

Press Release

AXA IM is on track to reach its interim targets towards net zero by 2050

- AXA IM publishes the second edition of the *AXA IM for Progress Monitor* and associated Sustainability Report
- AXA IM made material progress by succeeding to reduce the carbon intensity of its corporate portfolio by almost double the ambitious target
- Significant progress has been made on real estate portfolio decarbonisation, also exceeding the interim goal
- The positive momentum on channelling capital towards natural capital solutions and engagement with several targets achieved, confirms AXA IM's ambitions to reach net zero by 2050

AXA Investment Managers (AXA IM) today unveils the second update of the *AXA IM for Progress Monitor* as well as its **2023 Sustainability report**. AXA IM aims to be transparent about its approach to sustainability and its efforts to achieve its objectives by communicating tangibly and regularly.

Announced in 2023¹, the *AXA IM for Progress Monitor* is a set of eight key performance indicators (KPIs), chosen for their strategic importance and material contribution towards AXA IM's goal of reaching net zero as a business and investor by 2050². **These indicators provide a focus on how AXA IM's commitments and actions are driving change across three pillars: decarbonisation, channelling capital and engagement.**

By the end of 2023, AXA IM had made **material progress in decarbonisation** across the spectrum of its activities:

- On the **alternative assets side**, as AXA IM is the largest property portfolio and asset manager in Europe³ and therefore has a pivotal role to play in contributing to the decarbonisation of the real assets sector. By developing a methodology aiming to standardise its approach to energy efficiency and decarbonisation for all its property assets across all sectors, AXA IM has established a clear roadmap to significantly reduce GHG emissions, in line with the Paris agreement, resulting in:

¹ See: [AXA IM aligns compensation of senior executives to its ESG ambitions | AXA IM Corporate \(axa-im.com\)](#)

² At end of 2023, AXA IM reaches €548bn (\$593bn) of AuM covered by our NZ targets, i.e., to be managed in line with a net zero pathway aligned with the Paris Agreement (65% of total AuM, 73% of total AuM excl. JVs). The target covers:

- 100% of listed corporate (incl. listed real estate) and sovereign exposure;
- c. 86.9% of real estate equity AuM, i.e., all RE equity assets on which AXA IM Alts has direct leverage to trigger climate action at asset level. The target does not cover at this stage: Infrastructure debt and equity, CRE debt, Alternative credit, Natural Capital and Impact and other asset classes (e.g. derivatives).

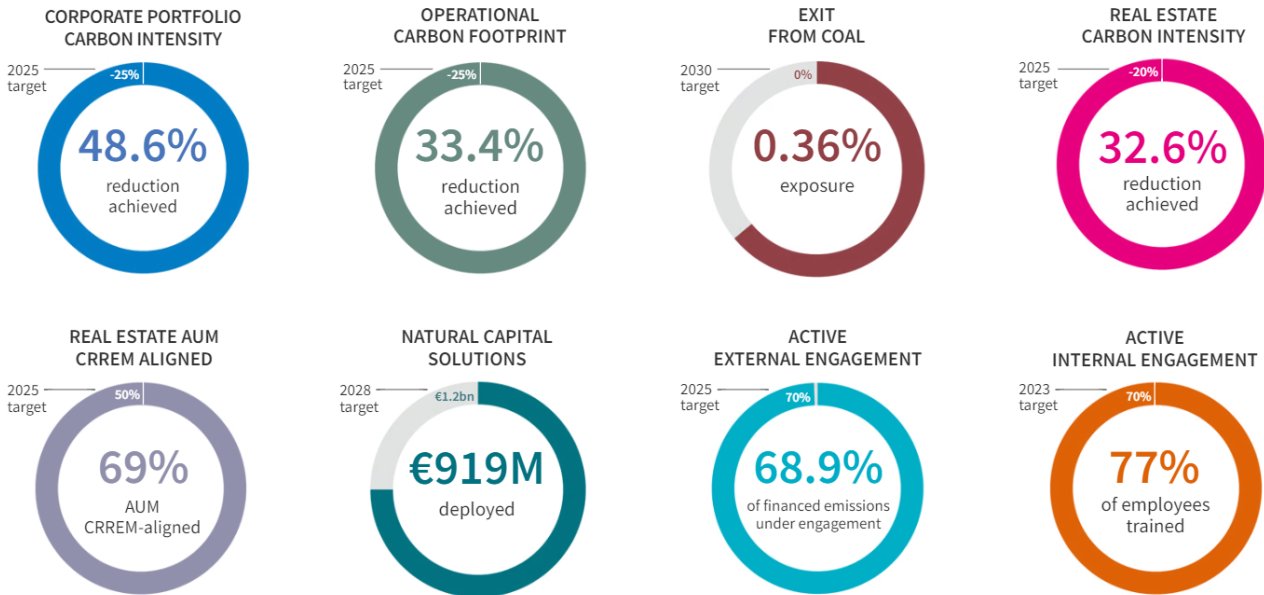
³ Highest-ranked European Real Estate Manager in IPE's Global Top 150 Real Estate Investment Managers, based on total value of real estate assets under management, November/December 2023. Ranked 9 globally.

- **reducing the carbon intensity of its real estate portfolios by 32.6%** (vs. 2019), significantly exceeding the interim target of a 20% reduction by 2025.
 - **keeping 69% of its direct real estate AUM in line with the Carbon Risk Real Estate Monitor (CRREM)** trajectory, the leading global standard and initiative for operational decarbonisation of real estate assets. This is the second year in a row that AXA IM has achieved this target, notwithstanding that the CRREM trajectory becomes increasingly ambitious and challenging to align with and considering the portfolio turnover.
- On the **listed assets side, AXA IM made material progress in decarbonisation** by successfully reducing the carbon intensity of its corporate portfolio by 48.6% (vs. 2019), exceeding its target of -25% by 2025.
 - **At a corporate level, AXA IM** has reduced its own operational carbon footprint (energy, business travels, car fleet) by 33% by the end of 2023 (vs. 2019), exceeding its reduction target of 25% by 2025.

AXA IM also made significant progress on the other two pillars of its roadmap towards net zero, namely **channelling capital** and **engagement**:

- By reaching **68.9% of financed emissions in material sectors subject to engagement as at the end of 2023**, in line with its target of 70% by 2025. The scope covers engagement activities conducted directly by AXA IM or collaboratively through Climate Action 100+. As a result, AXA IM has decided to ambitiously raise its target, **now aiming for 90% of financed emissions in material sectors subject to engagement by 2030**.
- By managing to keep a **low coal exposure** of its investments in OECD countries, at **0.36% at the end of 2023**, despite negative market effects and in line with its target of exiting all coal investments for this geography by 2030.
- By succeeding to **reach €919 million of committed investments in natural capital solutions**, in line with its target set at €1.2 billion by 2028. As a responsible investor, AXA IM's role is to actively make a positive impact by consciously channelling capital towards sustainable investments, particularly those with a positive and significant impact on **biodiversity** and **natural capital**.
- By enabling **77% of its employees to attend ESG and sustainability training** and awareness sessions, surpassing its target set at 70% for 2023.

Marco Morelli, Executive Chairman of AXA IM, said: *"While we have made strong progress over the last years, we strive to do more as there is still a long way to go to reach net zero. We will achieve this by continuing to decarbonise our portfolios across all asset classes, by channelling more capital towards natural capital solutions and sustainable investments, and by carrying out ever more demanding engagement activities with investee companies to support their transition. This report presents our personal journey towards net zero, thanks to the commitment of all AXA IM teams for the long-term benefit of our clients."*

Overview of AXA IM progress on the eight indicators composing the AXA IM for Progress Monitor:


To read AXA IM Sustainability report 2023 and get a comprehensive view of the progress made, please [click here](#).

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Notes to editors
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About AXA Investment Managers

AXA Investment Managers (AXA IM) is a leading global asset manager offering a diverse range of global investment opportunities in both alternative and traditional asset classes. Through our products we aim to diversify and grow portfolios, while delivering long-term investment performance and value for clients.

AXA IM manages approximately €859 billion in assets*, and has €480 billion of ESG-integrated, sustainable or impact assets**. Our purpose is to act for human progress by investing for what matters. As a responsible asset manager, we are committed to integrating ESG principles across our business, from stock selection to our corporate actions and culture.

Part of the AXA Group, a worldwide leader in insurance and asset management, AXA IM employs over 2,800 employees and operates from 23 offices in 18 countries globally**.

*As at the end of June 2024, including non-consolidated entities.

** As at the end of December 2023.

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Climate or sustainability-related metrics and underlying emissions data are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used to determine them. There is a limited availability of relevant data: such data is not yet systematically disclosed by issuers, or, when disclosed by issuers or collected from third-party data providers, it may be incorrect, incomplete or follow various reporting methodologies. The data sources and methodologies are expected to evolve and improve over time and may materially impact targets and the achievement of targets.

Targets noted above reflect management's current expectations, and are subject to a number of assumptions, variables and uncertainties, including actions of issuers in which we invest, suppliers and other third parties, as well as a variety of political, economic, regulatory, civil society and scientific developments beyond AXA IM's control. There can be no assurances that our targets and the timetable for any transition will be achieved in whole or in part. Moreover, while there are significant progress on the Progress Monitor KPIs, portfolios are not static and acquiring lower performing assets with the aim of improving their performance, and potentially disposing of high performing assets could affect some metrics in the future.

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