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Creating a more resilient future together

Climate change

Access to water

Financial resilience

AXA XL Hearts in Action

Supporting Inclusion & Diversity
Creating a more resilient future together

Our vision

At AXA XL we believe that acting responsibly is central to moving the world forward. From driving our people and products to help build more resilient communities, to advancing understanding and response to climate change, our approach to corporate responsibility (CR) is the same as our approach to business; constantly seeking to provide innovative solutions to the world’s most complex problems.

At AXA XL, the Property and Casualty and specialty risk division of AXA, we choose to make a long-lasting positive impact on the world around us. We use our business skills and resources to equip all kinds of communities to survive and thrive in our fast-changing world because we know that resilient communities can prepare for the expected and adapt to the unexpected.

This thinking is more than aspirational, it’s intentional for how we support the communities in which we live and work. With this in mind, in 2018, we established a new CR strategy and formed an internal steering group to help develop an innovative response to the world’s most complex problems through a multi-targeted approach, to be delivered by 2021.

Our strategy – Our Impact. Our Future. – aligns key issues that are pertinent to our business – climate, water and financial resilience – and contributes to AXA Group’s new purpose to “Act for human progress by protecting what matters.” Protection has always been at the core of our business, helping individuals, businesses and societies to thrive. And AXA has always been a leader, an innovator, an entrepreneurial company, fostering progress in all its dimensions. We now seek to become an even stronger force for good in the communities around us.

AXA XL accomplished many things in 2019, but there’s still more to do. We look forward to sharing updates on our progress.

Our focus areas

Climate

Global temperatures could rise dangerously by over 1.5°C by 2050 if we don’t all take steps to reduce CO₂ emissions according to the Intergovernmental Panel on Climate Change (IPCC).

We’re committed to creating a more resilient future for all. Companies and communities face a number of climate-related risks. We’re reducing our carbon footprint, protecting ecosystems and exploring how our business can help build a better world.

Find out more>

Water

The United Nations predicts a 40% shortfall in the global water supply by 2030. Access to water is expected to be an increasing challenge, and not just in developing countries.

We’re developing water resilience where it is – and will be – needed most.

Find out more>

Financial resilience

Only 22% of unemployed people receive financial support from their government (UN SDGs). We’re in the business of making our clients financially future-proof. We can do the same for our local communities. We’re helping create opportunities for the unemployed and underemployed, so they can be better prepared for unexpected changes.

Find out more>
How we contribute to the SDGs

The UN Sustainable Development Goals (SDGs) aim to build a more sustainable future for people and planet by 2030. AXA XL is playing its part in making these goals a reality in the following ways:

**GOAL 4**
Ensure inclusive and quality education for all and promote lifelong learning

**Target: 4.5**
Through our partnership with Plan India, AXA XL is helping 800 unemployed young people, particularly girls, learn vocational and work-readiness skills through intensive classroom courses.

**GOAL 6**
Ensure access to water and sanitation for all

**Targets: 6.1, 6.4 and 6b**
Access to water is one of our strategic focus areas. We are providing clean drinking water, sanitation facilities and hygiene education to over 10,000 people in rural India. We are also funding research to explore ways drought risk can be better mitigated in the most vulnerable communities.

**GOAL 11**
Make cities inclusive, safe, resilient and sustainable

**Target: 11.5**
Disaster management is a critical part of our business and we know that preparedness is just as important as relief and recovery. We are helping on-the-ground NGOs be better equipped for disasters, as well as supporting those who are displaced as a result of disaster.

**GOAL 13**
Take urgent action to combat climate change and its impacts

**Targets: 13.1 and 13.3**
Our climate research with academia has included identifying correlations between flood and cyclone frequency, and drivers of catastrophic wildfires to understand how we can better manage these risks in the future.

**GOAL 14**
Conserve and sustainably use the oceans, seas and marine resources

**Targets: 14.2 and 14.3**
Our Ocean Risk Initiative has three key focus areas: to drive the insurance industry’s response to ocean risk, catalyze new product innovations and increase ocean literacy through our education program for schools.

**GOAL 15**
Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

**Target: 15.1**
We’re partnering with The Nature Conservancy to assist in the creation of Blue Carbon Resilience Credits. Coastal wetlands store carbon, defend against flooding and promote biodiversity. Investors will offset carbon emissions while preserving these benefits.
Global temperatures could rise dangerously, by 1.5°C, by 2050 if steps are not taken to reduce CO₂ emissions, according to the IPCC. We’re committed to creating a more resilient future for all. Companies and communities face a number of climate-related risks. We’re reducing our carbon footprint, protecting ecosystems and exploring how our business can help build a better world.
Managing our carbon footprint

We’re continuously striving to reduce our carbon footprint, taking steps to save energy, reduce waste and adopt greener behaviors at work. For instance, AXA XL has implemented several initiatives to improve our performance in this area, including:

- Consolidating offices at key locations to reduce consumption
- Expanding Green Committees in locations across London, India and Dublin
- Engaging employees through awareness and educational campaigns on how they can reduce energy, waste and paper
- Continuing efforts to remove single-use plastics in offices

We calculate our annual carbon footprint using a full year of collected data (January–December) and report on this the following year. For this report, we are including detail related to our 2018 and 2019 footprint. AXA XL has a clearly defined internal protocol, which is reviewed annually to ensure that any business changes are noted for the reporting period. We report annually and publicly on our carbon footprint through our annual CR report, the ClimateWise Principles, and other climate change-related disclosures.

For our 2018 footprint, there were significant reductions in emissions linked to reduced energy consumption and business travel, despite a notable increase in headcount (+7.6%). The decrease in energy consumption can be partly attributed to the reduction in office space (m²) – down 3.2% in 2018.

At a regional level we realized emissions reductions in North America, Europe and Asia Pacific and reductions in each major operating country. While emissions were relatively consistent at the regional level, more extensive analysis of our emissions data shows data inconsistencies at the individual country or office level. Therefore, further improvements are needed to advance data quality and accuracy. In addition, AXA XL will continue to identify opportunities to reduce our carbon footprint and share best practice.

In 2019, the footprint represents significant emissions reductions compared to 2018 (-16%). This has mainly been delivered through decreases in emissions from air travel and energy consumption, despite an increase in overall distance traveled for business and a 1% increase in global headcount. The trends follow a similar reduction trajectory at a regional level.

There has been an increased emphasis on improving the data quality this past year, which has contributed in part to decreases reported by AXA XL; however, there is still room for further improvement to reduce year-on-year data volatility at key sites.

Carbon Smart 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. An agreed materiality threshold of 5% at emissions source, and/or global emissions level was applied.

### 2018 vs 2019 Emissions Data

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2019</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>Total emissions</td>
<td>54,568 tCO₂e</td>
<td>45,509 tCO₂e</td>
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<tr>
<td>Travel emissions</td>
<td>37,983 tCO₂e</td>
<td>34,301 tCO₂e</td>
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<tr>
<td>Energy consumption</td>
<td>44,458 MWh</td>
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<td>Business travel</td>
<td>118.9 million km</td>
<td>125.6 million km</td>
<td>↑ 5%</td>
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<tr>
<td>Headcount</td>
<td>8,259 FTE</td>
<td>8,327 FTE</td>
<td>↑ 1%</td>
</tr>
</tbody>
</table>

### Case Study: Green Committee activities in Gurgaon, India

In 2019, the Committee implemented initiatives in Gurgaon that led to recycling 1.2 tons of waste printed papers into 846 eco pens; reusing 402 kg of coffee grounds for composting; and reusing 290 pieces of electronic waste collected from employees during the #EvacuateEwaste drive. In addition to changing individual behavior, our colleagues helped spread the word by blogging on the AXA XL intranet about being more environmentally aware on a day-to-day basis.

“...I was truly impressed with how engaged colleagues were in our Green Committee to date. There was a true understanding and appreciation that we all need and can do our part.”

Amit Kumar, Chair of Think Green, Gurgaon office
Creating a blue carbon future

Significant areas of the world’s coastlines are lined with mangroves, seagrasses and tidal marshes – all of which represent major carbon sinks, capturing and storing billions of tons of carbon from our atmosphere. These coastal wetland ecosystems do this at rates up to five times greater than terrestrial forests, highlighting their vital importance.

The stored carbon is referred to as “blue carbon,” and it can remain in the soil for thousands of years, making it one of the longest-term natural solutions to climate change.

Not only do these coastal wetlands help to mitigate against climate change, they also offer protection against storms by absorbing incoming wave energy, often at lower costs than built infrastructure like seawalls and levees. Global environmental nonprofit The Nature Conservancy (TNC) has conducted research that illustrates how nature-based coastal resilience can save communities hundreds of millions of dollars when severe weather strikes, reducing flood damage by attenuating wave energy by up to 66%.

According to TNC, half of the world’s population lives in coastal areas, making sea-level rise and flooding from more frequent, intense storms a significant climate-related risk. The conservation and restoration of coastal wetlands can help protect millions of people while providing many other benefits such as enhanced biodiversity, healthier fisheries, water purification and improved local livelihoods.

Despite the numerous benefits these habitats provide, scientists estimate that 50% of the world’s mangroves and seagrasses, and at least 25% of tidal marshes, have been lost. It is critical that the world’s blue carbon systems are protected and restored now.

In 2019, we continued our partnership with TNC by assisting in the creation of a groundbreaking investment product: Blue Carbon Resilience Credits.

These would, for the first time, value the combined carbon sequestration and resilience benefits provided by coastal wetland ecosystems. The development of blue carbon credits will tap into the carbon credit marketplace that has traditionally focused on terrestrial credits and enable carbon finance to support these critical habitats over the long term. The resilience credit, purchased with the blue carbon credit or separately, will quantify and invest in the added risk reduction benefits of shielding coastal communities from more intense and frequent natural disasters in the future, conserving and restoring our natural ecosystems to their full potential.

TNC is working with the world’s leading carbon offset advisory firm TerraCarbon to finalize an assessment of the blue carbon sequestration value of mangrove, marsh and seagrass sites best positioned to generate the first round of the Blue Carbon Resilience Credits. TNC is advancing work in Virginia, Florida and the Northeast U.S., and also in Chile, Belize and the Caribbean.

This work will, we believe, enable businesses like our own to offset their carbon footprint while helping reduce flood risk in some of the most vulnerable areas at the same time as well as contributing to SDGs 13 (Climate Action) and 15 (Life on Land).
Three new PhD projects have begun under our Ocean Risk Scholarships program, bringing the number of Scholars to six. These projects focus on how a changing ocean impacts the current and future risk landscape. The Scholarships aim to drive ocean science research and build partnerships between academia and the insurance industry to better inform business decisions. Each Scholar is connected to an AXA XL Risk Supervisor who helps connect the research to the industry.

AXA XL, in partnership with Ocean Unite and the Global Resilience Partnership, alongside G7 countries launched the Ocean Risk and Resilience Action Alliance (ORRAA) at the UN Climate Action Summit. ORRAA will drive innovative investment into coastal natural capital to build resilience in vulnerable coastal communities. These financial products can be used as a critical component of disaster risk management and climate adaptation in countries that often lack the financial resources to fund relief, recovery and post-disaster reconstruction efforts. AXA XL and our partners will continue to lead the development of ORRAA as it starts to deploy projects in 2020.

Through ORRAA, AXA XL, alongside AXA Research Fund, has led the development of an Ocean Risk Index (ORI) to measure the impact of degraded coastal ecosystems on risk and incorporate the protective benefits of these ecosystems into risk models and risk management solutions.

Newly launched projects have also focused on a pre-feasibility study for mangrove insurance.

### Offsetting carbon at AXA XL

Working with our offsetting partner TNC, AXA XL is investing in carbon credits to support the Rio Bravo Climate Action Project, one of the first Reducing Emissions from Deforestation and Forest Degradation (REDD) projects in the world. Today, the project is funded with support from the government of Belize and through revenues from the sale of carbon offsets. The project protects 15,500 acres of tropical rainforest in northwest Belize, keeping 1.6 million tons of CO₂ (carbon dioxide equivalent) out of the atmosphere (since 2002) as well as preserving the habitats for a wide variety of flora and fauna. The project site is nested within the larger Rio Bravo Conservation and Management Area (260,000 acres), which forms an integral part of the Selva Maya forest.

Emissions related to air travel, our most significant Scope 3 emissions source, are offset on an annual basis.

### Championing our Ocean Risk Initiative and Ocean Education

AXA XL appreciates that the ocean is changing faster now than at any time in the past 65 million years, according to research from the University of Bristol. We need to better understand the implications of ocean derived risk and help build resilience at local, regional and global levels. Our Ocean Risk Initiative, which launched in 2017, has three key focus areas: to drive the insurance industry’s response to ocean risk, catalyze new product innovations and increase ocean literacy.

Here are just some of the important strides made in 2019:

- As part of the AXA Ocean Education program, our flagship virtual education events, Arctic Live and Coral Live, had continued success and we added a new one-off event: Submarine Live. These events are unique opportunities to connect students directly with scientists and researchers working in the field on marine issues. In November, student participation in Coral Live broke records, and there was increased use of our teaching resources and web outreach throughout the year. In total, the Ocean Education program has now reached nearly 6.7 million children, with over 48,000 tuning in to these events in 2019 alone.

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Monitoring emerging ocean risk

When it comes to developing solutions to ocean risk, AXA XL believes that taking an innovative, entrepreneurial approach is critical. We must first quantify the financial impacts of emerging ocean risk. This requires industry-aligned risk modeling solutions, which integrate the effects of sea level rise, increased wave height, and extreme storm surge with the protective benefits of coastal natural capital, such as mangroves and coral reefs.

The ORI is designed to do just that. It assesses the fiscal impact of physical and marine biological changes along coastlines especially vulnerable to sea level rise and storm surge. By modeling the loss and degradation of marine ecosystems, the ORI will allow insurers to price risk more accurately and provide avenues to transfer that risk, especially in emerging markets, enabling the development of new finance and insurance products. It will also provide greater clarity to public policymakers, multilateral agencies, the private sector and local communities to map their liabilities and direct financial flows more effectively. In the long term, the ORI aims to be a force for behavioral change toward proactively managing coastal ecosystems that increase resilience for communities and provide critical natural infrastructure and biodiversity across coastal regions and countries.

The Index assesses risk across three parameters:

- **ORI1**: risk to physical assets from sea level rise and storm surge, measuring risk with and without ecosystems to quantify the avoided costs that ecosystems provide.
- **ORI2**: fiscal risk from losing marine ecosystems by mapping income streams to ecosystems and modeling the probability of ecosystem loss and degradation.
- **ORI3**: risk to the co-benefits of ecosystems, such as their social, ecological and cultural significance and link to public health.

The development of the ORI began in September 2019 at a Technical and Scientific Working Group meeting. The immediate phase of development will focus on quantifying the physical risk in ORI1 of sea level rise and storm surge. Development of ORI2 and ORI3 will begin in mid-2020 to map income streams and co-benefits of coastal ecosystems and quantify their risk reduction services and the impact of their degradation on increased coastal risk.

The project will be fully implemented over two years, with the aim of presenting a first version of the Index in June 2021.
Continuing our work on climate research

We continue our commitment to climate research, and the impact it has on insurance, through our science team supporting various projects with academia and our wider industry. We have extended our project with the University of Quebec at Montreal by a further 12 months, to ascertain correlations in global flood and global cyclone frequency, with an aim to capture climate variability and trends, such that resilience to the perils will increase, and to bring the academic work closer to the risk models. We have also served as Chair of a seasonal hurricane prediction workshop in Barcelona, and we continue to support academic work in this field.

This past year we have also worked with the University of Exeter on re-imagining risk from North Atlantic Hurricanes using historical re-forecast data.

Finally, we carried out a wildfire study with researchers from the University of California, Merced to better understand the primary drivers of catastrophic wildfire events and to refine AXA XL’s view of California’s wildfire risk.

Focusing on responsible investment

AXA XL has a duty to act in the best interests of its policyholders and other stakeholders. AXA has developed a comprehensive policy that sets out AXA’s position on responsible investment (RI), defining RI as the integration of environmental, social, and corporate governance (ESG) considerations into our investment processes and our ownership practices.

AXA believes that ESG factors have the potential over time to impact investment portfolios across companies, sectors, regions and asset classes. We believe that ESG issues can therefore affect risk and returns and as such require monitoring.

AXA XL’s objective is to align investments with AXA’s wider CR agenda of protecting people over the long term and creating stronger and more sustainable societies.
Supporting disaster risk reduction

At AXA XL, we support disaster relief efforts by responding to appeals for international aid through our disaster relief charity partners. In 2019, we responded to the South Asian floods and Cyclone Idai that impacted Africa as well as Hurricane Barry and Hurricane Dorian in the United States by donating monies to both Save the Children UK and the American Red Cross, respectively.

In South Asia, devastating monsoon rains killed over 300 people and at least 3.2 million children were affected after severe flooding hit areas of India, Nepal, Bangladesh and Pakistan. Sadly, it's feared that hundreds more, including children, perished as the relentless downfall destroyed communities across all three countries. Save the Children responded to the flooding by:

- Supporting families who lost everything with essential shelter, and items like bedding, hygiene and kitchen kits, mosquito nets and clothing
- Repairing child-friendly spaces to make sure children had a safe space to learn, play and receive emotional support
- Providing families with clean, safe water and sanitation to help reduce the spread of disease

Through these efforts, we were able to assist families who were directly impacted by these devastating natural disasters and support the provision of essential shelter, as well as food supplies, hygiene kits, blankets and emotional support.

In addition to our relief efforts, we’ve partnered with RedR UK, an international capacity-building nonprofit to better prepare vulnerable communities for when disasters hit. In 2019, RedR developed a climate change adaptation and disaster risk reduction (CCDRR) course for humanitarian organizations working in vulnerable communities. So far, RedR has trained more than 35 participants in the Philippines, who have passed on their awareness and knowledge about how to prepare for climate-related disasters to more than 800 individuals. Plus, we’re now working with RedR UK to support the development of an online training and toolkit for CCDRR advocacy based on the pilot training course. AXA XL is also working with RedR UK to investigate ways to reduce the carbon footprint of the project.
The United Nations predicts a 40% shortfall in the global water supply by 2030. Access to water is expected to be an increasing challenge, and not just in developing countries. We’re developing water resilience where it is – and will be – needed most.
Contributing to water security

AXA XL recognizes the importance of access to clean water in ensuring a safe and healthy future for all and the need to focus on finding innovative solutions for water security. As part of our efforts to improve water resilience around the world, AXA XL has entered into a three-year partnership with international nonprofit WaterAid to bring clean drinking water to more than 10,000 people in rural India.

WaterAid strives to provide clean water, decent toilets and improved hygiene to the millions of people still living without these basic human rights.

According to WaterAid, over 94 million people are without clean water in India today, and nearly 732 million do not have access to a decent toilet. Our three-year partnership focuses on the district of Fatehpur in Northern India.

Fatehpur is a water-scarce district, which affects the whole community, including its schools. Most schools primarily have non-functioning toilets and limited hand-washing facilities. Additionally, most of the drinking water available to these schools comes through direct hand pumps, which may not be treated before being consumed. WaterAid also discovered that less than 10% of households in the rural parts of the district have access to pipe water supply.

AXA XL’s funding will support WaterAid in ensuring improved access to clean drinking water and inclusive sanitation facilities in the selected villages of the Fatehpur district; community-based committees that are trained and accountable for sustained drinking water and sanitation facilities; and promoting hygiene behavior change at both a community and institutional level.

AXA XL is also funding research to explore ways drought risk can be better managed in the most vulnerable communities. The research is being conducted by Pennsylvania State University and centers on identifying a way to calculate livelihood-specific weather indices that could be used in resilience programming, focusing on a case study of rainfall-driven hazards in Somalia.

Somalia is a country particularly at risk from rainfall-related hazards, with communities facing the intersection of multiple weather hazards and limited coping strategies. It has suffered from multiple humanitarian crises, including those driven by droughts that were all forecast by meteorologists.

One of the main priorities for the research is to improve the ability for vulnerable communities to robustly assess how climate factors influence current local weather hazards such as too little rainfall and the subsequent drought.

Additionally, a priority is to use this climate information more thoroughly in resilience programming in order to reliably identify new norms under a changing climate, and in turn forecast for these norms.
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Helping domestic violence survivors through legal pro bono clinics

Since 2017, AXA XL Legal & Compliance colleagues have been assisting communities by volunteering in legal pro bono clinics in New York and London. To date, 34 employees have been involved with the program and have donated 718 hours of pro bono support, which based on an average hourly rate for a New York City attorney of $500 an hour can be valued at $358,000 in legal fees. In 2019, in coordination with the Brooklyn Bar Association Volunteer Lawyers Project (VLP), the New York Charity Committee provided a grant to fund a Pro Se Uncontested Divorce Clinic that would focus on the needs of low-income domestic violence survivors.

Despite often living apart, many domestic violence survivors don’t have access to the resources they need to sever their legal relationship to their abusers. Nonetheless, 11 AXA XL colleagues assisted six clients through the process of obtaining an uncontested divorce from start to finish. In 2019, eight AXA XL attorneys assisted ten participants at an all-day Immigration Consultation Clinic sponsored by My Sisters’ Place at the Yonkers Public Library.

Additionally, nine AXA XL colleagues provided 50 hours of support to the Neighborhood Entrepreneur Law Project (NELP) of the New York City Bar Association’s City Bar Justice Center.

Aiding youth unemployment in India

As of 2020, India is set to be the youngest nation in the world. Of the current population living in cities, over 74 million are aged 15 to 24 years and as such there is a huge opportunity and responsibility to ensure that this section of the population is appropriately engaged and ready for the world of work. However, the mounting challenge is that only 2.3% of India’s total workforce has undergone formal skill training and, according to Plan India, year on year, 75% of the 15 million young people entering the workforce are not ready.

AXA XL has partnered with Plan India, a national nonprofit organization that strives to advance children’s rights and equality for young people (with a focus on girls), thus creating a lasting impact in the lives of vulnerable and excluded children and their communities. Plan India provides vocational and work-readiness training to socio-economically disadvantaged young adults. Under the Saksham project, these individuals are given training in vocational trades such as retail management, elder care and mobile device repair, alongside wider employability skills, to prepare them for successful entry into the workforce.

Our goal is to train 800 young adults from target areas in Delhi, two-thirds of whom will be young women. In addition, our colleagues will lead workshops for Saksham project participants, sharing tips and guidance on work readiness, as well as their own experiences of navigating career pathways.
Innovating to tackle youth homelessness

In 2019, AXA XL began a partnership with U.S.-based nonprofit Rapid Results Institute (RRI), to accelerate progress toward preventing and ending youth homelessness in the U.S.

RRI projects are designed to inspire intense collaboration, innovation, and disciplined execution in pursuit of remarkably ambitious 100-day goals. The RRI team has pioneered this work with local governments and communities focused on addressing youth homelessness, as well as wider projects to support agencies working in the fields of criminal justice and healthcare.

A team of high-potential colleagues from across AXA XL will support “Communities” of youth homelessness agencies on their 100-Day journeys through coaching and facilitation of workshop sessions, as well as assist the RRI team in monitoring and evaluating the results achieved in the 100 days and beyond.

AXA XL participants will also form a “learning cohort” that will work together to shape and implement their own 100-Day Challenge internally within AXA XL. This internal Challenge will focus on engaging other AXA XL colleagues on the issue of youth homelessness and ways we can support our communities. The learning cohort will also be expected to share their insights and learnings from their exposure to the principles and practices of RRI.

Creating accessible services for low-income households

In 2019, we began working with United Way of Western Connecticut (UWWC), in support of their ALICE® project. UWWC fights for the health, education and financial stability of every member of the local community, with a particular focus on supporting the growing number of hard-working households that do not earn enough to afford basic necessities. Low wages, tight budgets and a limited ability to set aside savings all too often means members of our community are one emergency away from financial crisis. These households are Asset Limited, Income Constrained, Employed – or “ALICE.”

UWWC is working on developing a comprehensive digital platform to deliver discounted services and other means of financial support to ALICE households. AXA XL has provided $50,000 in start-up funds, and our IT Security team is also providing pro-bono support for the development of the platform. We look forward to continuing our partnership in 2020.
AXA XL has a number of volunteering and charitable giving programs, designed to help colleagues support causes that matter most to them and to contribute to the needs of their immediate neighborhoods. These are known as our “Hearts in Action” programs.
Global Day of Giving
Our annual Global Day of Giving (GDoG) enables all AXA XL colleagues to spend a day donating our time and skills to the communities in which we live and work. Projects vary widely, according to the passions of colleagues and the needs of our communities. In the past they have included preserving historic sites, running educational activities for children, serving meals at homeless shelters, and painting and gardening for local community centers.

On May 10, 2019, more than 5,300 AXA XL colleagues participated in our 14th GDoG, supporting over 320 charitable projects across 29 countries, collectively donating 42,300 hours. The day started with projects in Australia, where, among other projects, colleagues spent the day cleaning, repairing and sorting baby items to be donated to families in need, and finished on the west coast of the U.S., where colleagues worked to preserve one of the last standing wetland ecosystems in Southern California.

Since the inception of the GDoG in 2006, AXA XL colleagues have performed approximately 375,000 hours of community service for hundreds of nonprofits worldwide.

Highlights from 2019 included:

- 32,200 people benefited from our collective efforts*
- 1,610 days’ worth of work saved for the nonprofit partners*
- 94% of our colleagues reported they had gained business skills as a result of participating in GDoG, including teamwork, communication and organization
- 84% of participants said that their pride in AXA XL increased as a result of taking part
- 80% of colleagues confirmed they would “definitely” or “probably” continue volunteering after GDoG

*Based on the median average reported by Project Leaders.
Corporate Responsibility Week

In 2019 AXA XL participated in our first AXA Group Corporate Responsibility Week, an annual event where all AXA entities promote and recognize philanthropic efforts of colleagues. For our first CR Week, our colleagues worldwide volunteered and fundraised for local nonprofits. The fundraising efforts ran the gamut from bake sales to lip sync contests to raffles. More than $13,500 was raised from individual colleague contributions to help 14 nonprofits. AXA XL matched these funds up to $1,000 per office, which brought the total amount raised to approximately $22,000. The monies raised supported nonprofits such as the Ronald McDonald House in Philadelphia, where families with seriously ill children receive lodging, nutritious meals and psychosocial support, and a children’s care home near Cologne, Germany, where the funds were used to purchase much-needed school supplies for the children.

In addition, some of our offices organized hands-on initiatives to support local nonprofits. With environmental protection and conservation in mind, more than 50 colleagues in the Gurgaon, India, office participated in a tree planting drive where over 200 saplings of different varieties were planted. Austria colleagues picked up trash at Danube Island in Vienna. In Paris, colleagues volunteered to educate schoolchildren on environmental issues. In Poland, a book collection was held for a local hospice and in Singapore and Sydney, lunch and learn sessions were conducted with local nonprofits to raise awareness about the important work they do.

Celebrating our VolunTree Heroes

We were proud to launch VolunTree Heroes, a new initiative that celebrates and recognizes colleagues who volunteer by planting one tree for every day of colleague volunteering. In 2019, we planted over 5,957 longleaf pine trees in Virginia, USA, in our AXA XL VolunTree Forest.

“... Our volunteer efforts are growing literally, thanks to all of our AXA XL colleagues. And, what better way to demonstrate how firmly rooted we are in our community than by planting a tree to honor our VolunTree Heroes.”

James DiVirgilio, Chief Regional Claims Officer North America and Executive Sponsor of Volunteerism

Supporting colleague fundraising and donations

Our Matching Gifts program offers colleagues the opportunity to apply for matched funds for their donations to the nonprofit organization(s) of their choice, up to a total of $800 per colleague per year. Over the past year, we donated more than $120,000 to 297 nonprofits around the world.

Enabling regional charitable engagement

Through 31 Regional Charity Committees made up of more than 250 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, which includes grant giving, fundraising, awareness raising and donation drives. In 2019, our Committees awarded grants totaling approximately $850,000 to about 150 nonprofits across four focus areas for the year – social inclusion, health, environment and technology literacy.

Save the Whales

The Northern California Charity Committee once again awarded a grant to Save the Whales, a California-based nonprofit that works to preserve and protect the ocean and its inhabitants. Our grant funding in 2019 enabled the organization to expand its interactive, educational school outreach program to more than 960 schoolchildren in Monterey and Santa Cruz counties in California. Activities included Whales On Wheels (WOW™), featuring “Dee the Beautiful Whale,” a life-size 43-foot replica of a humpback whale that teaches children about whale anatomy, watersheds that channel rainfall and snowmelt to rivers, urban runoff and marine debris, and about what children can do to help protect the environment. The Land and Sea Watershed Model teaches children about their local watershed and how storm drains and waterways in their neighborhoods connect with the Salinas River, which flows down to the Monterey Bay National Marine Sanctuary (in the Pacific Ocean). In addition, the nonprofit established two butterfly gardens to help students learn about climate change, endangered species, alternative gardening methods that avoid pesticides and herbicides, as well as how to prevent excess water to run into storm drains.
**Future 5**

Our Stamford Charity Committee awarded grant funding to **Future 5**, a nonprofit that helps connect motivated low-income high school students in Stamford to the people, resources and experiences essential to making the transition to post-secondary education and careers. The funding supported Future 5’s College Access and Persistence (College AP) program, a comprehensive program that covers all aspects of the college admissions process – from SAT preparation and other informative workshops, to identifying and applying to colleges, to working with students on their financial aid packages and scholarships. By giving these at-risk students access to educational resources, we can help bridge the opportunity gap that exists in Connecticut.

**XL Foundation Bermuda**

In 2019, XL Foundation Ltd (Foundation), a subsidiary of AXA XL, continued to carry out its commitment to the Bermuda community in its strategic focus areas, which include education, health and human services, social and community, sports and recreation, arts and culture and the environment. The Foundation, which was formed in 1997, disburses funds generated from the investment portfolio of the X.L. Charitable Trust, a trust established and funded by AXA XL's predecessor, XL Capital in 1997.

Throughout the year, the Foundation contributed time and expertise and distributed funds from the X.L. Charitable Trust to a wide range of charities that are addressing Bermuda’s current and anticipated future needs. Some examples include:

- **Bermuda Institute of Ocean Sciences’ Ocean Academy**, which offers a suite of educational programs that provide more than 1,000 students and teachers annually with STEM training focused on the marine environment.
- **Family Centre’s Youth Leadership Academy**, a three-phase, five-year leadership training program targeting at-risk youth who have usually experienced loss, trauma and/or neglect and are unlikely to participate in other youth development programs.
- **Knowledge Quest**, which provides scholarships as well as mentor support to students of all ages, including adults, with limited financial means. It’s an opportunity for financially strapped Bermudians to develop skills necessary to achieve their professional goals, strengthen the island’s workforce and provide leadership and service to the local community.
- **Impact Mentoring Academy**, which provides a rich, learning environment for males 11 to 18 years old, who for a variety of reasons struggle in a traditional school environment. The Academy’s mission is to challenge and empower these young men to successfully complete their high school education and achieve either college placement or full-time employment upon graduation.
- **PRIDE Bermuda’s Student Assistance Programs**, which provide substance abuse preventative education to Bermuda’s youth.

The Foundation also continued to significantly support education-based capital campaigns – including one involving the building of a state-of-the-art Innovation Centre at a local high school for girls, to ensure that they and the broader Bermuda community are well prepared for the high-tech present and future.
We are committed to building a global workplace that works for everyone. All colleagues are treated with dignity and respect, and individual differences are encouraged and valued. We know the power of a diverse workforce and inclusive culture in driving innovation and enabling us to meet all of our clients’ needs.
Inclusion & Diversity

AXA XL aspires to become the most inspiring company to work for. It is doing this in three ways:

- Driving an inclusive culture: Creating a global workplace that works for everyone, with a culture that values all individuals, backgrounds and ideas, and where every colleague feels safe, valued and respected
- Diversifying our workforce: Increasing the representation of women in leadership, achieving 50% by 2023, and focusing on underrepresented populations by region, positioning AXA XL as an employer of choice for all talent
- Supporting our marketplace and community: Supporting our communities and visibly and thoughtfully championing equity around the globe

Key initiatives

Development and advancement: To meet our goal of increasing the percentage of women in senior leadership roles, we have a laser focus on sponsoring women into on-the-job development opportunities that accelerate advancement. Senior leaders identify opportunities across the business – large, highly visible projects, mission-critical roles and international assignments – and then tap high-potential women who have interest in the opportunities. The senior leaders ensure the women have the resources that they need, and the visibility that their work and successes deserve.

Engagement: Our business resource groups (BRGs) are colleague-led initiatives with executive sponsorship that drive our people strategy forward. We have five groups with a total of 20 Chapters around the world: LEAD (gender), PRIDE (LGBTQ+), RISE (race/ethnicity), EnABLE (disability) and Inclusion Committees. By participating in these BRGs, colleagues have the opportunity to develop professionally, expand their networks, gain visibility with senior leaders, and experience stretch opportunities they might not have in their day-to-day roles and responsibilities.

Benefits: Our flexible working arrangements and family-friendly leave policies enable our employees to achieve work-life effectiveness.

Recruitment: All hiring managers always consider a highly qualified, diverse candidate slate prior to making a hiring decision. Our Diverse Slate Policy requires all roles across all levels have a gender-balanced list of finalists.

UK Gender Pay Gap Report 2019

AXA XL’s 2019 UK gender pay gap report is available to download at: https://axaxl.com/-/media/axaxl/files/pdfs/about-us/diversity-and-inclusion/2019-gender-pay-gap-report.pdf. The report outlines steps intended to close the gender pay gap, including our commitment to regional talent reviews, flexible working, mentoring programs and a diverse slate policy for talent acquisition. AXA XL has also signed the Women in Finance Charter, and we are pleased to report that we achieved our goal of 35% of women in senior roles two years ahead of schedule.

35% of women in senior roles in the UK, achieving our goal two years ahead of schedule

Workplace conduct

Our commitment to ethical and compliant conduct is detailed in AXA Group’s Compliance and Ethics Code (“Code”) as well as AXA XL’s Code Supplement on which the following sections elaborate. AXA XL’s employee handbook and policies summarizes the organization’s commitments to providing an equal employment opportunities working environment with which all employees must comply and providing a workplace that is free from discrimination, including any form of harassment. This is consistent with the AXA Group’s global standards.

AXA XL’s employees, together with colleagues from across the AXA Group, are invited to participate in an engagement survey. AXA XL believes it is important to understand what employees perceive and experience.

The results of the survey assist senior management to understand strengths and identify areas for improvement with the aim of achieving a culture that engages and motivates all colleagues to bring their best to work.

The foundation of AXA XL’s human resources (HR) efforts is an ongoing commitment to instilling AXA XL’s commitments and values in all people-related activities and processes. HR is a strategic partner to oversee AXA XL’s HR risks. HR provides clear frameworks and business partnering to help managers be accountable for making the right people-related decisions, sets the standards and tone for those decisions and intervenes when the standards and corporate values are not followed and there is a risk to AXA XL. A culture of high performance remains essential for AXA XL’s success.

Respect for human rights


The MSA Statement sets out AXA XL’s standards, policies, due diligence processes and principal risks in more detail concerning the respect for human rights.

The MSA Statement explains that AXA XL is subject to AXA Group’s Code, which is communicated to all employees. The Code and the AXA XL Code Supplement provide guidance on compliance with applicable rules and ethical standards, as well as on acting with integrity. AXA XL’s employees complete an online acknowledgement form annually to confirm compliance with the Code and the Code Supplement.