profile of key nature risks during the week, AXA XL – joined by water and risk management experts from Coca-Cola Europacific Partners, The Nature Conservancy and Las Vegas Valley Water District – delivered an external webinar on the climate–water nexus, highlighting the importance of including water-related risks in broader climate strategies.

To get colleagues globally involved, we also hosted a series of internal engagements, including webinars to help them identify climate and biodiversity-positive actions they can take at work and at home. The Green Up Your Life and Green Up Your Business sessions were well attended, with over 1,700 colleagues in total joining the webinars.





Addressing climate change

The effects of a changing climate are far-reaching and significant.


Unpredictable weather, increasing temperatures and rising sea levels cause both social inequalities and environmental disruption.


We're building a net zero strategy (in accordance with all relevant laws and regulations), developing insurance products and services, and mobilizing to advance thought leadership and investment in societal-led solutions.


Our 2023 progress

Addressing climate change requires continuous effort. Throughout 2023, we remained focused in our efforts to reduce the climate impact of our operations and portfolio, while advancing action on a wider scale too.







Progress key

- 

Achieved
- 

In progress
- 

Not started

<div><div>Goal 9.</div><div>7% revenue increase from green products and services by 2024</div><div><div>Progress:</div><div>We have met this goal, securing a 7% per annum increase on gross written premium from green products and services compared to a 2020 baseline.</div><div><div>→</div><div>Read more on page 20</div></div></div></div>	<div><div>Goal 10.</div><div>25% reduction in our operational carbon footprint by 2025</div><div><div>Progress:</div><div>During 2023, we reduced operational emissions by an estimated 34% versus our 2019 baseline.</div><div>Supports SDG targets 7.2, 12.5, 13</div><div><div></div><div><div>→</div><div>Read more on page 23</div></div></div></div></div>
<div><div>Goal 12.</div><div>Demonstrate the importance of societal-led climate solutions by 2026</div><div><div>Progress:</div><div>We are supporting community projects that deliver measurable social impacts and climate mitigation or adaptation improvements. Alongside disaster relief efforts, we're proud to continue supporting RedR's Climate Change Adaptation and Disaster Risk Reduction training program in climate-vulnerable countries.</div><div>More information will be included in our 2024 Sustainability Report, to be published in 2025.</div><div>Supports SDG targets 1.5, 11.5, 11B, 13.1</div><div><div></div><div><div>→</div><div>Read more on page 26</div></div></div></div></div>	<div><div>Goal 13.</div><div>Launch thought leadership on the social implications of a low-carbon economy by 2025</div><div><div>Progress:</div><div>We have undertaken research to define “fair and just transition” and are exploring potential partnerships on this topic and the role businesses can play.</div><div>More information will be included in our 2024 Sustainability Report, to be published in 2025.</div></div></div>

What’s next

We will continue to work toward our carbon reduction strategy targets and, as we move into 2024 and 2025, we will begin setting the groundwork for our next steps. This includes taking action, saving where to do so would be in breach of local law or regulatory requirements, against goal 11 to publish our net zero roadmap and updated carbon reduction goals by 2026.

Why addressing climate is critical

Tackling climate concerns is essential to ensure we can accurately assess and manage risks and protect our clients. While climate change also poses a significant challenge to us, failure to mitigate it could undermine our long-term operational sustainability.

Impact and opportunities

We are committed to confronting climate change, the impact and opportunities of which are twofold.

Firstly, we recognize the potential negative consequences of failing to address climate change for both AXA XL and our clients. We focus on both internal and external activities – from continuous development of our understanding, management and mitigation of climate risk, to reducing emissions from our own operations and transitioning our investments and insurance portfolio to net zero.

Simultaneously, climate change presents an opportunity for AXA XL to develop new products and services that contribute to climate solutions. By focusing on both mitigation and adaptation strategies, we are working to combat the effects of climate change.

Our approach

Drawing on the results of our 2022 double materiality assessment, we endeavor to address the following climate-related issues:

- Climate change adaptation and mitigation
- Disaster preparation and recovery
- Fair and just climate transition
- Renewables and low-carbon alternatives
- Natural disasters and perils
- Sustainable and resilient infrastructure
- Pollutants and emissions
- Sustainable waste management



Supporting our clients with the climate transition

As a trusted risk expert, we recognize the role we have to play in supporting clients to understand and mitigate risks associated with a changing climate and transition to a low-carbon economy.

We’re doing this through providing risk management advice and risk consulting services, developing solutions and actively engaging with clients and partners on their transition journey.



AXA Group energy policy

We adhere to AXA Group’s [energy policy](#) regarding insurance and investments in the energy sector, other than where to do so would be a breach of legal and regulatory requirements in any applicable jurisdiction.

Developing greener products

The [AXA Green Business program](#) includes Property and Casualty insurance products and services that deliver positive environmental impact. Such products and services should contribute to at least one of four objectives: climate change mitigation, climate change adaptation, transition to the circular economy and limitation of biodiversity loss and pollution.

We have already achieved [goal 9 – 7% revenue increase from green products and services by 2024](#) (versus 2020). Some of our green-focused products include:

- Green Building Materials Expense supplemental coverage: We offer supplemental coverage to help clients protect their businesses against losses, remediation expenses and legal defense expenses in the face of sudden or gradual pollution. As well as providing financial help to clean up pollution incidents such as fuel oil spills, Green Building coverage offers clients the option to use more sustainable materials in any subsequent property restoration.
- Structured Risk Solutions: Our team continues to develop performance insurance solutions for technical risks associated with breakthrough low-carbon technologies (e.g., fuel cells, energy storage, energy efficiency, waste-to-energy and biofuels).
- Unless otherwise prohibited by applicable local law or regulation, AXA XL offers Green Endorsements in our Property business, enabling clients to rebuild to more sustainable standards post-damage.

Net zero underwriting

AXA is committed to transitioning its insurance portfolio to net zero greenhouse gas (GHG) emissions by 2050, saving where to do so would be in breach of local law or regulatory requirements, consistent with a maximum temperature rise of 1.5°C above preindustrial levels by 2100. In 2023, AXA announced interim targets, to be achieved by 2030, to contribute to [the global economic climate transition for its most material underwriting commercial portfolios](#):

- A reduction in the absolute carbon emissions of AXA’s largest commercial insurance clients by 30%, using the baseline year 2021
- A reduction in the carbon intensity of all other corporate clients within AXA’s largest markets by 20%, using the baseline year 2021
- Increase its business in the field of renewable energies, and more broadly across sectors transitioning to low-carbon business models

AXA XL will engage with our largest commercial clients globally, to increase their knowledge of climate impacts, transition efforts and associated risks. This work contributes to **SDG 13.3**, which supports education and awareness on climate change and will also include considering sources of emissions, working on solutions to support global climate transition efforts.

Working with clients to build resilient communities

As well as supporting our clients to embed climate resiliency into their businesses, we seek to partner with them on strategic projects to enhance community climate resiliency. In January 2022, we worked with other financial services companies on an innovative financing solution to support the African Development Bank’s (AfDB) Room to Run Sovereign transaction. Working alongside the UK Government, this solution secured credit insurance protection worth \$2 billion on the AfDB’s portfolio, which aims to provide existing and future loans to 11 sovereign borrowers across Africa.

In 2023, the program launched two projects: an \$80 million Egyptian wastewater project and a \$37 million water sanitation project in Senegal. The projects aim to improve water supply and sanitation in their respective countries.

Gabel El Asfar Wastewater Treatment Project

The Water Recycling for Agriculture – Gabel El Asfar Wastewater Treatment Project in Egypt is Africa’s largest wastewater treatment plant in terms of capacity (producing up to 60% of the electricity needed to run the plant) and the second largest in the world.

The project aims to address food security issues by increasing arable lands by 70,000 acres. It will also increase access to sanitation services and create jobs, benefiting 5 million people.

Access to safe water and sanitation services in Senegal

In Senegal, a sanitation project, consisting of water pumps and latrine construction, aims to increase resilience in disadvantaged areas by improving access to safe water. The project will provide 1.45 million people – 51% of whom will be women – with improved access to drinking water and sanitation.



Reducing our carbon footprint

We are dedicated to reducing our operational carbon footprint and to enhancing measurement of emissions associated with our own activities.

Within AXA XL, most operational emissions stem from activities such as office energy usage, transportation and data centers. Air travel is consistently identified as the largest contributor to our carbon footprint.

Measurement of key GHG metrics

We calculate our annual carbon footprint using a full calendar year of collected data and report on this the following year¹⁰. For this report, we include detail related to our 2023 footprint. AXA XL’s footprint is independently verified annually to a limited level of assurance.

In 2023, we noted an increase in total emissions compared to 2022. The biggest driver of this increase comes from a rise in business travel after significant decreases in 2020 and 2021 due to COVID-19. We attribute the reduction in Scope 1 emissions to changes in our office portfolio, where sites have closed or we now have a smaller space; but also

the implementation of more efficient building heating practices. The decrease in Scope 2 emissions stems from our choice to purchase more renewable energy.

Since 2019, we have continued to improve the completeness of our Scope 3 reporting. We now include emissions from homeworking and employee commuting, as well as the upstream and downstream emissions relating to fuel and energy use. At this stage, these additional categories are not included in our reporting against the 2025 reduction targets to ensure consistency year on year against the baseline.

	Scope 1 (tCO ₂ e)	Scope 2 ¹¹ (tCO ₂ e)	Scope 3 ¹² (tCO ₂ e)	Total ¹¹ (tCO ₂ e)	Headcount ¹³
2023	764	4,318	33,990	39,072	8,018
2022	1,100	4,557	20,993	26,650	8,287
2021	851	3,875	14,907	19,633	7,339
2020	1,639	4,789	12,320	18,748	7,816
2019 Baseline	1,838	5,727	37,945	45,510	8,327

¹⁰ We report annually and publicly on our carbon footprint through our annual sustainability report, the ClimateWise Principles and other climate change-related disclosures.

¹¹ Market-based.

¹² Scope 3 includes business travel, resources we consume (paper, waste, water), commuting and homeworking, and energy from transmission and distribution.

¹³ Headcount figures differ to elsewhere in this report as some office space is located within other AXA entity offices and reported in their footprints.



Carbon reduction strategy

In 2020, we launched a five-year carbon reduction strategy to reduce our operational footprint by 25% by 2025 versus a 2019 baseline. This strategy has since become **goal 10 – 25% reduction in our operational carbon footprint by 2025** – in our Roots of Resilience strategy. It was made in line with targets set by AXA Group at the same time and reflects our responsibility as a corporate citizen to take ownership of our operational emissions – not just carbon but other GHGs as well¹⁴.

The strategy outlines our ambition to decrease overall emissions, the targets set to drive progress and the decarbonization roadmap we will follow. It centers on three key areas of our direct environmental impact:

- 1. The energy we use
- 2. The movement of our people
- 3. The resources we consume

Across these three areas, we have set seven goals and identified key initiatives to drive our efforts forward.

1 The energy we use

We are working to reduce building energy use by 38% compared to 2019, through:

- Installing energy meters to improve measurement and management
- Installing LED lights with motion sensors or timers where possible
- Introducing standard office air conditioning temperatures
- Purchasing/sourcing renewable energy where possible
- Reducing office space
- (London office) installing a Digital Risk Engineer that integrates with building systems to suggest enhancements for efficiency and prolonged equipment life

To reduce data center energy use by 40%, we are:

- Moving from on-premises data centers to the cloud
- Decommissioning legacy applications to reduce applications portfolio, which reduces server use

2 The movement of our people

Our aim is to reduce air travel- and hotel stay-related emissions by 25% compared to 2019, through:

Green contributions¹⁵ (see page 25)

- Departmental champions for travel, each with a travel carbon allowance
- Educational materials on ways to “travel smarter”

We’re also working to cut car travel-related emissions by 19% through:

- Removing our car fleet where possible
- Creating policies on vehicle type, usage and colleague eligibility

3 The resources we consume

Our aim is to reduce water use by 11%, paper use by 20% and waste production by 10% per colleague compared to 2019, through:

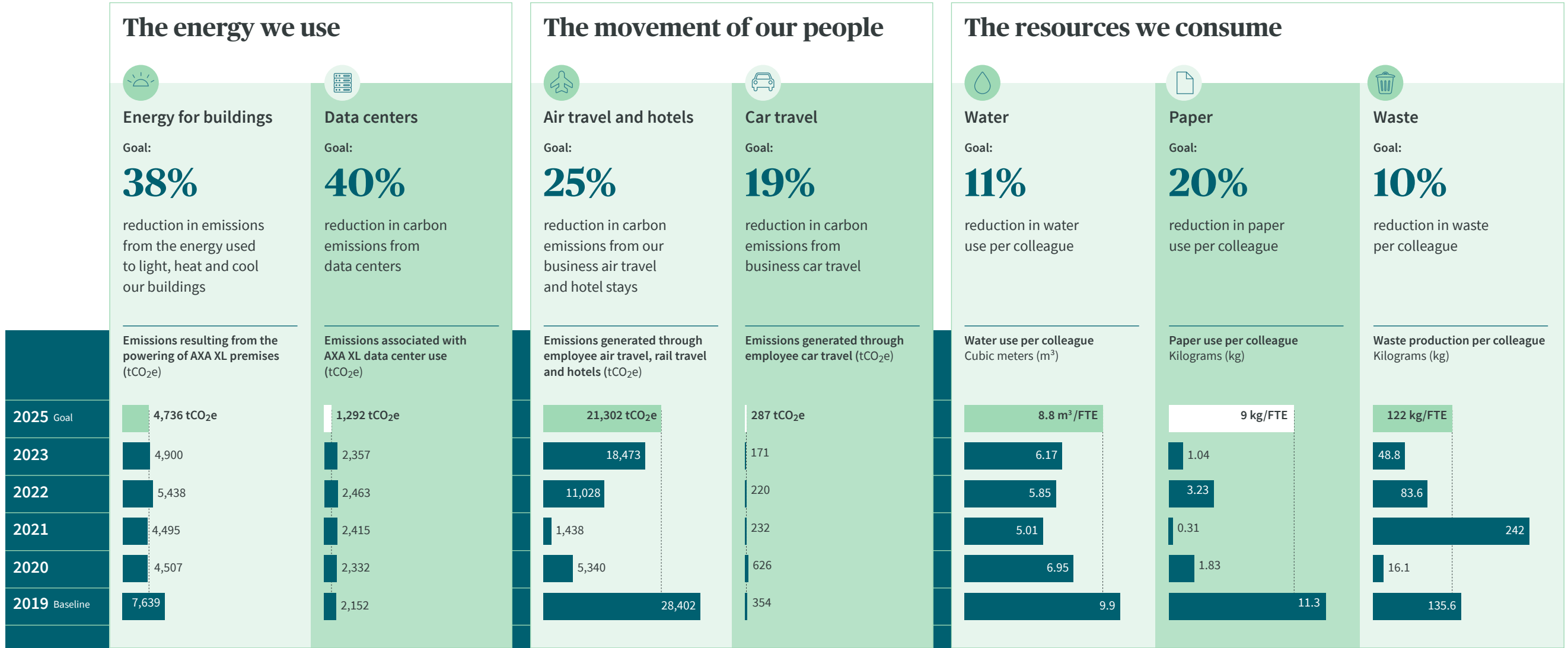
- Colleague education and behavior change campaigns
- Water-efficient upgrades like sensors and reduced-flow taps and toilets
- Reduced number of printers in offices
- Increased recycling and composting facilities
- Reduced use of single-use items, particularly plastics
- Recycling and donation of unwanted furniture



¹⁴ Further detail on our GHG emissions is included within our GRI index, see page 49.
¹⁵ Internal carbon payment collected for flights taken by AXA XL colleagues and used to support projects that reduce our environmental footprint.

Our 2025 goals

Targets set against a 2019 baseline



Colleague engagement on climate topics

We know our colleagues are as committed to climate action as we are, which is why we maintain a series of initiatives to engage them on key topics.

Green Committees

Our Green Committees play an important role in our carbon reduction strategy. They engage colleagues around the world, working to drive more sustainable behaviors and initiatives. The network has now grown to 16 committees with over 150 colleagues.

Throughout 2023, Green Committee activities included:

- **Bermuda:** Colleagues cultivated four raised beds and harvested fresh basil, sweet potato and carrots, donating some of the produce to local nonprofits like Meals on Wheels and The Eliza DoLittle Society.
- **India:** Our CEO and other leadership team members visited ARANYA biodiversity park to help plant trees. The committee also encouraged colleagues to bring old devices to the office for proper waste management, reducing electronic waste.
- **Poland:** Colleagues hosted a clothes repair workshop and clothes exchange; any clothes not picked up were donated to a local nonprofit.

Climate network

The AXA XL Climate Network brings together representatives from across AXA XL regions, products and functions to facilitate information sharing, collaboration and opportunities to develop new initiatives.

One output of the network included a study on climate-related litigation risks. We engaged with an external consultant and created a working group of colleagues from Legal, Risk and Underwriting to work on this topic. This included exploring areas of litigation risk related to public nuisance, Directors & Officers liability insurance and greenwashing. We will continue to develop these insights as our understanding grows.

Scope 3 reductions

Since January 2020, a green contribution charge of \$100 per tonne of CO₂ emissions has been added to every AXA XL traveler’s corporate budget for business flights. These contributions support internal initiatives throughout the company aimed at reducing our environment impact, as well as funding our carbon offsetting.

We continue to purchase carbon credits with The Nature Conservancy. For 2023, AXA XL retired carbon credits to support the Cold Hollow Carbon project, based in the U.S. state of Vermont. This project is the first aggregation project in the U.S. for the voluntary carbon market, allowing landowners to aggregate their land parcels and overcome the upfront costs of the carbon inventory and verification.

Spread across 9,700 acres of mixed hardwood and conifer forest, the project commits to carbon sequestration through forest management and silvicultural approaches.

A climate-conscious workforce

We have continued to develop our learning offering with The Single View of Climate Risk Training. This training provides detailed information on potential climate risks and opportunities for AXA XL and our clients. It is designed to foster an understanding of climate risk drivers that enables client-facing staff to engage clients and brokers. It also encourages colleagues to contemplate how the lines of business they support will evolve as the climate changes and we transition to a low-carbon economy. Focusing on our client-facing functions, this training was delivered to 1,255 employees in 2023 and forms part of our contribution to **SDG 13.3**.

Committing to renewable energy

AXA XL and other AXA entities across Europe have signed a ten-year Virtual Power Purchase Agreement (VPPA) with IGNIS – a Spanish integrated renewable energy group. This will ensure the provision of clean energy at a fixed price, accompanied by Energy Attribute Certificates certifying where the energy has come from. Our adoption of this VPPA contributes to **SDG 7.2**.

Under the agreement, AXA Group commits to purchasing 90% of renewable electricity produced by a power plant set to be in operation by May 2025. This is equivalent to the electricity consumption of the buildings and data centers of the Group’s European entities.

Measuring our digital carbon footprint

AXA XL started reporting our digital footprint to AXA Group in 2022. In 2023, we undertook more extensive research with Accenture to ensure we captured our full footprint and to understand where we could improve “digital sustainability”.

A key focus area was emissions from IT infrastructure, and, in 2023, we collaborated with the consultancy to help determine our baseline. Focusing on end user devices, network devices, data centers and cloud and software-as-a-service providers, we identified that associated emissions totaled 7,600 tCO₂e (2,575 tCO₂e Scope 2 and 5,025 tCO₂e Scope 3).

Armed with this insight, we have developed an IT decarbonization roadmap, with an initial suggestion to improve governance oversight. As such, in 2024, we will be creating a working group of cross-department colleagues to oversee IT projects related to reducing our footprint. We will also work with Global Talent and Procurement to implement other suggested emission reduction levers – for example, sustainability in IT procurement and sustainable software.

Developing disaster-resilient communities

We know the importance of fostering resilience to natural disasters and are dedicated to helping support vulnerable communities. To counteract the physical risks associated with natural disasters, we have partnered with nonprofits to promote investment in adaptation and mitigation projects.

We fund a range of projects, from preparedness to relief efforts. We also recognize the needs of communities displaced by disasters and we support efforts to rebuild lives, livelihoods and overall wellbeing.

The nature of our business is to assist clients in preparing for and mitigating risks, and we believe we can extend this support to vulnerable communities facing similar challenges. Our actions in this area contribute to **SDG 12** as well as **goal 12 – Demonstrate the importance of societal-led climate solutions by 2026**.

AXA XL provides support following natural disasters – such as floods, earthquakes, hurricanes and other significant natural catastrophes – and specific large-scale humanitarian crises. We promptly respond to urgent calls for international humanitarian assistance where widespread media coverage indicates the scale of the issue. We also consider our response to disasters where our colleagues and their families are directly affected.

Our disaster relief nonprofit partners include the American Red Cross and Save the Children UK, both dedicated to alleviating suffering during emergencies by offering care, shelter and essential items like food and hygiene kits. During 2023, we donated \$200,000 to various Save the Children and American Red Cross efforts.

We donated to Save the Children UK to support their earthquake response in Syria and Türkiye, their cyclone response in Myanmar, their response to the conflict in Israel and Gaza and relief efforts in Afghanistan. We also provided support to the British Red Cross following the earthquake in Libya and Morocco, while our donations to the American Red Cross supported disaster response following the California floods, Hawaii wildfires and the conflict in Israel and Gaza.

Additionally, since 2019, AXA XL has provided funding to disaster preparedness nonprofit RedR UK for an innovative training program on Climate Change Adaptation and Disaster Risk Reduction in climate-vulnerable countries. This program targets participants from NGOs, governments, private and community-based organizations, all of which play crucial roles on the frontlines of disaster management.





Integrating ESG

All companies have a role to play in building a more resilient future.

Incorporating ESG considerations into our internal processes and practices builds resilience from the roots of our business.

We're training our colleagues, engaging our external partners, and evolving our sustainability governance and reporting.



Our 2023 progress

To advance our Roots of Resilience strategy, we need to integrate ESG practices into everything we do. Throughout 2023, we have made significant progress against our ESG goals, with several in progress and almost as many already achieved.

Progress key

- Achieved
- In progress
- Not started

<div>Goal 14.</div> <div>Invest \$5 million globally, and 75,000 volunteering hours, by 2026</div> <div><p>Progress: We reached approximately 26,000 volunteering hours and roughly \$1.6 million in cash donations. Progress against this goal will be staggered across three years.</p></div> <div> Read more on pages 30–33</div>	<div>Goal 15.</div> <div>Provide ESG and sustainability training for 100% of colleagues and boards by 2024</div> <div><p>Progress: We have delivered ESG training to 100% of regulated entity boards and developed an “ESG Essentials” course for employees, which we launched at the end of 2023.</p></div> <div> Read more on page 29</div>	<div>Goal 16.</div> <div>Integrate sustainability commitments further into talent management by 2025</div> <div><p>Progress: We have updated sustainability content in job description templates across all offices and continue incorporating similar content into all countries’ employee handbooks. We also launched a new skills-based volunteering program in partnership with HR.</p></div> <div> Read more on page 35</div>	<div>Goal 17.</div> <div>Promote DEI agenda with external stakeholders by 2025</div> <div><p>Progress: We held initial alignment conversations, which will inform development of a roadmap for future actions.</p></div> <div>Supports SDG target 10.2</div> <div></div> <div> Read more on page 34</div>	<div>Goal 19.</div> <div>Deliver ESG roundtables to our cross-regional clients by 2025</div> <div><p>Progress: We have begun discussions with relevant business areas with a view to identifying cross-cutting topics.</p></div> <div>More information will be included in our 2024 Sustainability Report, to be published in 2025.</div>
<div>Goal 20.</div> <div>Develop cross-functional ESG action plans by 2024</div> <div><p>Progress: To achieve our ESG action plan goal, leaders developed toolkits to help identify team- and function-specific ESG actions.</p></div> <div> Read more on page 29</div>	<div>Goal 21.</div> <div>Measure and reduce supply chain risks by 2026</div> <div><p>Progress: AXA XL conducts Corporate Responsibility scoring of its supply chain in partnership with EcoVadis.</p></div> <div>Supports SDG target 8.7</div> <div></div> <div> Read more on page 38</div>	<div>Goal 22.</div> <div>Identify ways to increase the robustness of our sustainability governance by 2024</div> <div><p>Progress: We revamped our Sustainability Steering Committee to enhance our governance processes. We are also working extensively with company secretaries of our regulated entity boards to articulate the board role in overseeing climate and sustainability topics across AXA XL in accordance with applicable law.</p></div> <div> Read more on page 37</div>	<div>Goal 23.</div> <div>Advance our sustainability reporting by 2024</div> <div><p>Progress: We launched our first GRI-aligned report in reference to GRI for 2022 and continued reporting in reference for 2023.</p></div> <div> Read more on page 29</div>	<div>What’s next</div> <div>As we move toward 2025, we will continue finding ways to integrate ESG across AXA XL and our wider chain. To support this, we have set goal 18 to launch an ESG incubator program by 2025.</div>

Why integrating ESG is critical

Incorporating ESG considerations into our internal processes and practices is how we envision creating meaningful change – and building a more resilient, sustainable and prosperous future – for our business and our clients.

Embedding people and planet into our business to deliver our strategy

We believe our holistic approach to integrating ESG makes our business stronger – not just in the face of environmental risks, but societal, legal and reputational risks too. Our people, internal processes and practices, partnerships and governance are all vital for maintaining long-term, ESG-aligned value. So, too, is reporting transparently and accurately on our ESG progress, in line with **goal 23 – Advance our sustainability reporting by 2024.**

Leveraging the power of data

In 2023, we established an ESG Analytics team to advance how we harness data to support our business and client offerings. Where permitted by local law, the team has begun exploring how ESG data can be used to model, price and underwrite risk, with its analysis surfacing potential links to underwriting performance. Such data may also help us better understand where our clients currently are on their climate and energy transition journey.

These insights are outlined in our [Exploring the link between ESG performance and underwriting risk](#) thought leadership piece.

Helping our people define ESG opportunities

Every colleague at AXA XL has a role to play in advancing our sustainability ambitions. That’s why we set **goal 15 – Provide ESG and sustainability training for 100% of colleagues and boards by 2024.**

During 2023, we launched new ESG Essentials training for all colleagues, to explain what ESG means in practice. It covers several learning objectives:

- Understand the definition of ESG, highlighting topics beyond climate
- Increase familiarity around how we define ESG and sustainability at AXA XL
- Understand how clients and value chain partners may define ESG for themselves (including understanding “materiality”) and become better equipped at engaging these partners on relevant topics
- Recognize opportunities to integrate ESG and sustainability into the learner’s own team or function to support departmental and organizational success
- Appreciate the global regulatory framework and importance of operating in accordance with applicable law and regulation

We continued to provide annual training sessions to our regulated entity boards in 2023, covering topics such as emerging regulation, ESG-related risks and AXA XL and AXA Group priorities.

Cross-functional action

We are harnessing colleague knowledge to embed sustainability further into our business. In 2023, approximately 180 senior leaders were trained and equipped with toolkits to help them achieve **goal 20 – Develop cross-functional ESG action plans by 2024.** The five-step toolkit encouraged teams to identify ESG-related risks and opportunities specifically for the work they do, as well as consider the current and future ESG priorities of the stakeholders they serve. By doing so, teams were able to translate ESG and sustainability learnings into meaningful, actionable steps based on a team’s skills and scope – from underwriters to claims and from human resources to procurement. All departments were also required to include a sustainability-related goal in their 2024 Operational Plans.



Hearts in Action: Supporting communities

As an insurance leader with a global presence, part of how we measure our success is through how we support the people and places around us. We have both the opportunity and the responsibility to support vulnerable people in the neighborhoods where our colleagues live and work.

Our Hearts in Action initiatives

We have established volunteering and charitable giving programs – known collectively as our Hearts in Action programs – to help colleagues support the causes that matter most to them and that support their communities. These include our VolunTree Heroes program, through which we plant one tree for every day of colleague volunteering, and our Matching Gifts program. Through these programs, we seek to advance progress against **goal 14 – Invest \$5 million globally, and 75,000 volunteering hours, by 2026.**

Our Matching Gifts program offers colleagues the opportunity to apply for matched funds for donations to nonprofits of their choice, up to a total of \$800 per colleague annually.

Enabling regional charitable engagement

Through 28 regional Hearts in Action Committees comprising 138 employees, AXA XL colleagues are empowered to support the needs of their immediate communities. These committees are responsible for charitable giving at a local level, including grant giving, fundraising, awareness raising and donation drives. In 2023, our Regional Grant Program donated more than \$831,000 to 81 nonprofits selected by Hearts in Action Committees.

Global Day of Giving

Our annual Global Day of Giving (GDoG) enables all AXA XL colleagues to spend a day donating their time and skills. Projects vary widely, according to local needs and colleague passions. They have included preserving historic sites, running educational activities for children, serving meals at homeless shelters, and painting and gardening for local community centers.

Since GDoG’s inception in 2006, AXA XL colleagues have performed approximately 430,000 hours of community service for hundreds of nonprofits worldwide.



Providing free legal services through pro bono clinics

Since 2017, AXA XL Legal & Compliance colleagues have assisted low-income individuals by volunteering in pro bono clinics in New York and London, saving people hundreds of thousands of dollars in legal fees. During 2023, 18 employees volunteered nearly 138 hours to support seven nonprofits and six clinics and projects – work that translated to \$68,750-worth of pro bono support.

Charitable actions in India

AXA XL India directs its internal philanthropic actions and funding to causes that help create a brighter future for those around us.

We care about their future

We support a range of educational, healthcare and environmental initiatives in India. To date, we have:

- Increased IT literacy for locals enrolled in sponsored educated programs
- Provided uniforms and stationery to students
- Provided emergency medical assistance
- Distributed ration kits to combat food scarcity
- Funded the support and maintenance of 44,000 trees that were planted in the previous year



In 2023, AXA XL India won three awards for CSR initiatives: the Karma Award in the SkillWiz category for skill-based volunteering contributions with a focus on deep impact; the CSR – Excellence Award in Youth Livelihood for our Saksham project; and the Sustainable Best Initiative of the Year – Go Green award at the Sustainability Summit and Awards 2023 for our Aranya Biodiversity Park initiative.

Empowering young people in Delhi to become financially independent

We launched the Saksham project in 2020 with a clear aim: to empower youth from disadvantaged urban communities in Delhi, particularly girls, with vocational training and employment opportunities. This program provides comprehensive training on soft skills, digital literacy, workplace communication and computer skills.

One of the key strategies employed by the project is colleague engagement, leveraging virtual platforms to deliver training sessions and workshops on employability topics. In 2023 alone, 46 sessions were conducted, receiving highly positive feedback from those involved.

In three years, the project has impacted more than 3,000 young people, approximately 60% of whom are girls. Since participating, over 1,900 youth have received employment offers.

The project’s social return on investment (SROI)¹⁶ has been profound too. In partnership with Envoy, we used data from interviews with project stakeholders – particularly participants – to assess the level and monetary value of changes in factors like confidence, financial independence and well-being as a result of project interventions. For example, by helping break gender stereotypes, the project has supported many girls to enter roles traditionally held by men, such as supervisory and cash management positions.

Moreover, the project has created safe and secure work environments, leading to improved job retention and career progression, especially among girls. Over 70% of participants continued their jobs after three months, showcasing the sustainability of the project’s efforts.



¹⁶ SROI is a framework for quantifying value creation, including social, economic and environmental value. SROI enables organizations to measure how much change is being made, and to place a monetary value on the outcomes. This insight can be leveraged to help an organization understand if their programs represent value for money.

Our Regional Grant Program

Our Regional Grant Program, in partnership with Charities Aid Foundation, awards grants to nonprofits or schools operating where we have a presence. From 2023, it will run as a two-year program, enabling longer relationships between our offices and nonprofit partners, and delivering greater funding security.

A Australia
Hopefield Services Incorporated, The EVE Project. Supporting women impacted by sexual assault, domestic violence, cultural practices/traditions, homelessness, sex work, imprisonment, mental health and/or substance abuse.

B Brazil
Luta pela Paz, Brighter Futures. Reducing school exclusion risks among 120 children aged 10–15 and helping them build foundations for peaceful, positive and productive lives.

C Canada
Holland Bloorview Kids Rehabilitation Hospital Foundation, Accessible Robotics STEM Programming for Kids with Disabilities. Encouraging young people with disabilities to get involved with STEM (science, technology, engineering and math) through accessible programs.

D France
Association Halage, Fleurs d’Halage. Training employees on social integration in new agricultural jobs, such as botany and horticulture, to encourage a gradual return to permanent employment.

E Germany
herzensgut gUG (haftungsbeschränkt), Supporting the international class at Dreikönigsgymnasium in Cologne. Helping 18 international students (notably Ukrainian refugees) aged 10–16 learn German and integrate into their school.

F Hong Kong
Heep Hong Society, SHINING SENS- supporting and embracing children and family with needs. Providing activities such as dance and movement therapy, drama theater and magic classes for children with special educational needs.

G Ireland
Merchants Quay Project CLG, Jane’s Place – Women’s Services. Supporting women struggling with addiction, mental health issues and homelessness through a female-only well-being drop-in facility.

H Italy
Worldrise Onlus, Fellowship for a Marine Protected Areas Campus. Supporting five participants through a full fellowship to attend the first Marine Protected Areas campus in Sardinia.

I Mexico
Patronato Amigos de la Sierra de Arteaga Coahuila A.C. Post-fire restoration of water catchment areas in Laguna de Sánchez. Protecting native forests through ecological restoration, ecosystem preservation and rainwater collection, as well as increasing runoff to storage centers.

J Netherlands
Stichting Oger SARdogs, Oger SARdogs. Supporting two dogs in their search-and-rescue training to develop the skills to search for vulnerable people.

K Poland
Stowarzyszenie Kultura Równości, Empowering the Queer Community. Empowering the LGBT+ community in Wrocław by addressing pressing current needs: support in psychological crisis, support in the transition process and community building.

L Singapore
Care Corner Singapore Ltd, Learning & Special Needs Support. Providing specialized learning support for children with developmental delays to enhance basic academic skills and cognitive functioning.

M Spain
Asociación Entre Mujeres, Brave women. Supporting women through therapy, workshops for learning trades and assisting them to enter the labor market or remain in professional employment.

N Sweden
Insamlingsstiftelsen War Child, Nature-based Integration – scale up. Promoting psychosocial and physical well-being and social inclusion through nature-based integration for marginalized migrant youth aged 18–25.

O UK
St Giles Trust, SOS Summer Programme – Enfield and Lambeth, London. Providing gang-exit services through intensive, long-term support to help young people escape lives of violence, terror and abuse.

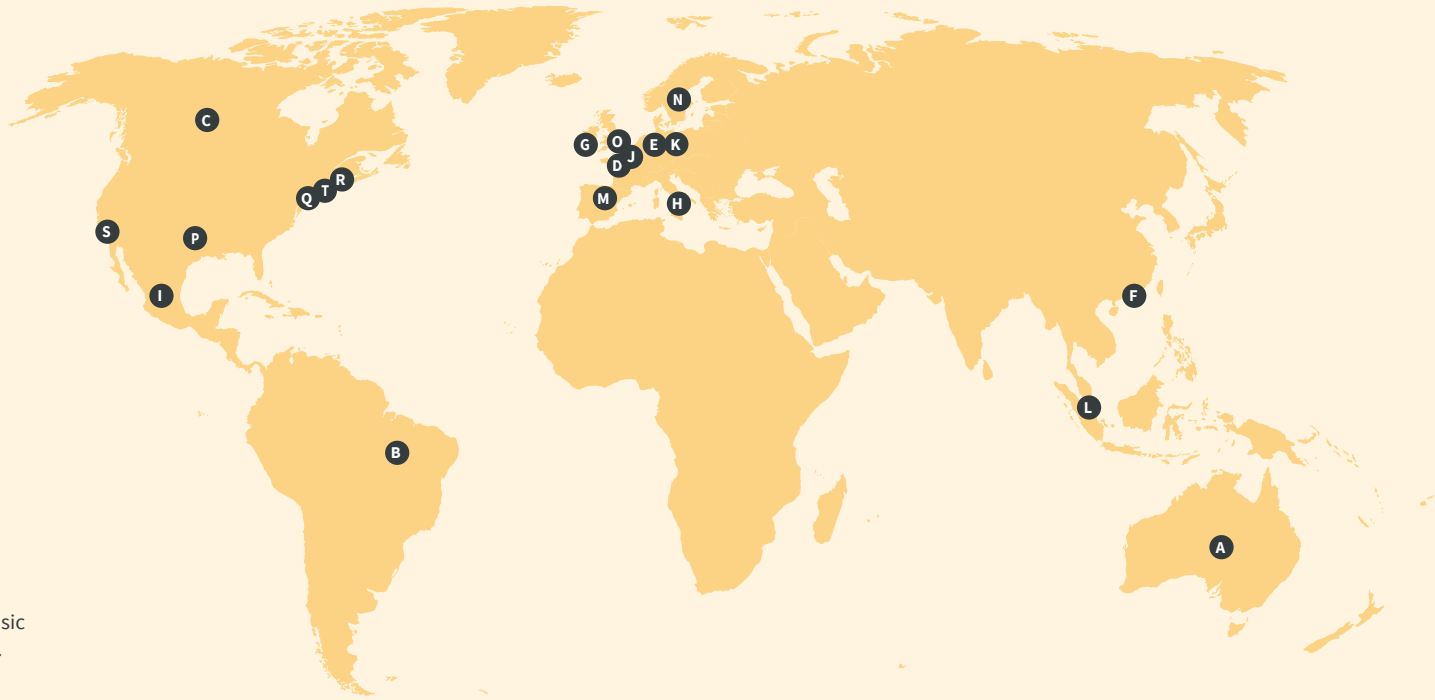
P U.S.
United to Learn, U2L School Partnership. Contributing to a two-year partnership to support educator capacity and student achievement for 51 Dallas ISD elementary school partners.

Q U.S.
Appalachian Trail Conservancy, Constructing the Appalachian Trail through the Palmerton Zinc Pile Superfund Site. Revitalizing the Appalachian National Scenic Trail, reconstructing a portion to reduce erosion and minimize future maintenance needs.

R U.S.
Fern Street Food Ministry, Project Feed More. Feeding families in response to current high food prices, lack of healthy food access and cuts in food stamps.

S U.S.
LiNC LA (Latinos in Insurance Networking for our Community), LiNC Summer Virtual Professional Development Series. Supporting high school students from socioeconomically disadvantaged areas in Greater Los Angeles with hard and soft skill development.

T U.S.
Covenant House – Under 21, Anti-Human Trafficking program. Tackling human trafficking through case management, residential services, legal services and social work counseling services for survivors.



Key

- Environment
- Disability
- Education
- Disadvantaged groups
- Diversity and inclusion
- Elderly care
- Homelessness

XL Foundation

The XL Foundation was established as trustee of the X.L. Charitable Trust, which seeks to improve quality of life for Bermudians in need. The XL Foundation manages funds generated from the X.L. Charitable Trust’s investment portfolio, ensuring they reach impactful local nonprofits.

In 2023, the XL Foundation continued to support local nonprofits addressing some of the island’s most critical social, educational, health and human services issues. These included:

- AGE Concern Bermuda (ACB): Research indicates that educating long-term care (LTC) administrators enhances the quality of care for senior citizens. ACB’s LTC program trains Bermuda’s LTC providers in internationally recognized, evidence-based best practices for elderly care.
- Bermuda Sloop Foundation: The XL Foundation is supporting the Spirit of Bermuda experiential sail training program. The program teaches students personal responsibility, environmental stewardship, leadership, socio-emotional development, teamwork, community and history in a safe and inclusive environment.

- Family Centre: The Centre’s Youth Leadership Academy is a five-year leadership training program targeting at-risk youth who have experienced loss, trauma and/or neglect.
- HOME: Homelessness is an increasingly pressing issue in Bermuda. HOME’s Rough Sleeper program ensures people’s housing needs are met while providing case management, support services and empowerment to meet other basic and skill-development needs.
- Raleigh International Bermuda: Raleigh International Bermuda helps young Bermudians overcome risks including drugs, gangs, alcohol, abuse, peer pressure, crime, low self-esteem and lack of motivation. It does this through providing training and employment opportunities as instructors, coaches, project managers and mentors. In 2023, the XL Foundation provided a grant to help the organization develop a safe space for young people to escape harmful environments, wellness support plans and a parent support program, as well as to deliver three of their programs.
- Shift: Shift provides evidence-based social emotional learning opportunities to empower adults and youths to make healthy lifestyle choices. Through its PATHS and LifeSkills Training Programmes, and with funding from the XL Foundation, Shift is expanding learning for students and facilitators in primary schools.
- The Eliza DoLittle Society: The Eliza DoLittle Society aims to enhance quality of life through equitable access to nutritious food. In 2023, the XL Foundation supported the Healthy Bags Program and Pantry Operations, helping the society coordinate food donations for over 2,650 people.

The 2023 Youth Climate Summit

The Youth Climate Summit – launched by the Bermuda Underwater Exploration Institute – engages the next generation of leaders in climate action. As a Transformational Founding Partner, AXA XL is committed to supporting this vision.

In November 2023, approximately 150 school, college and university students attended the third annual Youth Climate Summit. As well as encouraging thought-provoking discussions, the summit served as a reminder that we all have a responsibility to protect

our planet. AXA XL’s Head of Climate, Andy MacFarlane, delivered the summit’s opening remarks, urging students to speak up and stay involved in solving the climate crisis.

On the penultimate day, 15 AXA XL colleagues volunteered at the AXA XL booth where they fielded questions and engaged students in a quiz on climate change and the ocean. AXA XL’s Bermuda Insurance Senior Claims Specialist, Roneika Hall, gave the closing remarks during the final day.



Investing in our people

Our people are our most important asset. We seek to be an industry employer of choice, supporting our colleagues to thrive and grow throughout their careers.

Fostering diversity

DEI is integral to our values and culture. We believe a diverse global workforce enables us to effectively address unique market and client requirements, fostering innovation and enhancing our organization. Demonstrating our commitment, our CEO is a signatory of the CEO Action for Diversity & Inclusion Pledge.

We prioritize attracting, developing and retaining talent across all races, genders and sexual orientations. In 2023, we launched external partnerships and internal communities, brought on new, full-time, in-house expertise and created a strategy for the next three years.

Our refreshed direction focuses on four pillars:

1. Creating an inclusive culture
2. Driving a diverse global workforce
3. Ensuring marketplace connectivity
4. Supporting community impact

Business Resource Groups (BRGs)

Our BRGs are employee-led, company-sponsored groups formed in support of DEI. Currently, we have five groups:

- LEAD (gender)
- PRIDE (LGBTQ+)
- RISE (race/ethnicity)
- EnAble (disability)
- Inclusion committees (DEI topics broadly)

In 2023, we launched three new BRG chapters, bringing the total to 30. BRGs have high engagement, with 41% of colleagues actively involved in 2023 (2022: 35%). This engagement carries across all business levels, with senior leaders serving as BRG Executive Sponsors.

Metrics and accountability

We have made progress to increase representation of women in senior leadership, with our Diverse Slate policy holding every leader accountable for reaching this goal. Further embedding DEI into our organization, we encourage all colleagues to report against a DEI goal as part of annual performance management.

Dignity at Work

Our Global Dignity at Work policy prohibits harassment and discrimination of any form. All colleagues must complete annual training to promote awareness of inclusive behaviors and channels available for support, including manager-specific trainings.

To ensure people feel they can report mistreatment at work, our Internal Audit team facilitates our Speaking Up portal where colleagues can make anonymous reports. The team also maintains complaint processing statistics and reports to the AXA XL Division Audit Committee quarterly and annually. Our Whistleblowing policy and Dignity at Work policy are contained in the [AXA Compliance & Ethics Code](#).

Promoting DEI with our external stakeholders

As well as driving DEI internally, we have set **goal 17 – Promote DEI agenda with external stakeholders by 2025**. During 2023, we held initial alignment conversations, which will inform a roadmap for future actions.



Training and talent development

We believe in offering colleagues resources to succeed, including providing various development opportunities for managers and leaders to enhance their leadership skills.

Our HR team offers clear frameworks to guide managers in making people-related decisions, setting standards and intervening if corporate values are compromised. In 2023, we took a significant step to enhance our approach, introducing a new Talent Sourcing and Intelligence team to support more focused, proactive talent sourcing for critical roles, skills and demographics. The result is reduced time to hire, increased candidate quality and reduced overall costs.

We also took actions to progress against **goal 16 – Integrate sustainability commitments further into talent management by 2025**. We have updated sustainability content in job description templates across all offices and continue incorporating similar content into all countries’ employee handbooks. We hope to complete a roadmap of planned initiatives to fulfill this goal, in partnership with HR colleagues, by the end of 2024.

“We are significantly clearer on the pathway forward, and the experience was very useful as we are now more clear on how to progress and achieve our targeted milestones.”

Plan India, Skills for Good partner

Refreshed learning opportunities

We encourage colleague progression through learning academies and annual career conversations. We also deliver tailored development initiatives like formal learning and coaching.

Annually, we deliver opportunities to help colleagues upskill, reskill and become the best they can be. In 2023, we held Unlock the Future, a companywide virtual fair. The fair showcased what resources are available to colleagues, highlighted core skills like data and AI that we want to develop, and provided opportunities to hear from leaders about our overall strategic direction.

Skills for Good

In 2023, we piloted our Skills for Good volunteering program to help colleagues develop new skills while supporting nonprofits. Twelve colleagues participated in the inaugural round, volunteering over 390 hours across six months to two partners: Plan India and United Way.

“One of the most rewarding and transformative experiences of my professional career. I am proud to work for AXA XL and eternally grateful for being given this unique opportunity to participate in the Skills for Good program.”

AXA XL volunteer, Skills for Good

Employee engagement

AXA XL colleagues are invited to participate in a biannual Pulse survey. This survey helps us understand colleague perceptions and experiences, and guides improvements to create an inspiring, inclusive workplace.

<div>In 2023,</div> <div>82%</div> <div>of global colleagues responded (2022: 83%), indicating that:</div>	<div>69%</div> <div>feel positive about their general state of well-being (2022: 67%)</div>	<div>85%</div> <div>have confidence in the strategic direction of the business (2022: 83%)</div>
<div>82%</div> <div>believe that our actions as a business put the customer first (2022: 78%)</div>	<div>87%</div> <div>feel connected to their team (2022: 86%)</div>	<div>80%</div> <div>see our values come alive through our actions (2022: 78%)</div>
<div>75%</div> <div>feel empowered to make decisions (2022: 75%)</div>	<div>49%</div> <div>believe AXA encourages simplicity (2022: 48%)</div>	<div>37</div> <div>Employee Net Promoter Score (2022: 35)</div>

Our approach to board oversight

Board oversight is crucial for ensuring we serve our stakeholders in the best way possible. A strong governance structure is the foundation for our operations and imperative for guaranteeing our policies and procedures are properly implemented.

Board oversight

AXA XL has split board ESG oversight responsibilities between several regional boards that oversee activities within their own jurisdiction/legal entity. Where necessary, AXA XL provides oversight of climate issues to local boards in line with local legal and regulatory requirements.

We take climate-related topics extremely seriously. As part of their remit, boards of AXA XL’s key regulated entities and service company-employing entities are responsible for evaluating and overseeing climate-related issues and risks. These are evaluated in connection with an Own Risk and Solvency Assessment (ORSA), business strategy and planning. Additionally, climate-related topics are considered by relevant board committees depending on subject matter and, where appropriate, escalated to the relevant boards.

Climate and ESG training is provided to the boards of key regulated entities and service company-employing entities, covering physical, transition and liability risks associated with climate change, alongside broader ESG regulation, reporting, trends and stakeholder expectations, as well as progress updates on AXA XL’s climate and sustainability strategies.

Remuneration policies

AXA XL follows AXA Group’s compensation policy, designed to align employee interests with the company’s overarching sustainability strategy. To engage employees on AXA’s purpose and maintain its sustainability leadership position, AXA continuously builds ESG criteria into its total rewards offer. AXA Group has reinforced the ESG footprint within its culture and values through short-term and long-term incentives:

- AXA Group’s Global Leadership Network, including AXA XL’s Leadership team, are assessed on qualitative climate and diversity objectives, which are included in their annual target letters
- Long-term incentives (LTI) include ESG criteria (climate and diversity objectives in Performance Shares plan, AXA ranking in the S&P Global CSA – Corporate Sustainability Assessment – in both Performance Shares and Restricted Shares plans) covering a population of around 6,000 employees every year. For more information, please refer to Section 3.2 (Executive Compensation and Share Ownership) of AXA’s 2023 URD.

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

Evaluation approach

The compensation policy for the CEO of AXA XL is based on a pay-for-performance approach in line with AXA Group’s policy, which:

- Requires the achievement of challenging financial and operational targets that are defined and aligned with the Group’s strategy
- Promotes long-term sustainable performance while incorporating risk adjustment measures in performance metrics
- Determines the effective amount of the actual individual compensation on the basis of both financial and extra-financial results

Embedding ESG into our shares policy

Since 2021, AXA Group has also increased the weight of sustainability criteria in AXA performance shares from 10% to 30%, including the following sustainability metrics for the 2023 grant:

- AXA score v S&P Global Corporate Sustainability Assessment (CSA) (10%)
- Reduction in operations’ carbon emissions (10%)
- Increase the proportion of women in the Group’s executive population (10%)

Performance Shares are granted to senior leaders across AXA XL who have the greatest ability to impact AXA XL’s strategic goals. After three years, these shares are converted to AXA shares based on a conversion rate determined by AXA Group’s actual ESG performance attained versus the goal during the performance period.

It is also AXA’s ambition to increase the weight of sustainability criteria in profit sharing agreements to 30% (prevalent in certain European countries, impacting over 20,000 employees every year) which also ensures employees are empowered to personally take inclusive and tangible actions.

AXA XL has taken the challenge a step further by including 40% of performance conditions in their profit-sharing agreement (France), including a specific criterion for employees’ training on climate.



Corporate governance

AXA XL acknowledges the imperative of integrating sustainability into our governance practices, recognizing it as a fundamental responsibility. By effectively implementing strategies in collaboration with stakeholders, AXA XL is actively propelling progress and nurturing resilient practices.

Our governance approach

In 2021, AXA Group introduced the Driving Progress 2023 plan. This featured a dedicated pillar aimed at advancing the Group’s ESG agenda in accordance with applicable local law, specifically maintaining our leadership position in climate action. This initiative underscores the collective responsibility of all AXA entities in pursuing this goal, alongside the two key focus areas outlined in AXA Group’s broader sustainability strategy: addressing climate change and promoting inclusive protection. In February 2024, AXA Group presented the main priorities of its new strategic three year plan “Unlock the Future”, which integrated climate and inclusion challenges. In line with its purpose, AXA remains firmly committed to help building a resilient society by putting financial inclusion and climate transition at the core of its strategy.

To assess and monitor AXA Group’s progress in integrating sustainable practices across its operations as an investor, insurer and corporate entity, AXA introduced the AXA

for Progress Index. This tool measures and tracks advancements in sustainable development initiatives. As outlined earlier in this report, AXA XL’s sustainability strategy is shaped through a comprehensive materiality assessment process, engaging both internal and external stakeholders, including AXA Group, to identify and prioritize the most pertinent issues impacting our business.

Furthermore, AXA XL’s sustainability accomplishments are regularly communicated to AXA Group and contribute to the ongoing evaluation and enhancement of the AXA for Progress Index. This interconnected approach ensures alignment with broader organizational goals while fostering transparency and accountability in our sustainability efforts.

In 2023, we revamped our Sustainability Steering Committee, now known as our Role in Society Steering Committee, to enhance our governance processes. We developed a more detailed Terms of Reference and expanded committee membership to approximately 40 colleagues representing all professional families and regions within AXA XL. We have also worked extensively with the company secretaries of our regulated entity boards to articulate the board role in overseeing climate and sustainability topics across AXA XL. Taken together, these efforts will help us achieve **goal 22 – Identify ways to increase the robustness of our sustainability governance by 2024**. In 2024, our aim is to launch an external stakeholder advisory panel to provide a broader view of progress.



AXA XL’s Role in Society Steering Committee (RISSC)

Our RISSC is a collaborative colleague committee that operates across regions and functions. Chaired by a member of the Executive Leadership Team, the committee is entrusted with overseeing our sustainability strategy. Initially established as the CSR/Sustainability Steering Committee in 2017, it transitioned to the RISSC in 2021 to align with the governance framework employed by AXA Group. More than 20 new members joined the RISSC in 2023 as part of our goal to strengthen sustainability governance.

The RISSC assumes responsibility for supervising and guiding quarterly evaluations of our progress and challenges in implementing the Roots of Resilience strategy. This includes making pivotal decisions on significant initiatives or contributions, such as the allocation of funds for the Green Contribution (see page 25). The primary objective of the RISSC is to support the Global Head of Sustainability in effectively delivering the sustainability strategy.

Each member of the committee is assigned one of four distinct roles – Executive Sponsor, Collaborator, Communicator or Disruptor – aimed at facilitating the execution of specific objectives or enhancing the overall strategy’s implementation. Additionally, the committee is focused on fostering positive communications and actively seeking opportunities to advocate for the strategy’s goals and impacts to both internal and external stakeholders, underscoring its crucial role in promoting sustainable practices and initiatives.

Climate Steering Committee

AXA XL’s Climate Steering Committee (Climate SteerCo) was established to ensure alignment with AXA Group’s climate strategy at a leadership level. This committee is responsible for overseeing the development, approval and sponsorship of AXA XL’s climate strategy. It provides guidance on climate-related matters across all pertinent functions and regional business units, directs focus toward priority areas and regularly assesses strategy progress.

The designated Head of Climate at AXA XL serves as the primary point of contact for all climate risks and opportunities, actively collaborating with the Global Head of Sustainability. Their efforts are supervised by AXA XL’s Head of Strategy and Corporate Development, who reports directly to the CEO. Furthermore, the AXA XL Head of Climate receives support from the Climate Network.

Group Compliance & Ethics Code

The Compliance & Ethics Code of AXA Group lays out clear expectations for all representatives of AXA XL. These expectations encompass principles of integrity, honesty, professionalism and a customer-centric approach. Serving as a roadmap for ethical conduct, the Code articulates the standards to which we hold ourselves and those with whom we collaborate. It serves as a valuable tool for guiding decision-making processes and is an essential resource for seeking guidance, raising concerns or reporting suspected or actual violations.

Crucially, the Code is instrumental in fostering trust among AXA XL clients and all stakeholders. It underscores our steadfast commitment to upholding applicable laws and regulations, including comprehensive anti-corruption and anti-bribery policies aimed at ensuring ethical business practices across the organization.

Vendor engagement

We engage our vendors on ESG topics and incorporate a sustainability clause into our global vendor contracts (included also in AXA XL’s general Terms & Conditions of purchase issued with any purchase orders). This includes a clause to ensure vendors comply with relevant international and national laws, a clause to manage vendor activities in compliance with the UN Universal Declaration of Human Rights, the core standards of the International Labour Organization and principles designed to ensure customers do business in a socially responsible manner.

In 2023, we piloted a carbon footprint assessment of vendors, where permitted by local law, to measure their contribution to AXA XL’s Scope 3 emissions, enabling a more comprehensive view of our carbon impacts.

Understanding our supply chain

AXA XL conducts Corporate Responsibility scoring of its supply chain in partnership with EcoVadis. The scoring covers four themes: environment, labor and human rights, ethics, and sustainable procurement. We continue to investigate methodologies to understand and measure our supply chain footprint in pursuit of **goal 21 – Measure and reduce supply chain risks by 2026**.



Customer privacy and data security

AXA XL’s business information, our data and our customers’ data are some of our most valuable assets. It is our duty to protect this information and continue to deliver the added value our clients expect.

Protecting customer privacy

In today’s rapidly evolving digital landscape, the volume of available data is growing exponentially. Recognizing the importance of safeguarding personal information to maintain customer trust, AXA XL has implemented a range of organizational and technical security measures. These measures are specifically designed to shield customers’ personal data from unauthorized access or disclosure.

Central to our data protection efforts is our global Data Privacy team, supported by a network of Data Privacy Officers deployed throughout our organization. Their primary role is to ensure the safety and security of data across our operations.

To fortify customer privacy, we participate in the AXA Group Binding Corporate Rules (BCR). Endorsed by 16 EU data protection authorities, the BCR serve as a globally recognized standard for personal information protection. This contractual framework establishes minimum requirements for the handling of personal data, ensuring its adequate protection. The BCR also play a crucial role in facilitating the secure transfer of customers’ personal information to AXA Group entities located outside the European Economic Area.

To provide transparent and comprehensive information to our customers, we offer data privacy external notices tailored to each country in which we operate. These notices detail how customers’ personal data is processed, enhancing transparency and ensuring compliance with relevant data protection regulations.

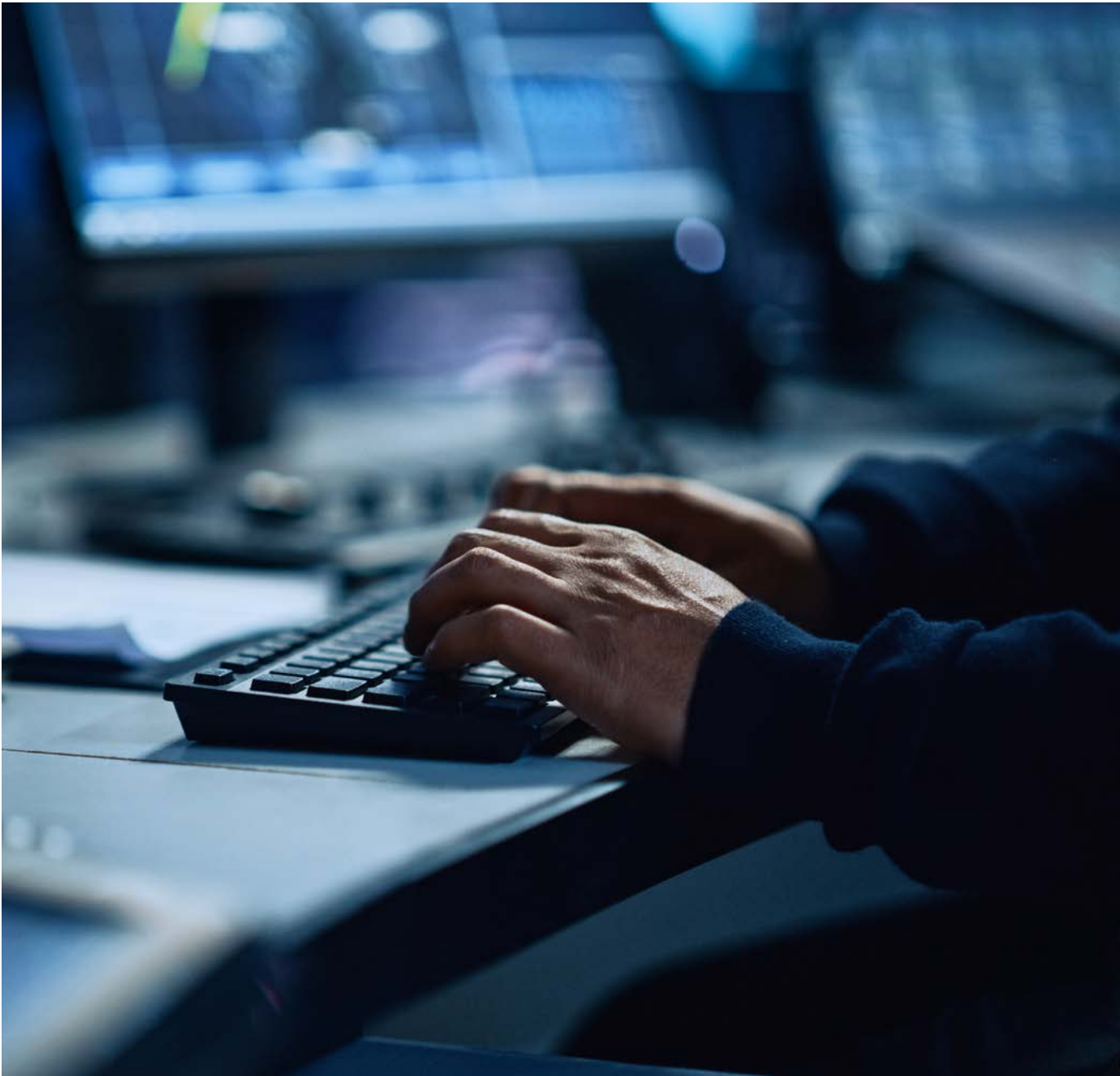
Ensuring data security and cybersecurity

We understand the pivotal role of information technology (IT) systems and effective information security (IS) management in advancing our strategic objectives. Our unwavering commitment lies in upholding the confidentiality, integrity and availability of both physical and electronic assets, safeguarding them against internal and external threats.

Our approach is built on a comprehensive IS program encompassing guiding principles, rules and defined responsibilities. This program is designed to mitigate risks associated with business operations and personal information, ensuring the resilience of our systems.

As a global entity with centralized IT and IS programs, we adhere to stringent global standards for protection, continuously refining our policies and standards to address emerging threats and vulnerabilities.

Through ongoing enhancements to our IS management practices, we remain vigilant in safeguarding information assets from unauthorized access, disclosure, modification or destruction. This proactive stance enables us to adapt swiftly to evolving security challenges, thereby fortifying our defense against potential breaches.



Appendix

About this report

AXA XL is the Property and Casualty and Specialty Risk division of AXA Group (AXA or Group), providing insurance and risk management products and services for mid-sized companies through to large multinationals, and reinsurance solutions to insurance companies globally.

Sustainability is a company priority and we have been committed to reporting publicly since 2014 (reporting as XL Group Ltd until the acquisition by AXA Group in 2018). Throughout this report, we share our most recent efforts to drive sustainable change for our own operations and those of our clients. We align our annual reporting with the requirements of ESG ratings and sustainability indices, as well as providing an analysis of our performance.

This report is produced in reference to the 2021 GRI Standards, with our GRI Content Index found on page 43. The information provided in this report will sit alongside our [2023 Climate Report](#) reporting.

This report compiles efforts from the AXA XL division of the AXA Group relating to the year 2023 (January 1 to December 31), unless otherwise stated. We include information on AXA Group policies and practices where these are applied or otherwise impact AXA XL’s policies and practices. We aim to produce a report every year to share annual progress.

Forward-looking statement

This AXA XL 2023 Sustainability Report and the information included herein were prepared on the basis of data made available to AXA XL as of the date of this Report. Unless stated otherwise in this Report, the information included herein are current only as of such date. The inclusion of information in this AXA XL 2023 Sustainability Report should not be construed as a characterization regarding the materiality or financial impact (or potential impact) of that information, or its significance for any other purpose, including for purposes of applicable securities law. Except where noted, the information covered in this report highlights our performance and initiatives in calendar year 2023.

AXA XL adheres to legal requirements in the jurisdictions in which it operates.

This report may contain links to other websites or may present material from other websites. Such links and materials are not endorsements of any products or services in such sites, and no information in such sites has been endorsed or approved by AXA XL.

This AXA XL 2023 Sustainability Report may include statements with respect to future events, trends, plans, expectations or objectives and other forward-looking statements relating to AXA XL’s future business, financial condition, results of operations, performance and strategy as they relate to the sustainability objectives and other goals set forth herein. Forward-looking statements are not statements of historical fact and may contain the terms “may”, “will”, “should”, “continue”, “aims”, “estimates”, “projects”, “believes”, “intends”, “expects”, “plans”, “seeks” or “anticipates” or words of similar meaning. Such statements are based on our current views and assumptions and, by nature, involve known and unknown risks and uncertainties; therefore, undue reliance should not be placed on them. In particular, the actual achievement of the sustainability-related and other goals set forth in the AXA XL 2023 Sustainability Report may differ materially from those expressed or implied in such forward-looking statements. AXA XL assumes no obligation to update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise, except as required by applicable laws and regulations.

Additional diversity data 2023

Region	Permanent employees			Temporary employees			Full-time employees			Part-time employees		
	% Women	% Men	Total	% Women	% Men	Total	% Women	% Men	Total	% Women	% Men	Total
Americas	51%	49%	2,548	43%	57%	7	51%	49%	2,538	59%	41%	17
APAC and Europe	54%	46%	2,652	60%	40%	119	51%	49%	2,491	84%	16%	280
United Kingdom	47%	53%	1,467	62%	38%	21	45%	55%	1,398	86%	14%	90
Total	51%	49%	6,667	59%	41%	147	50%	50%	6,427	83%	17%	387

Global Reporting Initiative (GRI) Content Index

This report has been prepared in reference to the 2021 GRI Standards.

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
GRI 2: General Disclosures		
2-1	Organizational details	<p>a. AXA XL</p> <p>b. About Us, AXA XL Bermuda FCR 2023, p51</p> <p>AXA XL Sustainability Report 2023: Who we are, what we do, p4</p> <p>c. Headquarters: Stamford, U.S.</p> <p>d. AXA XL Sustainability Report 2023: Who we are, what we do, p4</p>
2-2	Entities included in the organization’s sustainability reporting	<p>a. AXA XL Sustainability Report 2023: About this report, p41</p> <p>https://axaxl.com/insurance/our-companies</p> <p>https://axaxl.com/reinsurance/our-companies/</p> <p>b. Consolidated financial statements are not produced at an AXA XL level. The AXA Group consolidated accounts include AXA XL and details of the consolidation approach can be found in the XL Bermuda Ltd FCR 2023, p52</p> <p>c. AXA Group Annual Financial Report 2023: Consolidation Note 1: Accounting principles, p300, 310–312, Note 2: Scope of consolidation, p336, Note 3: Consolidated statement of income by segment, p350, Notes to the consolidated financial statements: Other litigation, p467, Scope of social, environmental and societal reporting, p228</p>
2-3	Reporting period, frequency and contact point	<p>a. AXA XL Sustainability Report 2023: About this report, p41</p> <p>AXA Group Annual Financial Report 2023: Scope of social, environmental and societal reporting, p228</p> <p>b. AXA XL has the same financial year as AXA Group; AXA XL is consolidated within AXA Group.</p> <p>AXA Group Annual Financial Report 2023: Universal Registration Document, p1</p> <p>AXA Group Annual Financial Report 2023: Reporting methodology, p228</p> <p>c. Report publication date: 9 September 2024</p> <p>d. Contact for questions on sustainability report is sustainability@axaxl.com</p>
2-4	Restatements of information	No information has been restated for this reporting period.
2-5	External assurance	<p>a. AXA Group Annual Financial Report 2023: Report by one of the statutory auditors, p231–234</p> <p>b. AXA XL’s sustainability reporting is not externally assured.</p> <p>We report our climate-related strategy to the University of Cambridge’s Institute for Sustainability Leadership industry consortium known as ClimateWise, which reviews and scores our response and benchmarks it against other insurers.</p> <p>Nature Positive was commissioned to independently verify 100% of our greenhouse gas (GHG) emissions to a limited level of assurance, as defined by the standard ISO 14064 – part 3.</p>

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
2-6	Activities, value chain and other business relationships	<p>a–c. AXA Group Annual Financial Report 2023: Business Overview, AXA XL, p.22</p> <p>AXA XL Sustainability Report 2023: Understanding AXA XL's impacts and dependencies on nature, p12</p> <p>https://axaxl.com/insurance/our-companies</p> <p>https://axaxl.com/reinsurance/our-companies/</p> <p>b. AXA XL Sustainability Report 2023: Who we are, what we do, p4</p> <p>c. AXA XL Sustainability Report 2023: Corporate Governance, p37–38</p> <p>d. AXA Group Annual Financial Report 2023: Activity report and capital management, p28, Significant transactions, p29</p>
2-7	Employees	<p>a. Total number of employees: 10,200 (full-time employees (FTEs) only)</p> <p>Please find below the updated numbers based on FTEs and aligned with what we submitted for the Social Data Reporting (SDR) exercise.</p> <p>Americas: YE 2022: 2,502 / YE 2023: 2,526, % Variance: 0.70%</p> <p>APAC Europe: YE 2022: 5,397 / YE 2023: 5,812, % Variance: 7.68%</p> <p>United Kingdom: YE 1,340 / YE 2023: 1,389, % Variance: 3.65%</p> <p>The increase in APAC Europe is driven by both India and Poland in the ESS function as we are continually looking to gain efficiencies through a shared services model. Plus, as we grow the business, we grow in volume. The rest of the growth is for other strategic investment.</p> <p>b-bv. AXA XL Sustainability Report 2023: Additional diversity data 2023, p42</p> <p>ci. Numbers were reported using FTE equivalence as Full Time/Part Time categories. Calculation used: FTE>=1 as Full Time otherwise Part Time.</p> <p>cii. As of the end of the reporting period – 31/12/2023.</p> <p>d. This is the same data as per what we reported to AXA Group using the same definition established for the SDR exercise.</p> <p>e. Permanent colleagues.</p>
2-9	Governance structure and composition	<p>a, b. AXA Group Annual Financial Report 2023: Corporate Governance Structure, p73</p> <p>The highest governance body for AXA XL is the XL Bermuda Ltd Board of Directors, and the highest governance body for AXA Group is the AXA Group SA Board of Directors p3–4, 12–13, 15–16</p> <p>Governance Overview</p> <p>Leadership Team</p> <p>AXA XL Our Leadership Team</p> <p>Audit Committee</p> <p>Finance and Risk Committee</p> <p>b. Compensation, Governance & Sustainability Committee</p> <p>AXA XL Climate Report 2023: Governance, p5–7</p> <p>AXA Group Annual Financial Report 2023: Corporate Governance Structure, p72–73</p> <p>c.i.iv AXA Group Annual Financial Report 2023: Corporate Governance Structure, p81–88, p96, Risk Factors and Risk Management, p259–260</p> <p>c.ii. AXA Group Annual Financial Report 2023: Corporate Governance Structure, p91, 97–99</p> <p>c.iii. AXA Group Annual Financial Report 2023: Corporate Governance Structure, p78</p> <p>c.v. AXA Group Annual Financial Report 2023: Corporate Governance Structure, p74</p> <p>c.vi. The composition of the governance body by underrepresented social groups is confidential.</p> <p>c.vii. AXA Group Annual Financial Report 2023: Corporate Governance Structure, p77</p> <p>c.viii. AXA Group Annual Financial Report 2023: Corporate Governance Structure, p74–77, Sustainability Governance & Stakeholder Dialogue, p150</p>

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
2-10	Nomination and selection of the highest governance body	a. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p74 Board of Directors: Composition AXA XL Bermuda Ltd Financial Condition Report 2023 , p14–15 b.i. The Employee Shareholder Representative b.ii. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p73 b.iii. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p76 b.v. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p77
2-11	Chair of the highest governance body	a–b. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p72, 79, 94, 100 Board of Directors: Chairman of the Board of Directors Executive Management
2-12	Role of the highest governance body in overseeing the management of impacts	a. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p72–103 b.i. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p118, 124 b.ii. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p98, 117, 119–120 c. AXA Group Annual Financial Report 2023 : Corporate Governance Structure, p120 Information on the management of AXA XL's ESG risk (including climate change) is included in the XLB FCR , p30–31 and p38
2-13	Delegation of responsibility for managing impacts	a.i. AXA XL Sustainability Report 2023 : Our approach to Board oversight, p36 a.ii. AXA XL Sustainability Report 2023 : Corporate governance, p37 b. AXA XL Climate Report 2023 : Governance, Management oversight, p6 AXA Group Annual Financial Report 2023 : Business Overview, p21, Sustainability Governance & Stakeholder Dialogue, p150 XL Bermuda Ltd Financial Condition Report 2023 : ESG risk, p30
2-14	Role of the highest governance body in sustainability reporting	a. Reported information is reviewed by AXA XL's Legal and Communications team for accuracy and appropriateness. AXA XL Sustainability Report 2023 : Introduction – A message from our Chief Executive Officer, Scott Gunter, p3 b. XL Bermuda Ltd Financial Condition Report 2023 : ESG risk, p30 AXA Group Annual Financial Report 2023 : Sustainability, Sustainability Risk Assessment Methodology, p151
2-15	Conflicts of interest	a. AXA Compliance & Ethics Code : Prevention of conflicts of interest
2-16	Communication of critical concerns	a. AXA Compliance & Ethics Code : Prevention of conflicts of interest b. Information relating to critical concerns is not disclosed due to confidentiality constraints. In addition, we have an Annual Acknowledgment process whereby all colleagues are asked to confirm compliance with the Code and have another opportunity to voice concerns (subject to local law).
2-17	Collective knowledge of the highest governance body	a. AXA Compliance & Ethics Code : Prevention of conflicts of interest b. Information relating to critical concerns is not disclosed due to confidentiality constraints. In addition, we have an Annual Acknowledgment process whereby all colleagues are asked to confirm compliance with the Code and have another opportunity to voice concerns (subject to local law). a. AXA Group Annual Financial Report 2023 : Corporate Governance, p81–88 AXA XL Climate Report 2023 : Governance, Management oversight, p6 XL Bermuda Ltd Financial Condition Report 2023 : Fitness and Propriety Requirements, p15

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
2-18	Evaluation of the performance of the highest governance body	a, b, c. AXA Group Annual Financial Report 2023 : Corporate Governance, Executive Compensation and Share Ownership, p104–108 AXA Group Annual Financial Report 2023 : Structure and Criteria for Determining the Chief Executive Officer’s Compensation, p132 AXA Group Annual Financial Report 2023 : Structure and Criteria for Determining the Chief Executive Officer’s Compensation, p136
2-19	Remuneration policies	a. AXA Group Annual Financial Report 2023 : Executive Compensation and Share Ownership, p110, Consolidated Financial Statements, p458 AXA Group Annual Financial Report 2023 : Compensation of Management and Officers, p458 AXA Group Human Capital 2022 : Compensation, p16 XL Bermuda Ltd Financial Condition Report 2023 : Executive/Employee compensation, p13 b. AXA Group Annual Financial Report 2023 : Executive Compensation and Share Ownership, p105–106 AXA XL Climate Report 2023 : Governance, Remuneration, p7 AXA XL Sustainability Report 2023 : Our approach to board oversight, Remuneration policies, p36
2-20	Process to determine remuneration	a. Compensation, Governance & Sustainability Committee XL Bermuda Ltd Financial Condition Report 2023 : Executive/Employee compensation, p13 AXA XL Climate Report 2023 : Governance, Remuneration, p7 AXA XL Sustainability Report 2023 : Our approach to Board oversight, Climate Steering Committee, Incentivizing progress, Remuneration policies, p36 b. The results of stakeholder votes on remuneration policies is currently unavailable for disclosure. Remuneration is subject to a three-level (Group, Division, local entity) review. The setting of incentives and performance metrics is performed by AXA Group with respect to share and Short Term Incentive Compensation (STIC) plans and AXA XL’s specific performance indicators are also included. Dependent upon a colleague’s level within the organization, his/her compensation (annual and long-term) is reviewed and approved by the appropriate body within the Group. Remuneration policy is reviewed annually and approved by the appropriate governing bodies. Remuneration practice conforms with Solvency II principles – that they do not induce inappropriate or excessive risk-taking, are carefully calibrated with respect to principle risk takers and Key Control Function holders, etc. This too is tested and reviewed, as appropriate with governing bodies.
2-21	Annual total compensation ratio	a, b, c. AXA Group Annual Financial Report 2023 : Management Committee Members’ Compensation for the Year 2023, p112 AXA Group Annual Financial Report 2023 : Compensation Ratios, p113 AXA Group Annual Financial Report 2023 : Board Members’ Compensation, p114
2-22	Statement on sustainable development strategy	a. AXA XL Sustainability Report 2023 : Introduction – A message from our Chief Executive Officer, Scott Gunter, p3
2-23	Policy commitments	a, c. AXA Group Annual Financial Report 2023 : Vigilance Plan, p203–206 a, b. AXA XL Sustainability Report 2023 : Corporate Governance, p37–38 AXA XL Sustainability Report 2023 : Investing in our people, p34–35 The precautionary principle is not currently applied to commitments. a, c, f. AXA Group Compliance & Ethics Code a, b, c. AXA Group Human Rights Policy d. AXA XL Modern slavery statement c. AXA Human Rights and Vigilance Plan

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
2-24	Embedding policy commitments	<p>a. AXA XL Sustainability Report 2023: Corporate governance, p37–38</p> <p>AXA XL Sustainability Report 2023: Investing in our people, Fostering Diversity, p34</p> <p>AXA Group Annual Financial Report 2023: Vigilance Plan, Reporting process, p214</p> <p>AXA Group Human Rights Policy</p> <p>AXA XL Modern slavery statement</p> <p>We currently provide training on compliance topics and plan to add more detail in future years.</p>
2-25	Processes to remediate negative impacts	<p>a, c. AXA XL Sustainability Report 2023: Supporting clients to value nature through products and practices, p14</p> <p>b. AXA Group Annual Financial Report 2023: Vigilance Plan, Reporting process, p203–213, Sustainability, Transversal Information, p217</p> <p>d. AXA Group Human Rights Policy</p> <p>e. AXA XL Modern slavery statement</p>
2-26	Mechanisms for seeking advice and raising concerns	<p>ai, ii. AXA Group Compliance & Ethics Code: How to speak up, p5</p> <p>AXA XL Sustainability Report 2023: Corporate governance, Group Compliance & Ethics Code, p38</p> <p>AXA Group Annual Financial Report 2023: Vigilance Plan, Whistleblowing procedure, p210</p> <p>Group Whistleblowing hotline: speak-up@AXA.com</p> <p>AXA XL Speaking Up hotline</p>
2-28	Membership associations	<p>a. AXA XL Sustainability Report 2023: Corporate Governance, p37–38</p> <p>Partners: ClimateWise (UK), Ocean Risk and Resilience Action Alliance, UNESCO, University of Quebec, Cambridge Centre for Risk Studies Disaster Recovery Hub, Ecometrica, Bermuda Underwater Exploration Institute (BUEI), Insurance Development Forum (IDF)</p> <p>Nonprofit partners: United Way of Western Connecticut’s (UWWC) ALICE project, The Nature Conservancy (TNC), RedR, Plan India, American Red Cross, Save the Children (UK), WaterAid, Reinstitute (U.S.-based), Charities Aid Foundation (CAF)</p> <p>Signatories: Oceana and United Nations Environment Programme Finance Initiative (UNEP FI) Insurance Industry Statement Against IUU Fishing</p> <p>AXA XL Climate Report 2023: Strategy, Informing policy and external stakeholder engagement, p17</p>
2-29	Approach to stakeholder engagement	<p>AXA XL Sustainability Report 2023: Stakeholder engagement, Our approach, p8</p> <p>AXA XL Climate Report 2023: Strategy, Informing policy and external stakeholder engagement, p17</p>
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	<p>a. AXA Group Annual Financial Report 2023: Sustainability, Sustainability Risk Assessment, p151–152</p> <p>AXA XL Sustainability Report 2023: Focusing on the issues that matter most, The process, p6</p>
3-2	List of material topics	<p>AXA XL Sustainability Report 2023: Focusing on the issues that matter most, p6</p>
Economic Performance		
3-3	Management of material topics	<p>a, b, c, d, f. AXA XL Climate Report 2023: Strategy, Client engagement and Risk Consulting services, p13</p> <p>a. AXA Group Human Rights Policy</p> <p>a. Human Rights & Vigilance Plan</p>
201-1	Direct economic value generated and distributed	<p>ai–aiii. AXA Group Annual Financial Report 2023: CEO message, p3, Business Overview, p19, p22, Activity Report, Activity Indicators, p41, Underlying Earnings and Net Income Group Share, p44, Corporate Governance, Employees, p103</p> <p>AXA Investor webpage</p>

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
GRI 201: Economic Performance 2016		
201-2	Financial implications and other risks and opportunities due to climate change	ai–v. AXA XL Climate Report 2023 : Risk Management, p19–25 ai, aii. AXA Future Risks Report 2023 aiii, aiv. AXA Group Annual Financial Report 2023 : Risk of Climate Change on AXA Group’s Activities, p165–167
201-3	Defined benefit plan obligations and other retirement plans	a. AXA Group Annual Financial Report 2023 : Consolidated Financial Statements, Other Liabilities, Pensions and Other Post-retirement Benefits, p332 -333, Note 23 Employees, Employee Benefits, Defined Benefit Plans, p445, Consolidated Financial Statements, Employee Benefits, p445 d. AXA Group Annual Financial Report 2023 : Corporate Governance, Pension Commitments, p130, Consolidated Financial Statements, Statement of Financial Position/Balance Sheet Information, p447 e. AXA Group Annual Financial Report 2023 : Corporate Governance, Commitments Made to Executive Officers, Retirement Performance Shares, p130
201-4	Financial assistance received from government	a. AXA Group Annual Financial Report 2023 : Activity Report and Capital Management, Liquidity Position, p62, Risk Factors and Risk Management, Credit Risk, Risk Control and Risk Mitigation, Invested Assets: A Central Monitoring of Counterparty Exposure, p278, Consolidated Financial Statements, p291, Share-Based Compensation, p455, Dividends and Dividend Policy, p14
Indirect Economic Impacts		
GRI 3: Material Topics 2021		
3-3	Management of material topics	a. AXA XL Sustainability Report 2023 : Our Sustainability Strategy, How we contribute to the Sustainable Development Goals, p7 c, d. AXA XL Sustainability Report 2023 : Supporting clients to value nature through our products and practices, p14 AXA XL Sustainability Report 2023 : Why integrating ESG is critical, p29 AXA XL Sustainability Report 2023 : Supporting clients to value nature through our products and practices, p14 d. AXA XL Sustainability Report 2023 : Supporting our clients with the climate transition p20 a, b. AXA XL Climate Report 2023 : Strategy, Client engagement and Risk Consulting services, p13 e. AXA Group Annual Financial Report 2023 : Corporate Governance, Commitments Made to Executive Officers, Retirement Performance Shares, p130
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	a, b, c. AXA XL Sustainability Report 2023 : Supporting clients to value nature through our products and practices, p14 AXA XL Sustainability Report 2023 : Supporting clients to value nature through our products and practices, Funding blue carbon projects to protect coastal wetlands, p15 AXA XL Sustainability Report 2023 : Supporting clients to value nature through our products and practices, Guiding organizations on water-related risk, p14 AXA XL Sustainability Report 2023 : Our Sustainability strategy, How we contribute to the Sustainable Development goals, p7
203-2	Significant indirect economic impacts	AXA XL Sustainability Report 2023 : Hearts in Action: Supporting communities, p30 AXA XL Sustainability Report 2023 : Addressing climate change, p17–23 AXA XL Sustainability Report 2023 : Hearts in Action: Supporting communities, Charitable actions in India, p31
Emissions		
GRI 3: Material Topics 2021		
3-3	Management of material topics	a, c, d. AXA XL Sustainability Report 2023 : Reducing our carbon footprint, p22 b, e.ii. AXA XL Sustainability Report 2023 : Supporting clients to value nature through our products and practices, p20 c. AXA XL Climate Report 2023 : Strategy and Risk Management sections Each AXA XL office is unique in terms of carbon reduction opportunities, and we strive to share best practices in operations and technology selection across business regions. Stakeholder engagement is a key lever in achieving AXA XL’s carbon reduction strategy. From Workplace to Procurement to IT teams across the regions where we work, we are collaborating to identify areas of alignment and launch new initiatives.

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	<p>a. AXA XL Climate Report 2023: Metrics and Targets, p28</p> <p>AXA XL Sustainability Report 2023: Reducing our carbon footprint, p22</p> <p>Scope 1 2023: 764 tCO₂e</p> <p>Types of gases: CO₂, CH₄, N₂O, Biogenic CO₂, CO₂e</p> <p>Base year: 2019</p> <p>Emissions factors: CO₂e</p> <p>We use relevant emissions factors for each country, with support from our data collection platform partner.</p>
305-2	Energy indirect (Scope 2) GHG emissions	<p>a. AXA XL Climate Report 2023: Metrics and Targets, p28</p> <p>AXA XL Sustainability Report 2023: Measurement of key GHG metrics, p22</p> <p>Scope 2 2023: 4,799 tCO₂e (location-based), 4,317 tCO₂e (market-based)</p> <p>Types of gases: CO₂, CH₄, N₂O, Biogenic CO₂, CO₂e</p> <p>Base year: 2019</p> <p>Emissions factors: CO₂e</p> <p>We use relevant emissions factors for each country, with support from our data collection platform partner.</p>
305-3	Other indirect (Scope 3) GHG emissions	<p>a. AXA XL Climate Report 2023: Metrics and Targets, p28</p> <p>AXA XL Sustainability Report 2023: Measurement of key GHG metrics, p22</p> <p>Scope 2 2023: 36,214 tCO₂e (location-based), 33,990 tCO₂e (market-based)</p> <p>Types of gases: CO₂, CH₄, N₂O, Biogenic CO₂, CO₂e</p> <p>Base year: 2019</p> <p>Emissions factors: CO₂e</p> <p>We use relevant emissions factors for each country, with support from our data collection platform partner.</p>
305-5	Reduction of GHG emissions	<p>a. AXA XL Sustainability Report 2023: Reducing our carbon footprint, Measurement of key GHG metrics, p22</p> <p>AXA XL Sustainability Report 2023: Reducing our carbon footprint, Carbon reduction strategy, p23</p> <p>AXA XL Climate Report 2023: Metrics and Targets, p29</p> <p>We do not have appropriate information to report GHG emission reduction data across our projects currently, but look to improve our carbon reduction data in future reporting.</p>
Occupational Health and Safety		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>a, c, d, e. AXA Group Annual Financial Report 2023: Sustainability, Vigilance Plan, p205–208, AXA XL Sustainability report: Employee engagement, p35</p> <p>a. AXA Group Annual Financial Report 2023: Sustainability, Vigilance Plan, p208</p> <p>d, e. AXA Group Annual Financial Report 2023: Sustainability, Employer Responsibility, p155</p> <p>c, d. AXA Group Annual Financial Report 2023: Sustainability, Vigilance Plan, p207</p> <p>c, d. Employee wellbeing and health & safety</p> <p>f. AXA XL Sustainability Report 2023: Stakeholder engagement, p9</p>

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
403-2	Hazard identification, risk assessment, and incident investigation	<p>a. AXA Group Annual Financial Report 2023: Vigilance Plan, p205, 207</p> <p>We ensure the quality of our processes to identify work-related hazards by carrying out risk assessments annually as well as providing training. The risk rating from these assessments has always been low due to the nature of our work – if needed, solutions are identified to ensure our occupational health and safety (OH&S) system is continually improving.</p> <p>b, d. AXA Group Compliance & Ethics Code</p>
403-3	Occupational health services	<p>a. AXA Group Compliance & Ethics Code</p> <p>A global Health and Safety policy is in place and available on the company intranet; in addition, regional addendums ensure alignment with local legislation. Other reporting tools align with risk methodologies and provide a framework for specialists as well as our colleagues to report against a set criteria in order to mitigate risks. Regular reporting and checkpoints with regulators and external parties ensure our controls align with best practice and local needs. Regional variations are in place, providing additional service in line with local requirements.</p>
403-4	Worker participation, consultation, and communication on occupational health and safety	<p>a. AXA Group Annual Financial Report 2023: Sustainability, Employee Responsibility, p155, Vigilance Plan, p207</p> <p>b. We do not have a formal joint management–worker health and safety committee at an AXA XL division level at this time.</p> <p>Our health and safety committees are at a localized level and are accountable for country-level discussion and requirements. UK and EU locations are more advanced due to local legislation being more stringent. A mix of models exists with both volunteers and formally appointed members creating local policy, gaining approvals and communicating to the business.</p>
403-5	Worker training on occupational health and safety	<p>a. Employee wellbeing and health & safety</p> <p>A variety of digital training programs exist and are based on country requirements. Training and guides are available on the intranet and are also communicated by email annually depending on country requirements. Subjects include desktop assessments, manual handling at work, working at height, lone working, risk assessment methodologies, driving skills, first aid and fire prevention.</p>
403-6	Promotion of worker health	<p>a. Employee wellbeing and health & safety</p> <p>AXA Group Annual Financial Report 2023: Sustainability, Vigilance Plan, p205</p>
Training and Education		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>a. AXA XL Sustainability Report 2023: Investing in our people, Training and talent development, p35</p> <p>AXA XL Sustainability Report 2023: Why integrating ESG is critical, Helping our people define ESG opportunities, p29</p> <p>AXA XL Sustainability Report 2023: How we contribute to the Sustainable Development Goals, p7</p> <p>a, c, d. AXA Group Annual Financial Report 2023: Sustainability, Employer Responsibility, p153</p> <p>a, c, d. AXA Group Annual Financial Report 2023: Sustainability, Employer Responsibility, AXA Employees Empowered to Deliver Their Best, Investment in Training, p160</p>
404-2	Programs for upgrading employee skills and transition assistance programs	<p>a. AXA XL Sustainability Report 2023: Training and talent development, p35</p> <p>AXA XL Sustainability Report 2023: How we contribute to the Sustainable Development Goals, p7</p> <p>b. AXA Group Annual Financial Report 2023: Sustainability, Employer Responsibility, AXA Employees Empowered to Deliver Their Best, Investing in Development of Our People, AXA Climate Academy, p173</p>
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>AXA XL Sustainability Report 2023: Focusing on issues that matter most, p6</p> <p>AXA XL Sustainability Report 2023: Additional diversity data, p42</p> <p>a, d, eii. AXA XL Sustainability Report 2023: Investing in our people, Fostering diversity, p34</p> <p>c. AXA Group Annual Financial Report 2023: Corporate Governance, Corporate Governance Structure, Board of Directors, Membership of the Board of Directors, Board of Directors Diversity Policy, p73–76</p> <p>a. AXA Group Annual Financial Report 2023: Sustainability, Employer Responsibility, p155–157</p> <p>a. AXA Group Annual Financial Report 2023: Sustainability, Vigilance Plan, Human Rights, p204, Actions to Mitigate Serious Harm, p207, Monitoring the Effective Implementation of the Vigilance Methods, p211</p> <p>a. AXA Group Annual Financial Report 2023: Sustainability, Employer Responsibility, Progress on Equal Opportunities, The Inclusion Survey, p154</p>

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	a. AXA Group Annual Financial Report 2023 : Corporate Governance, Corporate Governance Structure, Board of Directors, Membership of the Board of Directors, Board of Directors Diversity Policy, p73–76 AXA Group Annual Financial Report 2023 : Progress Towards Gender Balance, p155 b. AXA XL Sustainability Report 2023 : Additional diversity data 2023, p42
Non-Discrimination		
GRI 3: Material Topics 2021		
3-3	Management of material topics	a, d. AXA XL Sustainability Report 2023 : Investing in our people, Fostering diversity, p34 AXA XL Sustainability Report 2023 : Training and talent development, p35 c, d. AXA Group Annual Financial Report 2023 : Sustainability, Vigilance Plan, Protection of Employee Human Rights Policy, p208–209 AXA Group Compliance & Ethics Code
GRI 406: Non-Discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	The number and status of incidents of discrimination cannot be disclosed due to confidentiality constraints. Incidents of harassment, discrimination or bullying that are reported to management, Human Resources, Legal, Internal Audit or through our Speaking Up tool are reviewed by members of Human Resources – Employee Relations, IA Special Investigations and Employment Legal. Depending on severity against stated requirements in the Code Supplement, investigations are conducted by ER or Special Investigations if warranted, factual findings are reported to Management and corrective action, if warranted, is taken. Special Investigations and ER maintain records of such investigations, as well as corrective actions taken. This is used for management reporting as well as for monitoring purposes.
Local Communities		
GRI 3: Material Topics 2021		
3-3	Management of material topics	AXA XL Sustainability Report 2023 : Hearts in Action: Supporting communities, p30 AXA Group Annual Financial Report 2023 : Sustainability, Vigilance Plan, Protection of Human Rights, p209 AXA XL Sustainability Report 2023 : How we contribute to the Sustainable Development Goals, p7 AXA XL Sustainability Report 2023 : Developing disaster-resilient communities, p26 AXA XL Sustainability Report 2023 : Stakeholder engagement, Industry Partnerships and associations, p8
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	AXA XL aims to run at least one Hearts in Action initiative in every country where we have an office. In 2023, our Regional Grant Program donated more than \$831,000 to 81 nonprofits selected by Hearts in Action Committees. See Hearts in Action report section for more information on these activities. AXA XL Group Annual Financial Report 2023 : Sustainability, AXA Group’s Purpose Entails Sustainable Value Creation, p144, Inclusive Insurer, p.191–194 AXA XL Sustainability Report 2023 : Hearts in Action: Supporting communities, p30
Additional Disclosures		
SASB Insurance Standard 2018 (Relevant for AXA XL topic: Sustainable underwriting & claims practice)		
Environmental Risk Exposure	Description of approach to incorporate environmental risks into 1) the underwriting process for individual contracts (FN-IN-450a.3)	AXA XL Sustainability Report 2023 : Supporting clients to value nature through our products and practices, p14

GRI Standards		
Disclosure Number	Disclosure Title	Reference/Response
SASB Insurance Standard 2018 (Relevant for AXA XL topic: Sustainable risk consulting practices)		
Environmental Risk Exposure	Description of approach to incorporate environmental risks into 1) the underwriting process for individual contracts (FN-IN-450a.3)	<p>AXA XL Sustainability Report 2023: Supporting clients to value nature through our products and practices, p14</p> <p>AXA XL Climate Report 2023: Risk Management, p25–27</p> <p>More information will be available in future reports about how we include environmental risks in our Emerging Risks framework.</p>
AXA XL Specific		
Client engagement on sustainability	Explain how AXA XL engages clients on sustainability issues, including examples of the communication tools used.	<p>AXA XL Sustainability Report 2023: Supporting clients to value nature through our products and practices, p14</p> <p>AXA XL Climate Report 2023: Sections 3.2 and 3.3, p13</p> <p>At AXA XL, we focus on providing solutions for our clients’ most complex risks. Insurance products represent an important tool to mitigate the impacts that climate change-related events have on our clients’ business. AXA Group’s underwriting exclusions and divestment approach also apply at AXA XL and are a strong example of how we demonstrate our stance on climate to clients.</p> <p>Both our Sustainability and Climate reports include examples of products and services that have environmental or societal benefits – for example, our Green Business Program and the work of our Risk Consulting teams.</p> <p>AXA XL also produces a number of communications for customers and wider external stakeholders that detail the company’s sustainability commitments – for example, through our Fast Fast Forward website.</p> <p>Since 2020, AXA XL has met regularly with clients through a Water Advisory Group that was established to support our Valuing Water initiatives.</p>
Transparency and reporting	Explain the processes and procedures AXA XL has in place to improve transparency of customer information and reporting practices.	<p>AXA Compliance & Ethics Code, p14</p> <p>AXA XL Sustainability Report 2023: Stakeholder engagement, Our approach, p8</p> <p>Goal 23 in AXA XL’s 2023–2026 Roots of Resilience strategy is to advance our sustainability reporting by 2024. To achieve this goal, this report, published in 2024, will be the first time AXA XL has reported “in reference to” Global Reporting Initiative (GRI) standards. We will work with relevant contacts at AXA XL to address the GRI disclosures in more detail in future years, either through our annual Sustainability or Climate reports.</p>
Disaster preparation & recovery	Total monetary spending on charities (or donations) addressing disaster preparation and recovery in vulnerable countries (£/\$)	<p>AXA XL Sustainability Report 2023: Our Regional Grant Program, p32</p> <p>AXA XL understands the importance of building resilience to natural disasters and is committed to doing our part to help support vulnerable communities at risk of disasters. In 2023, we donated \$250,000 to our disaster-relief partners Save the Children and the British and American Red Cross Societies. We also made donations to our disaster-preparedness partner RedR.</p>



Get in touch

We are continuously looking to assess and improve our progress and performance. In preparing this report, we hope to share our journey with you and invite your feedback to help us improve further.

Email us at sustainability@axaxl.com