



AXA for Progress Index: a holistic approach to integrating and measuring sustainability in a company

Daniel Gussmann, Chief Investment Officer

Act for human progress by protecting what matters

AXA Group’s sustainability strategy aims to achieve two main goals: to act as a leading force against climate change and biodiversity loss, as well as to position ourselves as an inclusive insurer by making our health products and protection services more accessible for vulnerable populations. We have chosen to send a strong signal by placing our climate commitments at the core of this new strategy.

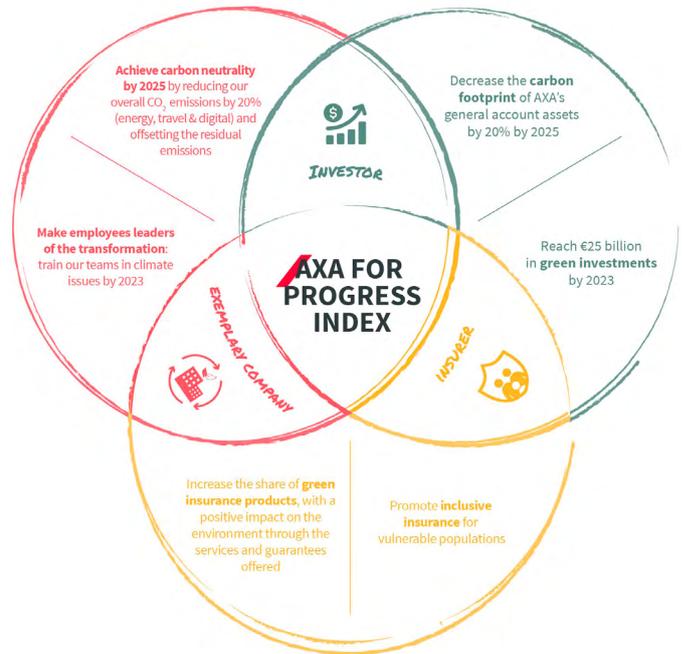
To tackle the challenge of how to integrate and manage such a topic that will fundamentally reshape our business and to make our Purpose “Act for human progress by protecting what matters” tangible for all our staff, we decided to implement a tool to measure and track our progress.

AXA for Progress Index: to manage, we must measure

The AXA for Progress Index was launched in April 2021.⁸³ It is based on seven commitments shared across operations worldwide to further embed sustainable development in our activities: as an investor, as an insurer and as an exemplary company. With five of the seven commitments aimed at shaping the climate transition, the index is now the primary measurement tool for AXA Group to achieve objectives set out in its climate and biodiversity strategy.

This index enables us to identify, measure, and steer our actions to fulfill our commitments thanks to key performance indicators (KPIs). Specific working groups have been set up with key stakeholders at the local entity and Group levels to define the action plans to achieve our commitments. We are currently setting objectives for green insurance products that contribute to climate change mitigation, while also addressing the closely linked biodiversity aspects.

The implementation and measurement come with challenges. For example, from an investor’s perspective, data coverage and quality need is lacking for certain assets. This why we continue to work closely with data providers in order to enhance the data.



Holistic approach with a clear strategy

Our climate-related initiatives leverage every asset and expertise at our disposal: green investments, products with environmental added value, climate resilience and adaptation solutions, direct environmental footprint reduction, academic support via the AXA Research Fund, and partnerships.

However, successful action also includes internal climate literacy staff have access to the AXA Climate Academy, an online training program on climate change and its impacts. The transformation requires staff commitment and action. AXA does all this because climate change is a medium- to long-term risk and quantifying its impacts on our activities is a complex task. AXA's strategy is not only to adapt, but also to take advantage of our expertise to provide solutions, since “a 2°C world might be insurable, but a 4°C world certainly would not be”.

83 <https://www.axa.com/en/magazine/leaders-voice-axa-for-progress-index>