

ASIA RESPONSIBLE INVESTING FORUM

AXA PHILIPPINES SUSTAINABLE STRATEGY

architax



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Philippines

country context

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Philippines is the most vulnerable when it comes to climate change

#2 among countries most affected in 2018

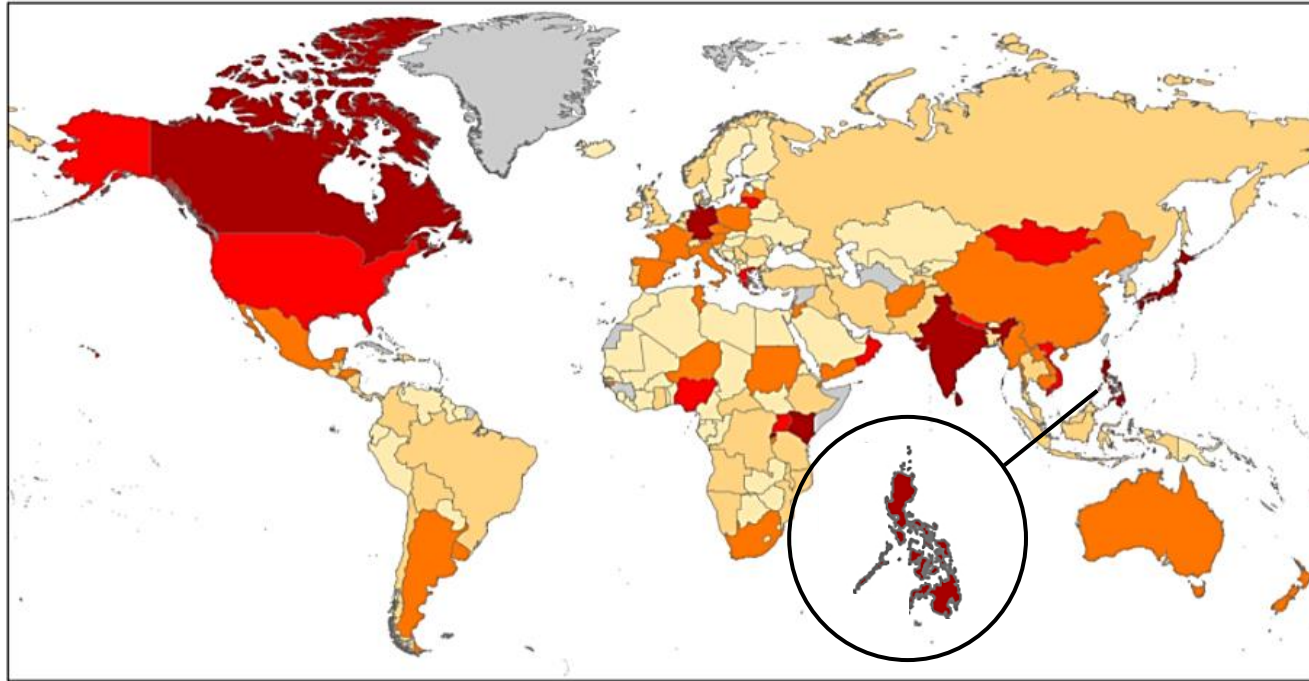
Rank	Country
1	Japan
2	Philippines
3	Germany

5 out of 10

strongest tropical cyclones in world history made landfall on the Philippines

9 out of 10

most destructive typhoons in the Philippines happened in the past **10 years**



Climate Risk Index, germanwatch.org

Climate Risk Index: Ranking 2018

1 - 10 11 - 20 21 - 50 51 - 100 >100 No data

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Philippines: There has been a strong increase in demand, regulation, & policy intervention to reinforce sustainability practices to publicly listed companies



Public opinion and pressure
bring sustainability to business attention



Government response
Signatory of Paris Climate Agreement,
Climate Change Act, ESG reflected in
AmBisyon Natin 2040



Market-led initiatives (e.g. UNPRI) with a
particular focus on encouraging investors to use
responsible investment to enhance returns and
better manage risks



Private sector
Annual sustainability report as a requirement
by the Philippine SEC for publicly listed
companies



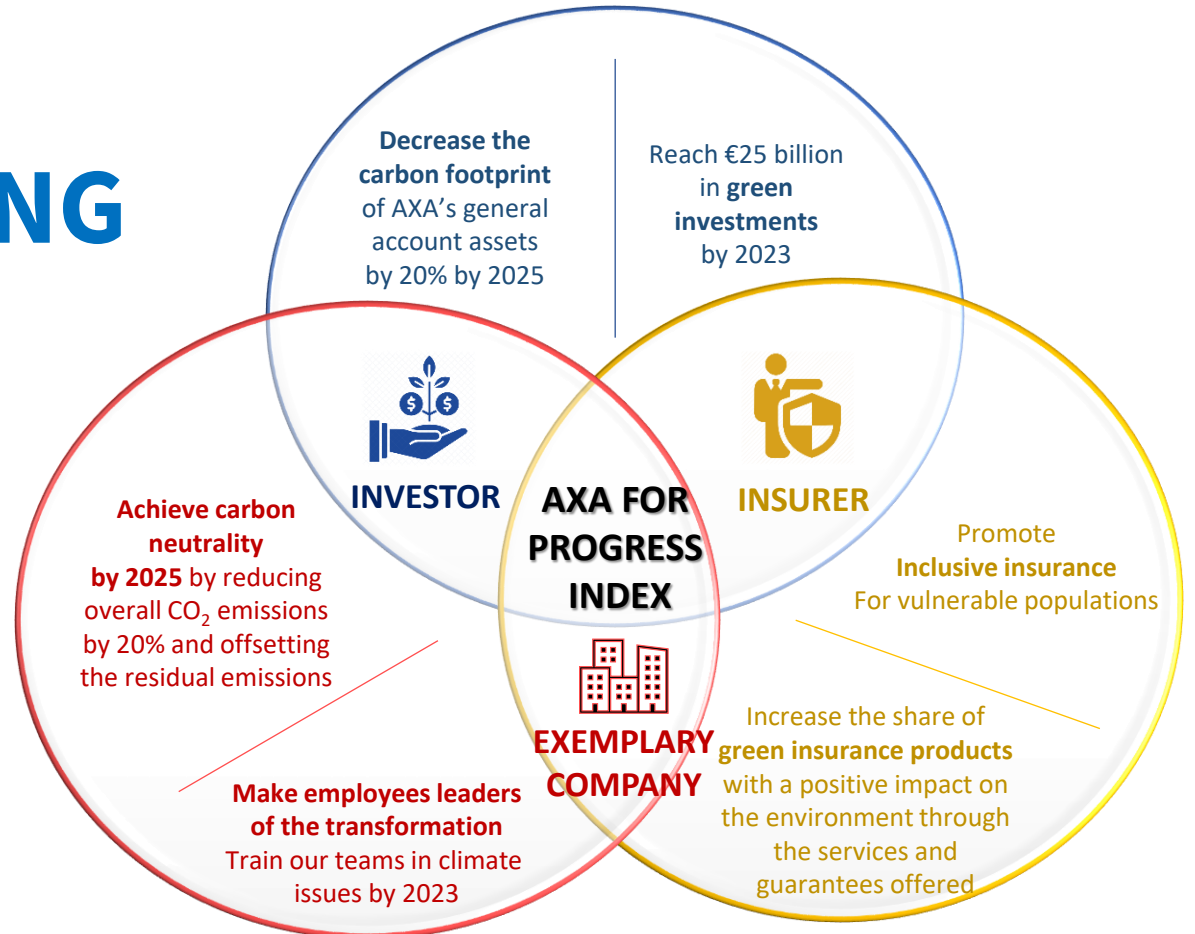
AXA Philippines

Integrating Sustainability into Business Strategies

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Act for human progress by **PROTECTING WHAT MATTERS**

“..we are launching a new phase in our climate strategy to accelerate our contribution to the transition towards a low-carbon and resilient economy, notably by **focusing our sustainable finance efforts towards the energy transition of major industries**. We are convinced that it is an absolute priority if we want to reach the objectives of the Paris Agreement”, said **Thomas Buberl, CEO of AXA**.



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AXA FOR PROGRESS INDEX

- **Conscious business decision to exit** from industries not consistent with our ESG principles (coal, oil, 'dirty power', gas, plastics, etc.)
- AXA's strategic focus on Emerging Customer segment.
 - **Holistic protection bundle for the mass market** in collaboration with Gcash, with 109,000 lives insured as of 2020
 - **Property microinsurance** to protect business assets of MSMEs as our first Climate and Disaster Risk Insurance
 - **Overseas Filipino Workers (OFW) protection insurance** providing personal accident/disability and health insurance for OFW families in the Philippines



AXA AS AN INSURER

- Promote **inclusive insurance** for vulnerable populations
- Increase the share of **green insurance products** with a positive impact on the environment through the services and guarantees offered

AXA FOR PROGRESS INDEX

- Instituted a **sustainability committee** responsible for overseeing development and implementation of sustainability strategies
- Awareness building on **responsible investing** as a step to educate AXA staff and financial partners
- Contribution to a **green operations e-policy** through:
 - Digitization launched in 2020 to reduce paper waste/purchase
 - Implementation of zero plastic waste practices in AXA offices
- Educating Filipino students on climate action through **ocean literacy**.
- **Smart working** to adapt to the new normal and to embrace new ways of working, resulting in reduced office work space for decreased carbon emission
- Mangrove initiative through Emma by AXA PH



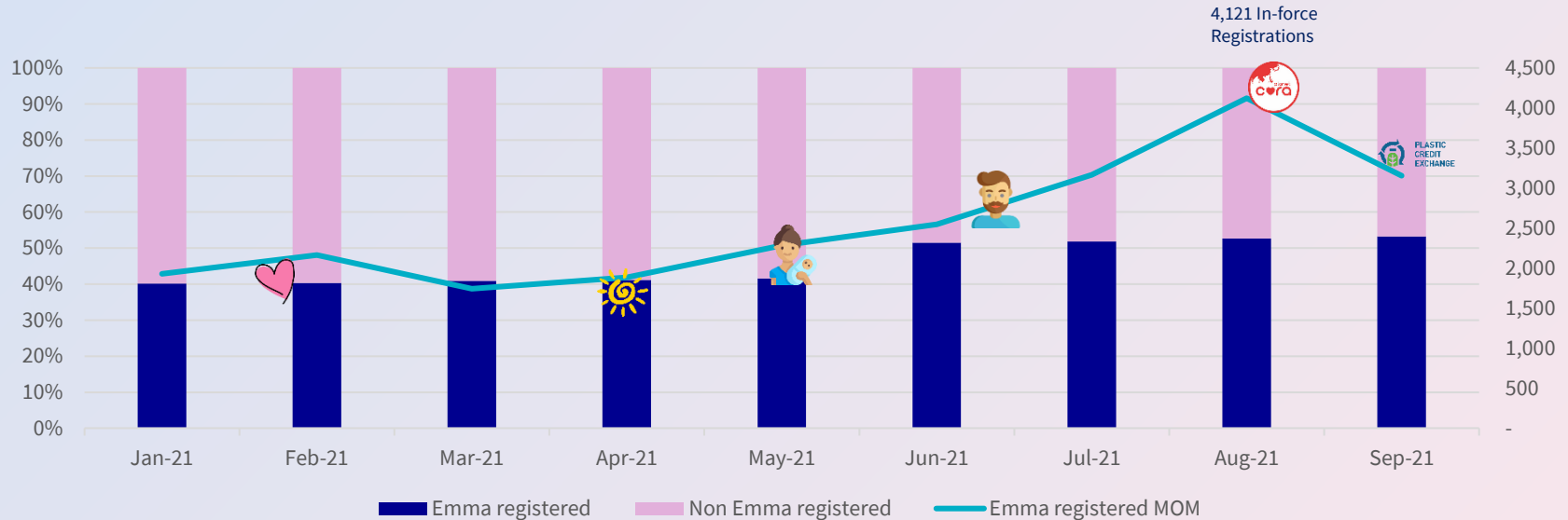
AXA AS AN EXEMPLARY COMPANY

- **Achieve carbon neutrality by 2025** by reducing our overall CO₂ emissions by 20% (energy, travel & digital) and offsetting the residual emissions
- **Make employees leaders of the transformation:** train our teams in climate issues by 2023

Turning customer empowerment to sustainable action



- The company’s award-winning Emma by AXA PH app serves as AXA Philippines’ Artificial Intelligence (AI) chatbot that’s designed to be a digital insurance and wellness partner of policyholders and customers.
- Emma download campaigns were utilized to increase customer engagement in AXA’s social responsibility initiatives.



<p>Treats for my sweets promo</p>	<p>Beat the summer heat!</p>	<p>Mother's day promo</p>	<p>Father's day campaign</p>	<p>CORA x AXA Hearts in action 1,000 customers, 1,000 Mangroves Donated to CORA</p>	<p>PCX x AXA Hearts in action 1,000 customers, 15KG of plastic donated for recycling</p>
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WHO IS CORA?

A non-profit organization dedicated to creating sustainable programs to help solve global issues centered on hunger, poverty, inequality and climate change.



MECHANICS

First 1,000 customers to download and register to Emma by AXA PH app will donate a seedling it will be named after the customer.



ALL LIFE AND GI INFORCE CUSTOMERS

Download and Register to Emma by AXA PH from August 1 to 31 and AXA Hearts in Action will donate 1 seedling in the customer's behalf.

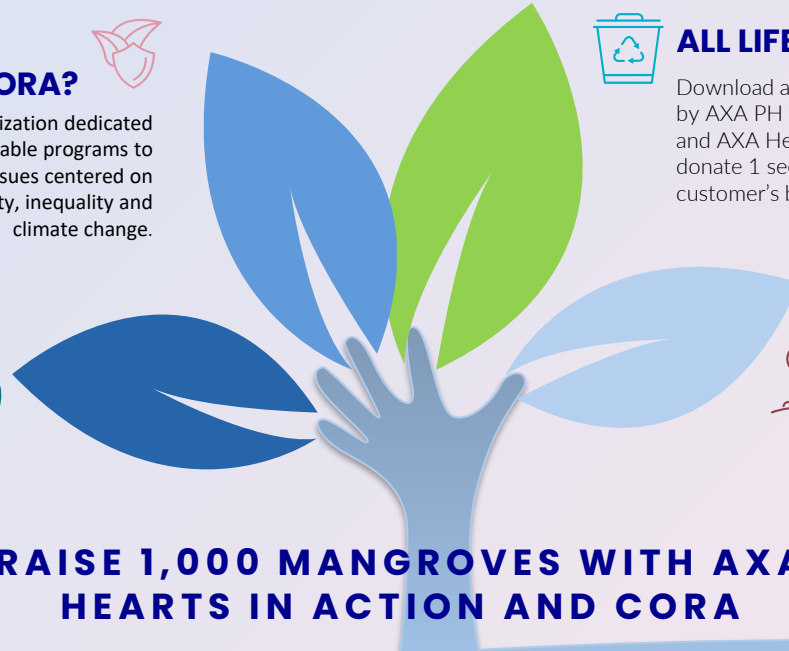


WHAT'S IN IT FOR CUSTOMERS?

At the end of the promo period, the newly registered customers will get a e-certification of their donated mangrove and an Environment Warrior badge will be added to the customer's profile in Emma



RAISE 1,000 MANGROVES WITH AXA HEARTS IN ACTION AND CORA





Register to
Emma by AXA
and we'll donate a
seedling for you



For the benefit of



Together for the environment

AXA Philippines aims to raise 1,000 mangroves this August for the benefit of CORA. Mangroves create essential ecosystems that can save coastal areas.

The first 1,000 customers that download the app and register on Emma by AXA app or web from August 1 to 31 will have a mangrove seedling donated on their behalf by AXA Hearts in Action.

So spread the word and let's do our part to help save the environment!

*CORa is a non-profit organization dedicated to creating sustainable programs to help local communities solve global issues centered on hunger, poverty, inequality and climate change.



AXA FOR PROGRESS INDEX

Responsibly investing through exclusion approach and ESG considerations in the Investment Processes.

➤ For General Account Portfolio:

- Application of **exclusion parameters** that are anchored on AXA's commitment to divest from certain industries to reduce the carbon footprint of our investment portfolio

➤ For Unit-Linked Portfolio:

- ESG factors are embedded in the investment process of our asset managers – Architas and AXA IM.
- Some of our funds already integrate ESG into the selection process of underlying asset managers and funds.



AXA AS AN INVESTOR

- Decrease the **carbon footprint** of AXA's general accounts assets by 20% by 2025
 - Reach €25 billion in **green investments** by 2023

Integrating Sustainability into AXA Philippines' Business Strategies





Thank You!

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